FORM 5A

ANNUAL LISTING SUMMARY

Introduction

The requirement to file this Form 5A does not apply to NV Issuers. NV Issuers must file a Form 51-102F2 Annual Information Form.

This Annual Listing Summary must be posted on or before the day on which the Issuer's annual financial statements are to be filed under the Securities Act. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies.

General Instructions

(a) Prepare this Annual Listing Summary using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.

(b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.

(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Listed Issuer Name: Tenet Fintech Group Inc. **Website:** https://www.tenetfintech.com/ **Listing Statement Date:** September 15, 2015 **Description(s) of listed securities(symbol/type):** Common Shares, stock symbol "PKK", as well as on the OTC Pink Sheet under the symbol " PKKFF".
Brief Description of the Issuer's Business: Tenet Fintech Group Inc. is the parent company of a group of innovative financial technology (Fintech) and artificial intelligence (AI) companies. Tenet's subsidiaries offer various analytics and AI-based products and services to businesses, capital markets professionals, government agencies and financial institutions either through or leveraging data gathered by the Cubeler® Business Hub, a global

ecosystem where analytics and AI are used to create opportunities and facilitate B2B transactions among its members.
Description of additional (unlisted) securities outstanding. The Issuer has **169,655,797** reserved for issuance (Stock options, Convertible debentures and Share Warrants)
Jurisdiction of Incorporation: The Issuer was incorporated pursuant to the provisions of the Business Corporations Act (Alberta) on May 13, 2008, and continued under the Canada Business Corporations Act on April 4, 2011.
Fiscal Year End: December 31st of each year.
Date of Last Shareholders' Meeting and Date of Next Shareholders' Meeting (if scheduled): Last Shareholders' Meeting was November 6, 2025
Financial Information as at: December 31, 2025, and comparable period December 31, 2024.

	Current	**Previous**
Cash	$1,341,666	$890,085
Current Assets	$28,078,937	$33,194,579
Non-current Assets	$2,207,995	$5,400,692
Current Liabilities	$28,089,778	$26,579,517
Non-current Liabilities	$1,840,972	$8,299,512
Shareholders' equity	$356,182	$3,716,242
Revenue	$10,930,645	$2,843,770
Net Income / (Net Loss)	($9,105,490)	($59,261,822)
Net Cash Flow from Operations	($8,527,206)	($6,917,839)

SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in the Schedules. If the required details are included in Schedule A or B, provide specific reference to the page or note.

1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

(a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.

(b) A description of the transaction(s), including those for which no amount has been recorded.

(c) The recorded amount of the transactions classified by financial statement category.

(d) The amounts due to or from Related Persons and the terms and conditions relating thereto.

(e) Contractual obligations with Related Persons, separate from other contractual obligations.

(f) Contingencies involving Related Persons, separate from other contingencies.

Please refer to the summary table below summarizing the related party transactions derived from the schedule A – Audited Financial Statement.

<table>
<tr><th>Related Person / Transacting Party</th><th>(a) Precise Relationship Description</th><th>(b) Transaction Description (Incl. zero-value events)</th><th>(c) Recorded Amount (by Financial Category)</th><th>(d) Due To / (From) Balances & Terms</th><th>(e) Contractual Obligations</th><th>(f) Contingencies & Credit Exposure</th></tr>
<tr><td>Mr. Liang Qiu</td><td>• Director of Parent Company
• Executive Officer of Parent
• CEO of China Operations

Reporting insider under Canadian Securities guidelines.</td><td>Data Science Capital Advance:
Historical cash advance to establish a Chinese subsidiary. Determined in Q1-2025 as unnecessary; full funds repatriated in full to Canadian parent.</td><td>Balance Sheet:
• Repatriation of $7,733,174 (reverses Q4-2024 asset balance to $Nil).</td><td>Ending Balance:
• $Nil (2025)
• ($7,733,174) (2024)

Terms:
• No interest, unsecured. Control of bank account was held by parent during transition.</td><td>N/A</td><td>N/A</td></tr>
<tr><td>Wuxi Dinghao Jiaye Information Technology Co., Ltd. ("DJ Tech")</td><td>• Related company controlled by Mr. Liang Qiu (Director and Executive Officer of the Company).</td><td>1) Custom Software Revenue:
Custom platform development services rendered to DJ Tech.

2) Short-Term Funding:
Cash advances provided to China sub (ASH) to bypass foreign-debt limits.</td><td>1) Income Statement (Revenue):
• $531,849 (2025)
• $Nil (2024)

2) Standalone Financing:
• $500,780 new loans received in FY-2025.</td><td>Ending Balance (Payable):
• $1,217,740 (2025)
• $720,983 (2024)

Terms:
• 0% Interest (local PRC lending laws limit interest charges to licensed entities). Unsecured, payable on demand.</td><td>Binding Loan Agreements:

To repay DJ Tech in full upon cash repatriation or capital restructuring clearance.</td><td>None.

No interest rate risk exists due to the 0% interest structure.</td></tr>
<tr><td>Mr. Kelong Chen</td><td>• ASFC Director
• ASFC Chairman
• Nominee Shareholder
• 35% equity holder in Jiudong (49% NCI partner)</td><td>1) Board Remuneration:
Advisory fees as ASFC Chairman.

2) Private Placement:
Subscribed to parent common share private placement.

3) Debt Guarantee:
Personal guarantor for Chinese loan portfolios.</td><td>1) Operating Expense (G&A):
• Accrued board fees.

2) Equity Component:
• Participating subscription of $130,000 in March 2025 placement.</td><td>Ending Balance (Payable):
• $136,545 (2025)
• $91,344 (2024)

Terms:
• Unsecured, non-interest bearing, standard director fees, settled in cash.</td><td>N/A</td><td>Nominee Risk:
Holds ASFC shares on behalf of the group under a nominee agreement, creating potential conflict risks.

Personal guarantor (see Jiudong details).</td></tr>
<tr><td>Mr. Changsheng Zhuo</td><td>• ASFC CEO
• ASFC Director
• Nominee Shareholder
• 15% equity holder in Jiudong (49% NCI partner)</td><td>1) Executive Salary:
Salary as ASFC CEO.

2) Private Placement:
Subscribed to parent common share private placement.

3) Debt Guarantee:
Personal guarantor for Chinese loan portfolios.</td><td>1) Operating Expense (Payroll):
• Accrued salary & fringe benefits.

2) Equity Component:
• Participating subscription of $90,000 in March 2025 placement.</td><td>Ending Balance (Payable):
• $136,545 (2025)
• $91,344 (2024)

Terms:
• Unsecured, non-interest bearing, standard executive payroll, settled in cash.</td><td>N/A</td><td>Nominee Risk:
Holds ASFC shares on behalf of the group under nominee agreement.

Personal guarantor (see Jiudong details).</td></tr>
<tr><td>Jiudong Ltd.</td><td>• Joint partner holding 49% non-controlling interest in the ASFC subsidiary.</td><td>Corporate Loan Guarantees:

Provides corporate backing for ASFC's commercial loan portfolios in China.</td><td>None directly on P&L.

Normal course credit enhancement to secure ASFC commercial lending operations.</td><td>Ending Balance:
• $Nil (no fees paid or payable for the guarantee).</td><td>Corporate Guarantee Contract:

Under agreement, Jiudong must fully perform and pay outstanding balances on borrower default.</td><td>Core Credit Risk Mitigation:

Corporate guarantor backing 100% of ASFC's supply-chain finance credit ($18.75M principal).</td></tr>
<tr><td>General Directors, Officers & Key Management</td><td>• Executive Officers
• Board Directors (Canada & China)

Key management who control operational pipelines.</td><td>1) Key Executive Remuneration:
Standard executive payroll, bonus, and fringe benefits.

2) Debentures:
Related parties holding convertible debentures.</td><td>1) Operating Expense (Payroll):
• $1,607,279 (2025)
• $1,656,269 (2024)

2) Finance Costs (Interest):
• $463,463 accrued interest.</td><td>Ending Balances (Payables):
• Payroll AP: $1,424,185 (2025) | $1,327,489 (2024)
• Debentures: $2,777,513 (2025) | $2,407,008 (2024)

Terms:
• Standard payroll is non-interest. Debentures carry standard coupon rates.</td><td>Employment Agreements:
Standard corporate executive contracts.

Debenture Certificates:
Subject to standard redemption and conversion clauses (Note 15).</td><td>Default Contingency:

If debentures fail to refinance, related-party holders have pari-passu collection claims.</td></tr>
</table>

2. Summary of securities issued and options granted during the period.

Provide the following information for the Listed Issuer's fiscal year:

(a) summary of securities issued during the period,

During the period, the Company issued a total of 87,074,308 common shares, consisting of 75,074,308 common shares issued pursuant to a private placement financing completed in March 2025 and 12,000,000 common shares issued upon the conversion of debentures. The table below summarizes the share capital movements during the period. This was derived from the Schedule A – Audited Financial Statement for the Year Ended December 31, 2025 Note 21 – Shareholder's Equity.

1- Summary of common shares issued during the period:

		Capital stock									
	Note	Number of common shares	Amount	Equity to issue	Contributed surplus	Equity component of convertible debentures	Accumulated other comprehensive loss	Deficit	Total attributable to owners of parent	Non controlling interest (note 28)	Shareholders' equity
Balance as at January 1, 2025		238,066,559	228,003,528	181,661	30,629,280	899,351	(828,085)	(268,313,810)	(9,428,075)	13,144,317	3,716,242
Issuance of shares and warrants	21.2-21.4	75,074,308	2,521,003	–	1,277,464	–	–	–	3,798,467	–	3,798,467
Issuance costs - shares and warrants	21.2	–	(238,559)	–	(105,711)	–	–	–	(344,270)	–	(344,270)
Issuance of broker compensation warrants	21.2	–	–	–	55,970	–	–	–	55,970	–	55,970
Deferred tax - equity component of convertible debentures	15	–	–	–	109,102	58,425	–	–	167,527	–	167,527
Conversion of debentures	15-21.2	12,000,000	2,263,297	–	–	(220,471)	–	–	2,042,826	–	2,042,826
Share-based compensation	22	–	–	–	258	–	–	–	258	–	258
Transactions with owners		325,140,867	232,549,269	181,661	31,966,363	737,305	(828,085)	(268,313,810)	(3,707,297)	13,144,317	9,437,020
Net loss		–	–	–	–	–	–	(9,345,634)	(9,345,634)	240,144	(9,105,490)
Other comprehensive income (loss)		–	–	–	–	–	(180,520)	–	(180,520)	205,172	24,652
Total comprehensive loss for the year		–	–	–	–	–	(180,520)	(9,345,634)	(9,526,154)	445,316	(9,080,838)
Balance as at December 31, 2025		325,140,867	232,549,269	181,661	31,966,363	737,305	(1,008,605)	(277,659,444)	(13,233,451)	13,589,633	356,182

2- Summary of Warrants Outstanding as of December 31, 2025 and the movement during the period:

The Company issued a total of 74,887,340 warrants pursuant to a private placement financing completed in March 2025 and 51,795,096 warrants expired during the period.

21.4 Warrants

The outstanding warrants movement as at December 31, 2025 and December 31, 2024 and the respective changes during the year, are summarized as follows:

	December 31, 2025		December 31, 2024	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Outstanding, beginning of year	144,459,996	0.35	55,054,996	0.66
Granted	74,887,340	0.15	92,664,900	0.22
Expired	(51,795,096)	0.58	(3,259,900)	2.00
Outstanding and exercisable, end of year	167,552,240	0.19	144,459,996	0.35

As at December 31, 2025, and December 31, 2024, the number of outstanding warrants which could be exercised for an equivalent number of common shares.

(b) summary of options granted during the period,

No options granted during 2025 period

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

(a) description of authorized share capital including number of securities outstanding for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions, unlimited number of common shares.

325,140,867 are outstanding at December 31, 2025

(b) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

Please refer to the Schedule A – Audited Financial Statement for the Year Ended December 31, 2025 Note 21 – Shareholder's Equity.

1- Summary of common shares issued during the period:

		Capital stock									
	Note	Number of common shares	Amount	Equity to issue	Contributed surplus	Equity component of convertible debentures	Accumulated other comprehensive loss	Deficit	Total attributable to owners of parent	Non controlling interest (note 28)	Shareholders' equity
Balance as at January 1, 2025		238,066,559	228,003,528	181,661	30,629,280	899,351	(828,085)	(268,313,810)	(9,428,075)	13,144,317	3,716,242
Issuance of shares and warrants	21.2-21.4	75,074,308	2,521,003	–	1,277,464	–	–	–	3,798,467	–	3,798,467
Issuance costs - shares and warrants	21.2	–	(238,559)	–	(105,711)	–	–	–	(344,270)	–	(344,270)
Issuance of broker compensation warrants	21.2	–	–	–	55,970	–	–	–	55,970	–	55,970
Deferred tax - equity component of convertible debentures	15	–	–	–	109,102	58,425	–	–	167,527	–	167,527
Conversion of debentures	15-21.2	12,000,000	2,263,297	–	–	(220,471)	–	–	2,042,826	–	2,042,826
Share-based compensation	22	–	–	–	258	–	–	–	258	–	258
Transactions with owners		325,140,867	232,549,269	181,661	31,966,363	737,305	(828,085)	(268,313,810)	(3,707,297)	13,144,317	9,437,020
Net loss		–	–	–	–	–	–	(9,345,634)	(9,345,634)	240,144	(9,105,490)
Other comprehensive income (loss)		–	–	–	–	–	(180,520)	–	(180,520)	205,172	24,652
Total comprehensive loss for the year		–	–	–	–	–	(180,520)	(9,345,634)	(9,526,154)	445,316	(9,080,838)
Balance as at December 31, 2025		325,140,867	232,549,269	181,661	31,966,363	737,305	(1,008,605)	(277,659,444)	(13,233,451)	13,589,633	356,182

2- Summary of Warrants Outstanding as of December 31, 2025 and the movement during the period:

21.4 Warrants

The outstanding warrants movement as at December 31, 2025 and December 31, 2024 and the respective changes during the year, are summarized as follows:

	December 31, 2025		December 31, 2024	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Outstanding, beginning of year	144,459,996	0.35	55,054,996	0.66
Granted	74,887,340	0.15	92,664,900	0.22
Expired	(51,795,096)	0.58	(3,259,900)	2.00
Outstanding and exercisable, end of year	167,552,240	0.19	144,459,996	0.35

As at December 31, 2025, and December 31, 2024, the number of outstanding warrants which could be exercised for an equivalent number of common shares.

	December 31, 2025		December 31, 2024	
	Number	Exercise price	Number	Exercise price
Expiration date				
January, 2025	–	–	3,510,000	2.00
January, 2025	–	–	221,250	2.00
June, 2025	–	–	4,291,846	0.16
August, 2025	–	–	10,392,000	0.50
August, 2025	–	–	40,000	0.50
August, 2025	–	–	30,500,000	0.50
September, 2025	–	–	2,840,000	0.50
February, 2026	10,732,260	0.25	10,732,260	0.25
February, 2026	4,966,170	0.25	4,966,170	0.25
February, 2026	1,699,830	0.25	1,699,830	0.25
April, 2026	10,265,640	0.25	10,265,640	0.25
April, 2026	1,900,000	0.50	1,900,000	0.50
September, 2027	38,075,000	0.20	38,075,000	0.20
September, 2027	2,054,000	0.20	2,054,000	0.20
October, 2027	1,000,000	0.20	1,000,000	0.20
November, 2027	8,650,000	0.20	8,650,000	0.20
November, 2027	280,000	0.20	280,000	0.20
November, 2027	11,010,000	0.20	11,010,000	0.20
November, 2027	364,000	0.20	60,000	0.20
December, 2027	1,900,000	0.20	1,900,000	0.20
December, 2027	72,000	0.20	72,000	0.20
March, 2027	72,983,340	0.15	–	–
March, 2027	1,600,000	0.15	–	–
	167,552,240		144,459,996	

The Company issued 304,000 broker warrants (Expiring November 2027) during the first quarter of 2025 due to delays in communication with the broker in order to complete the issuance before the end of the year 2024.

3- Summary of Stock Options Outstanding as of December 31, 2025 and the movement during the period:

22 - SHARE-BASED PAYMENTS (CONTINUED)

The outstanding options movement as at December 31, 2025 and December 31, 2024, are summarized as follows:

	December 31, 2025		December 31, 2024	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at the beginning of year	2,706,440	2.26	3,379,098	2.04
Expired	(1,870,500)	1.33	(595,000)	1.01
Forfeited	(12,149)	4.38	(77,658)	2.27
Outstanding at the end of year	823,791	4.33	2,706,440	2.26
Exercisable at the end of year	823,791	4.33	2,697,849	2.26

The table below summarizes the information related to outstanding share options as at December 31, 2025.

Maturity date	Range of exercise price	Number of options	Weighted average remaining contractual life (years)
March 22, 2026	5.50	55,000	2 months
July 7, 2026	4.10	700,000	6 months
October 28, 2026	11.50	25,000	0 years and 9 months
January 1, 2027	7.50	8,126	0 years and 12 months
April 1, 2027	4.16	5,000	1 years and 3 months
December 1, 2027	0.85	9,184	1 years and 11 months
February 1, 2028	0.95	21,481	2 years and 1 months
		823,791	

The table below summarizes the information related to outstanding share options as at December 31, 2024.

4- Convertible Debentures outstanding

The convertible debentures below can be converted into common shares at a conversion price between $0.15 and $0.25 per common share depending on their characteristics.

Debenture Tranche (Note 15.1 - 15.8)	Original Contractual Nominal Amount	Carrying Value FY-2025 (Audited)	Carrying Value FY-2024 (Audited)	Nominal Interest Rate	Conversion Price (Common Shares)	Maturity / Expiry Date Schedule
December 23, 2022 (Note 15.1)	$3,080,000	$450,000	$450,000	10% annual, monthly	$0.25 (Amended from $1.00)	December 23, 2024 (Expired)
January 31, 2023 (Note 15.2)	$3,510,000	$50,000	$214,737	10% annual, monthly	$0.25 (Amended from $1.00)	January 31, 2025 (Expired)
August 1, 2023 (Note 15.3)	$2,598,000	$2,316,619	$2,001,270	10% annual, monthly	$0.25	August 1, 2026
August 18, 2023 (Note 15.4)	$7,625,000	$336,410	$2,039,815	10% annual, monthly	$0.25	August 18, 2026
September 8, 2023 (Note 15.5)	$710,000	$627,426	$544,405	10% annual, monthly	$0.25	September 8, 2026
February 2, 2024 (Note 15.6)	$1,610,000	$781,728	$863,944	10% annual, monthly	$0.15	February 2, 2027
February 21-26, 2024 (Note 15.7)	$1,000,000	$393,836	$326,979	10% annual, monthly	$0.15 and $0.25	Feb 21-26, 2027
April 16, 2024 (Note 15.8)	$2,015,000	$632,405	$535,325	10% annual, monthly	$0.15 (Insiders at $0.25)	April 16, 2027
TOTAL CONSOLIDATED DEBENTURES	$22,148,000	$5,588,424	$6,976,475			

(c) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer. N/A

4. List the names of the directors and officers and include the position(s) held and the date of appointment, as at the date this report is signed and filed.

Johnson Joseph, CEO and Director – February 8th, 2011
Maxime Couturier, CFO – January 1st, 2025
Mayco Quiroz, COO – October 26, 2023
Jean Leblond, Director – July 4, 2023
Yves Renaud, Director – October 26, 2023
Georges Krucik, Director – September 3, 2024
Liang Qiu – CEO China and Director - June 23, 2017

5. Financial Resources

a) State the business objectives that the Issuer expects to accomplish in the forthcoming 12-month period;

Tenet Fintech Group Inc. plans to accomplish the following condensed operational objectives during fiscal 2026:

- FFCTO Lifting: Successfully complete continuous disclosure filings to have the Failure-to-File Cease Trade Order (FFCTO) lifted by the OSC, restoring capital market access.
- Cubeler Platform Launches: Complete and launch the iOS/Android mobile application and formally launch the platform in the United States.
- ie-Pulse Commercialization: Launch and sell subscription-based Canadian Data Products, supported by the completed ie-Pulse platform by Q3 2026.

- AI Agent Integration: Deploy dedicated autonomous AI opportunity-exploration agents on the Canadian platform. These agents utilize LLM models developed with Anthropic Claude and Google Gemini.
- Accounting Software Rollout: Release a free accounting tool to easily onboard Canadian SMEs to the Cubeler data pipeline.
- Supply Chain Scaling: Execute raw material procurement contracts via the GoldRiver platform in China, targeting a $100M consolidated revenue run-rate in fiscal 2026.
- Financial Turnaround: Generate positive consolidated operating cash flows by Q3 2026 and positive Net Income by Q4 2026.

b) Describe each significant event or milestone that must occur for the business objectives in (a) to be accomplished and state the specific time period in which each event is expected to occur and the costs related to each event;

Key milestones required to achieve the business objectives, along with direct costs and estimated timelines:

Milestone / Event	Expected Timeline	Estimated Direct Cost (CAD)
Lifting of the FFCTO by the OSC	Q2-Q3 2026	Sunk in Overhead
ie-Pulse Platform Enhancements	8 to 12 weeks post-FFCTO	$285,000
SME Data Onboarding & BD Initiatives	8 to 12 weeks post-FFCTO	$128,000
Platform Marketing Campaign	8 to 12 weeks post-FFCTO	$50,000
Procurement Order Acceleration	Peak July-August 2026	Self-funded in China via domestic credit

c) Disclose the total funds available to the Issuer and the following breakdown of those funds:

(i) the estimated consolidated working capital (deficiency) as of the most recent month end prior to filing the Listing Statement, and

As of December 31, 2025, the Issuer has approximately $1.3M to be used for working capital purpose. The Company is no longer in a working capital deficiency starting in Q1-2026.

(ii) the total other funds, and the sources of such funds, available to be used to achieve the objectives and milestones set out in paragraphs (a) and (b); and

- Chinese Operating Cash Flows: Domestic cash generated by Chinese operations. The Company will be able to use some of the funds generated in China in a longer term but need to repatriate those funds and it requires specific process to be able to receive those funds in Canada. Before that being materialize the Company will raise additional money on the public market through private placement financing.

- Post-FFCTO Private Placement: Equity/warrant private placement planned immediately following the lifting of the OSC trade order to meet short-term liabilities.
- Warrant Conversions: Over 140M outstanding warrants (strike price $0.17) can be accelerated if the stock trades at >= $0.30 for 10 days, generating up to $23.0M in cash.

(iii) describe in reasonable detail and, if appropriate, using tabular form, each of the principal purposes, with approximate amounts, for which the funds available described under the preceding paragraph will be used by the Issuer.

Total funds available before operational cash flow as per (i) and (ii):

Use	**Approximate Amount**	**Purpose**
General operating expenses	$1,340,000	Corporate overhead, compliance, legal, accounting and strategy

6. Status of Operations

During the fiscal year, did the Listed Issuer

(a) reduce or impair its principal operating assets; or

N/A

(b) cease or substantively reduce its business operations with respect to its stated business objectives in the most recent Listing Statement? N/A

Provide details:

7. Business Activity

a) Activity for a mining or oil and gas Listed Issuer

(i) For the most recent fiscal year, did the Listed Issuer have positive cash flow, significant revenue from operations, or $50,000 in exploration or development expenditures? N/A

Provide details.

(ii) If the response to (i) above is “no”, for the three most recent fiscal years did the Listed Issuer have an aggregate of $100,000 in exploration or development expenditures? N/A

Provide details.

b) Activity for industry segments other than mining or oil & gas

(i) For the most recent fiscal year, did the Listed Issuer have positive cash flow, or $100,000 in revenue from operations or $100,000 in development expenditures?

Provide details.

For the fiscal year ended December 31, 2025, Tenet Fintech Group Inc. (the "Issuer") successfully satisfied the regulatory threshold by generating $10,930,645 in consolidated revenue from operations and capitalizing $680,000 in technology development expenditures.

1. Revenue from Operations

• Operating Highlights:

- Supply Chain Scaling (GoldRiver Platform): Operating revenues were driven almost entirely by the supply chain contract, which was automated via our GoldRiver platform. This segment generated $8,702,533 in revenue. Unlike FY-2024, all raw material revenues were 100% collected before year-end, resulting in zero outstanding receivables.
- Financial Services Lending (ASFC): Standalone lending interest and loan management fees contributed a net $1,362,722 in commercial interest and statutory fees (up 16.7% YoY from $1,167,817).
- SaaS Platform and Transaction Fees: Standard group software licensing fees contributed a net $813,388 (down from $989,693 in FY-2024) as operations consolidated towards transaction-based supply chain volume.

2. Development Expenditures

• $680,000 in net capitalized intangible R&D software additions (down from $2,500,000 in FY-2024).

• Project Development Stages (Green Energy Platform):

- i3060 — New Energy Platform (Bore Data Interface): Capitalized software development expenditures of $520,000 were directed to the bore data interface module.
- i3060 — New Energy Platform (Core Integration): Capitalized software development expenditures of $160,000 were directed to core system database integration.
- Strategic Capital Rationing: In the absence of new equity or debt financing and due to limited Canadian head-office liquidity, the management team minimized total

development outlays to conserve cash, focusing strictly on these core commercialized modules with high future growth potential.

(ii) If the response to (i) above is “no”, for the three most recent fiscal years, did the Listed Issuer have either $200,000 in operating revenues or $200,000 in expenditures directly related to the development of the business? N/A

Provide details.

SCHEDULE A: AUDITED ANNUAL FINANCIAL STATEMENTS

SCHEDULE B: MANAGEMENT DISCUSSION AND ANALYSIS

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Annual Listing Summary.

2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated June 24, 2026

Maxime Couturier
Name of Director or Senior Officer

Maxime Couturier
Signature

CFO
Official Capacity

Issuer Details Name of Issuer Tenet Fintech Group Inc.	For Year Ended December 31, 2025	Date of Report YY/MM/D June 24, 2026
Issuer Address 645 Wellington street, suite 220		
City/Province/Postal Code Montreal, QC,	Issuer Fax No. ( )	Issuer Telephone No. (514) 340-7775 x508
Contact Name Maxime Couturier	Contact Position CFO	Contact Telephone No. 514-340-7775 x508
Contact Email Address mcouturier@tenetfintech.com	Web Site Address www.tenetfintech.com	

SCHEDULE A: AUDITED ANNUAL FINANCIAL STATEMENTS

Tenet Fintech Group Inc.

Consolidated
Financial Statements
For the years ended
December 31, 2025, and 2024

Independent Auditor's Report

Raymond Chabot
Grant Thornton LLP
Suite 2000
600 De La Gauchetière Street West
Montréal, Quebec
H3B 4L8

T 514-878-2691

To the Shareholders of
Tenet Fintech Group Inc.

Opinion

We have audited the consolidated financial statements of Tenet Fintech Group Inc. (hereafter "the Company"), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of comprehensive profit and loss, the consolidated statements of changes in equity and the consolidated statements of cash flows for the years then ended, and notes to consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (hereafter "IFRS Accounting Standards").

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2 to the consolidated financial statements, which indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the "Material uncertainty related to going concern" section, we have determined that there are no other key audit matters to communicate in our report.

Information other than the consolidated financial statements and the auditor’s report thereon

Management is responsible for the other information. The other information comprises the information included in Management’s Discussion and Analysis, other than the consolidated financial statements and our auditor’s report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management’s Discussion and Analysis prior to the date of this auditor’s report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor’s report. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are, therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Nancy Wolfe.

Raymond Chabot Grant Thornton LLP[1]

Montréal
June 24, 2026

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[1] CPA auditor, public accountancy permit nº A120795

TENET FINTECH GROUP INC.

Consolidated Statements of Comprehensive Profit and Loss

For the years ended December 31, 2025, and 2024

(In Canadian dollars, except weighted average number of outstanding shares)

	Note	December 31 2025	2024
Revenues		10,930,645	2,843,770
Expenses			
Cost of service		8,330,792	89,111
Software delivery services		23,128	17,022
Salaries and fringe benefits		4,168,477	6,006,625
Service fees		45,725	328,386
Board remuneration		107,699	150,000
Consulting fees		789,156	3,050,289
Outsourced services, software and maintenance		340,081	2,126,545
Professional fees		1,536,832	1,535,246
Marketing, public relations and press releases		152,786	466,690
Office supplies, software and hardware		518,535	563,081
Lease expenses		360,179	493,019
Insurance		493,203	823,904
Finance costs	25.4	1,765,769	1,940,595
Expected credit loss	6-7	1,310,369	32,394,805
Travel and entertainment		94.030	89.297
Stock exchange and transfer agent costs		164,750	172,104
Translation cost and others		93,352	60,520
Depreciation of property and equipment	9	73,834	134,922
Depreciation of right-of-use assets	9	178,242	355,991
Amortization of intangible assets	12	601,714	6,984,993
Amortization of financing issuance costs	15	66,504	125,567
Impairment of intangible assets	12	–	6,926,632
Impairment on investment in associate company	10	–	266,085
Change in fair value of contingent consideration payable		–	(1,271,905)
Change in fair value of debentures conversion options		–	(80,080)
Gain on transactions on investments in subsidiaries	4.3	(467,671)	–
Forgiveness of CEBA loan	17	–	(20,000)
Loss on sublease	11	–	158,203
(Gain) Loss on disposition of property and equipment	9	253,645	(33,622)
Loss on foreign exchange		272,003	106,507
		21,273,134	63,960,532
Loss before income taxes		(10,342,489)	(61,116,762)
Income taxes		(1,236,999)	(1,854,940)
Net loss		(9,105,490)	(59,261,822)
Net loss attributable to :			
Non-controlling interest	28	400,413	(1,307,694)
Owners of the parent		(9,505,903)	(57,954,128)
		(9,105,490)	(59,261,822)
Item that will be reclassified subsequently to profit or loss			
Currency translation adjustment		24,652	823,906
Total comprehensive loss		(9,080,838)	(58,437,916)
Total comprehensive loss attributable to:			
Non-controlling interest	28	445,316	(1,262,511)
Owners of the parent		(9,526,154)	(57,175,405)
		(9,080,838)	(58,437,916)
Weighted average number of outstanding shares		310,256,090	170,774,126
Basic and diluted loss per share		(0.031)	(0.339)

Going concern uncertainty (note 2)

Subsequent events (note 31)

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

TENET FINTECH GROUP INC.

Consolidated Statements of Changes in Equity

Years ended December 31, 2025, and 2024

(In Canadian dollars)

		Capital stock									
	Note	Number of common shares	Amount	Equity to issue	Contributed surplus	Equity component of convertible debentures	Accumulated other comprehensive loss	Deficit	Total attributable to owners of parent	Non controlling interest (note 28)	Shareholders' equity
Balance as at January 1, 2025		238,066,559	228,003,528	181,661	30,629,280	899,351	(828,085)	(268,313,810)	(9,428,075)	13,144,317	3,716,242
Issuance of shares and warrants	21.2-21.4	75,074,308	2,521,003	–	1,277,464	–	–	–	3,798,467	–	3,798,467
Issuance costs - shares and warrants	21.2	–	(238,559)	–	(105,711)	–	–	–	(344,270)	–	(344,270)
Issuance of broker compensation warrants	21.2	–	–	–	55,970	–	–	–	55,970	–	55,970
Deferred tax - equity component of convertible debentures	15	–	–	–	109,102	58,425	–	–	167,527	–	167,527
Conversion of debentures	15-21.2	12,000,000	2,263,297	–	–	(220,471)	–	–	2,042,826	–	2,042,826
Share-based compensation	22	–	–	–	258	–	–	–	258	–	258
Transactions with owners		325,140,867	232,549,269	181,661	31,966,363	737,305	(828,085)	(268,313,810)	(3,707,297)	13,144,317	9,437,020
Net loss		–	–	–	–	–	–	(9,345,634)	(9,345,634)	240,144	(9,105,490)
Other comprehensive income (loss)		–	–	–	–	–	(180,520)	–	(180,520)	205,172	24,652
Total comprehensive loss for the year		–	–	–	–	–	(180,520)	(9,345,634)	(9,526,154)	445,316	(9,080,838)
Balance as at December 31, 2025		325,140,867	232,549,269	181,661	31,966,363	737,305	(1,008,605)	(277,659,444)	(13,233,451)	13,589,633	356,182

		Capital stock									
	Note	Number of common shares	Amount	Equity to issue	Contributed surplus	Equity component of convertible debentures	Accumulated other comprehensive loss	Deficit	Total attributable to owners of parent	Non controlling interest (note 28)	Shareholders' equity
Balance as at January 1, 2024		123,761,745	217,926,082	721,289	26,432,640	1,112,072	(1,606,808)	(210,359,682)	34,225,593	13,656,428	47,882,021
Issuance of shares and warrants	21.2-21.4	78,635,000	4,630,777	–	2,532,723	–	–	–	7,163,500	–	7,163,500
Issuance costs - shares and warrants	21.3	–	(481,849)	–	–	–	–	–	(481,849)	–	(481,849)
Issuance of broker compensation warrants	21.3	–	–	–	184,649	–	–	–	184,649	–	184,649
Equity component of convertible debentures	15	–	–	–	1,396,505	327,577	–	–	1,724,082	–	1,724,082
Issuance costs - equity component of convertible debentures	15	–	–	–	(171,640)	(37,077)	–	–	(208,717)	–	(208,717)
Deferred tax - equity component of convertible debentures	15	–	–	–	105,895	63,327	–	–	169,222	–	169,222
Issuance of non-transferable broker warrants	15	–	–	–	135,944	–	–	–	135,944	–	135,944
Conversion of debentures	15-21.3	35,400,000	5,388,890	–	–	(566,548)	–	–	4,822,342	–	4,822,342
Share-based compensation	22	–	–	–	12,564	–	–	–	12,564	–	12,564
Subscription for shares by non-controlling interests		–	–	–	–	–	–	–	–	750,400	750,400
Payment of contingent consideration		269,814	539,628	(539,628)	–	–	–	–	–	–	–
Transactions with owners		238,066,559	228,003,528	181,661	30,629,280	899,351	(1,606,808)	(210,359,682)	47,747,330	14,406,828	62,154,158
Net loss		–	–	–	–	–	–	(57,954,128)	(57,954,128)	(1,307,694)	(59,261,822)
Other comprehensive income (loss)		–	–	–	–	–	778,723	–	778,723	45,183	823,906
Total comprehensive loss for the year		–	–	–	–	–	778,723	(57,954,128)	(57,175,405)	(1,262,511)	(58,437,916)
Balance as at December 31, 2024		238,066,559	228,003,528	181,661	30,629,280	899,351	(828,085)	(268,313,810)	(9,428,075)	13,144,317	3,716,242

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

TENET FINTECH GROUP INC.

Consolidated Statements of Cash Flows

For the years ended December 31, 2025, and 2024

(In Canadian dollars)

	Note	December 31 2025	2024
OPERATING ACTIVITIES			
Net loss		(9,105,490)	(59,261,822)
Non-cash items			
Expected credit loss	6-7	1,310,369	32,394,805
Depreciation of property and equipment	9	73,834	134,922
Depreciation of right-of-use assets	9	178,242	355,991
Amortization of intangible assets	12	601,714	6,984,993
Amortization of financing issuance costs	15	66,504	125,567
Impairment of intangible assets	12	–	6,926,632
Impairment on investment in associate company	10	–	266,085
Accretion on debentures and bonds	15	708,271	967,731
Accretion of lease interest	14	157,113	264,794
Interest income on deposit		(4,063)	(5,138)
Change in fair value of contingent consideration payable		–	(1,271,905)
Change in fair value of debentures conversion options		–	(80,080)
Share-based compensation	22	258	12,564
Deferred tax assets and liabilities		167,527	(1,461,889)
Forgiveness of CEBA loan	17	–	(20,000)
Loss on sublease	11	–	158,203
(Gain) Loss on disposition of property and equipment	9	253,645	(33,622)
Gain on transactions on investments in subsidiaries	4.3	(467,671)	–
Loans receivable maturing in more than 12 months	6	(1,064,787)	(18,713)
Deposits made for transactions on platforms, long term	7	–	(11,111,332)
Net changes in working capital items			
Restricted cash		408	19,493
Income tax payable		(1,378,481)	(299,986)
Accounts receivable	7	(3,056,696)	(1,564,511)
Deposits made for transactions on platforms, short term	7	–	10,669,761
Finance lease receivable	11	34,729	8,516
Prepayments to third party subcontractors	7	(22,838)	(220,394)
Other debtors	7	112,675	404,527
Loans receivable maturing in less than 12 months	6	211,169	(1,679,575)
Assets held for sale		–	83,747
Other prepaid expenses		299,404	680,070
Trade accounts payable and accruals	13	1,533,723	9,686,843
Interest payable on debentures	13	413,544	(185,256)
Advances from third-party customers	13	1,148	6,173
Contract liabilities with third-party customers	13	448,543	144,967
Cash flows from operating activities		(8,527,206)	(6,917,839)
INVESTING ACTIVITIES			
Property and equipment - Disposals	9	46,493	35,088
Intangible assets - Disposals (additions)	12	9,985	(657,669)
Cash flows from investing activities		56,478	(622,581)
FINANCING ACTIVITIES			
Advances received from a company owned by a Director	13-26	500,780	235,890
Repayment of lease liabilities	14	(621,105)	(546,425)
Short term loan	18	350,000	1,838,500
Repayment of loan payable	19	(410,510)	(620,506)
Repayment of CEBA loan	17	–	(66,800)
Repayment of Bond	16	(157,500)	–
Repayment of credit facility	20	(45,000)	–
Repayment of debentures	15	(90,000)	–
Proceeds from credit facility	20	–	600,000
Proceeds from the issuance of shares and warrants	21	1,467,363	2,855,915
Re-allocation of capital from proceeds of previous financings	8	7,733,174	–
Proceeds from the issuance of convertible debentures and warrants	15	–	2,036,035
Cash flows from financing activities		8,727,202	6,332,609
IMPACT OF FOREIGN EXCHANGE		195,107	906,338
Net increase(decrease) in cash		451,581	(301,473)
Cash, beginning of the period		890,085	1,191,558
Cash, end of the year		1,341,666	890,085

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

TENET FINTECH GROUP INC.
Consolidated Statements of Financial Position
As at December 31, 2025 and December 31, 2024

(In Canadian dollars)

	Note	As at December 31, 2025	As at December 31, 2024
ASSETS			
Current			
Cash		1,341,666	890,085
Restricted cash		3,432	3,840
Loans receivable	6	17,975,759	18,186,928
Assets held for sale		127,376	128,091
Debtors	7	8,031,919	5,428,616
Finance lease receivable	11	42,640	34,729
Prepaid expenses		556,145	789,116
Other current assets	8	–	7,733,174
		28,078,937	33,194,579
Loans receivable	6	–	58,958
Finance lease receivable	11	15,095	57,735
Deposit		69,797	86,442
Property and equipment	9	27,337	2,219,578
Investments	10	980,000	985,500
Intangible assets	12	1,115,766	1,992,479
		30,286,932	38,595,271
LIABILITIES			
Current			
Accounts payable, advances and accrued liabilities	13	23,130,402	21,924,936
Lease liabilities	14	115,700	203,426
Bonds	16	172,500	230,000
CEBA Loan	17	13,200	13,200
Short term loans	18	300,000	1,188,500
Loan payable	19	71,938	470,654
Debentures	15	3,780,455	664,737
Current tax liabilities	23	505,583	1,884,064
		28,089,778	26,579,517
Debentures	15	1,807,969	6,311,738
Lease liabilities	14	33,003	1,692,348
Credit facility	20	–	295,426
		29,930,750	34,879,029
SHAREHOLDERS' EQUITY			
Capital stock	21	232,549,269	228,003,528
Equity to issue		181,661	181,661
Contributed surplus		31,966,363	30,629,280
Equity component of convertible debentures	15	737,305	899,351
Accumulated other comprehensive loss		(1,008,605)	(828,085)
Deficit		(277,659,444)	(268,313,810)
Shareholders' equity attributable to owners of the parent		(13,233,451)	(9,428,075)
Non-controlling interest	28	13,589,633	13,144,317
Total shareholders' equity		356,182	3,716,242
		30,286,932	38,595,271

Going concern uncertainty (note 2)
Subsequent events (note 31)

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

On behalf of the Board,

/S/ Johnson Joseph	/S/ Yves C. Renaud
Director	Director

1 - GOVERNING STATUTES, NATURE OF OPERATIONS AND GENERAL INFORMATION

Tenet Fintech Group Inc. (hereinafter "Tenet" or the "Company") was incorporated pursuant to the provisions of the Business Corporations Act (Alberta) on May 13, 2008, and continued under the Canada Business Corporations Act on April 4, 2011. Tenet Fintech Group Inc.'s head office is located at 82 Richmond St. E. Toronto ON M5C 1P1. Its shares are traded on the Canadian Stock Exchange (CSE) under the symbol "PKK". Its shares are quoted on the "OTCPK Venture Market in the U.S." under the symbol "PKKFF".

Tenet is the parent company of a group of innovative financial technology (Fintech) and artificial intelligence (AI) companies. Tenet's subsidiaries offer various analytics and AI-based products and services to businesses, capital markets professionals, government agencies and financial institutions either through or by leveraging data gathered by the Cubeler® Business Hub, a global ecosystem where analytics and AI are used to create opportunities and facilitate B2B transactions among its members.

2 - GOING CONCERN UNCERTAINTY

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will continue in operation and be able to realize its assets and discharge its liabilities in the normal course of operations. 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 use of these principles may not be appropriate.

The level of cash flows from operating activities currently being generated is not presently sufficient to meet the Company's working capital requirements and business growth initiatives. The Company's ability to continue as a going concern depends upon its ability to raise additional financing. Even if the Company has been successful in the past in doing so, including a series of private placements during 2024 and in March 2025, there is no assurance that it will manage to obtain additional financing in the future. In addition, the repatriation of any profits of funds raised by the Company in China, which the Company might want to repatriate from China to Canada, is subject to the rules and regulations established by the Chinese government that restrict the flow of funds between China and foreign jurisdictions.

Consequently, the Company may therefore not be able to repatriate profits or transfer funds from its Chinese holding or operating subsidiaries to its head office in Canada. Also, the Company incurred a net loss of $9,105,490 for the year ended December 31, 2025 (compared to a net loss of $59,261,822 for the year ended December 31, 2024), it has an accumulated deficit of $277,659,444 as at December 31, 2025 (accumulated deficit was $268,313,810 as at December 31, 2024) and it has not yet generated positive cash flows from operations on a regular basis. Until that happens, the company will continue to assess its working capital needs and undertake whatever initiatives it deems necessary to ensure that it continues to be in a position to meet its financial obligations. These material uncertainties may cast significant doubt regarding the Company's ability to continue as a going concern. For the year ended December 31, 2025, the Company secured $8,727,202 from financing activities (year ended December 31, 2024 - $6,332,609). This amount is primarily attributable to private placement from equity from investors, the re-allocation of capital from proceeds of previous financings and one short term loan. The Company expects to maintain a similar level of investor commitment over the next twelve months.

These consolidated financial statements do not include any adjustments or disclosures that may be necessary should the Company not be able to continue as a going concern. If this were the case, these adjustments could be material.

3 - CHANGES IN ACCOUNTING POLICIES

3.1 Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company

3.1.1 Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

– A clarification that a financial liability is derecognised on the settlement date and the introduction of an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date if specific conditions are met. If an entity elects to apply this accounting policy, it must do so for all settlements made through the same electronic payment system.

– Additional guidance on how an entity should assess whether contractual cash flows of a financial asset are consistent with a basic lending arrangement. This is intended to assist an entity to apply the requirements for assessing contractual cash flow characteristics to financial assets with features linked to environmental, social and governance (ESG) concerns.

– Clarifications on what constitute non-recourse features and what are the characteristics of contractually linked instruments.

– Additional disclosure requirements for investments in equity instruments designated at fair value through other comprehensive income (OCI) and the introduction of disclosure of the contractual terms that could change the timing or amount of contractual cash flows on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in a basic lending risks and costs

The amendments are effective for annual reporting periods beginning on or after 1 January 2026 with earlier application permitted. If an entity elects to apply these amendments for an earlier period, it is required to either:

– apply all the amendments at the same time and disclose that fact; or
– apply only the amendments to the classification of financial assets for that earlier period and disclose that fact.

The amendments are required to be applied retrospectively, in accordance with IAS 8, with specific exceptions

The Company does not anticipate that the amendments will have a material effect on the Company's consolidated financial statements

3 - CHANGES IN ACCOUNTING POLICIES (CONTINUED)

3.1.2 Amendments to Presentation of Financial Statements (IFRS 18 replaces IAS 1)

At the date of authorization of these consolidated financial statements, new, but not yet effective, amendments to existing standards and interpretations have been published by the IASB. None of these standards or amendments to existing standards has been adopted early by the Company. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New standards, amendments and interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Company's consolidated financial statements, except for IFRS18.

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. Although IFRS 18 includes many of the requirements of IAS 1, it introduces new requirements to better structure financial statements and provides more detailed and useful information to investors, including:

- two new subtotals defined in the statement of profit or loss, namely (1) operating profit and (2) profit or loss before financing and income taxes;
- the classification of all income and expenses within the statement of profit or loss in one of five categories;
- a new requirement to disclose performance measures defined by management;
- an improvement in the principles related to the aggregation and disaggregation of information in the financial statements and accompanying notes.

The publication of IFRS 18 results also in consequential amendments to other IFRS standards, including IAS 7 Statement of Cash Flows. IFRS 18 is effective for annual periods beginning on or after 1 January 2027, with earlier application permitted. IFRS 18 will apply retrospectively with specific transitional provisions.
The Company is currently working to identify all impacts that the amendments will have on the primary financial statements and notes to the financial statements.

4 - SUMMARY OF MATERIAL ACCOUNTING POLICIES

4.1 Statement of compliance with IFRS

These consolidated financial statements have been prepared using accounting policies that are in accordance with International Financial Reporting Standards as issued by the International Accounting Standard Board (hereafter "IFRS Accounting Standards").

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, except for the newly adopted standards.

These consolidated financial statements for the years ended December 31, 2025, and 2024 were approved and authorized for the issue by the Board of Directors on June 24, 2026.

(In Canadian dollars)

4 - SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.2 Basis of measurement

These consolidated financial statements are prepared on an accrual basis using the historical cost method.

4.3 Basis of Consolidation

These consolidated financial statements include the accounts of Tenet and all of its subsidiaries. The Company attributes the total comprehensive profit or loss of the subsidiaries between the owners of the parent company and the non-controlling interests based on their respective ownership interests.
The following entities have been consolidated within these consolidated financial statements:

Entities	Registered	% of ownership and voting right	Principal activity	Functional Currency
Tenet Fintech Group Inc.	Canada		Holding and parent company	Canadian dollar
Cubeler Inc.	Canada	100%	Technology based product developer and procurement facilitator	Canadian dollar
Cubeler Inc. (U.S.)	United States	100%	Technology based product developer and procurement facilitator	US dollar
Tenoris 3 Inc.	Canada	100%	Technology based product developer and procurement facilitator	Canadian dollar
Asia Synergy Limited ("ASL")	Hong Kong	100%	Holding	US dollar
Asia Synergy Holdings Ltd. ("ASH")	China	100%	Holding	Renminbi
Asia Synergy Technologies Ltd. ("AST")	China	100%	Technology based product procurement facilitator	Renminbi
Asia Synergy Supply Chain Ltd. ("ASSC")	China	51%	Technology based product procurement facilitator	Renminbi
Zhejiang Xinjiupin - Oil & Gas Management Co. ("AJP")	China	100%	Technology based product procurement facilitator	Renminbi
Asia Synergy Data Solutions Ltd. ("ASDS")	China	100%	Fintech	Renminbi
Asia Synergy Supply-chain Technologies Ltd. ("ASST")	China	100%	Supply chain services	Renminbi
Beijing Xinxiangtaike Technologies Service Co.,Ltd. ("ASSI")	China	100%	Fintech	Renminbi
Wuxi Aorong Ltd. ("AORONG")	China	100%	Holding	Renminbi
Asia Synergy Financial Capital Ltd. ("ASFC") **(1)**	China	51%	Financial institution	Renminbi
Huike Internet Technology Co., Ltd. ("HUIKE")	China	100%	Technology based product facilitator	Renminbi
Kailifeng New Energy Technology Co., Ltd. ("KALIFENG")	China	42.5%	Technology based clean energy trading platform facilitator	Renminbi
Shanghai Xinhuizhi Supply Chain Management Ltd. ("ASAC")	China	51%	Technology based product procurement facilitator	Renminbi
Jiangsu Supairui IOT Technology Co., Ltd. ("ASTH")	China	80%	Technology based product procurement facilitator	Renminbi
Wuxi Suyetong Supply Chain Management Co., Ltd. ("SST")	China	80%	Technology based product procurement facilitator	Renminbi
Jiangsu Steel Chain Technology Co., Ltd. ("STEELCHAIN")	China	100%	Technology based steel trading platform facilitator	Renminbi

(1) The Company indirectly holds 51% of ASFC's registered capital through nominee shareholder agreements and the contractual obligations they impose on the Company's nominee shareholders. Management exercised significant judgement in concluding that the Company controls ASFC. Please refer to the section Significant Accounting Judgments under Note 5.2.4 for further details on the key judgments applied in determining that the Company controls ASFC.

The Company's subsidiaries each have an annual reporting date of December 31 and are incorporated in either Canada, United States,Hong Kong or China. All intercompany transactions and accounts were eliminated upon consolidation, including unrealized gains or losses on intercompany transactions. Where unrealized losses on intercompany asset sales are reversed upon consolidation, the underlying asset is also tested for impairment from the Company's perspective. Accounting policies of subsidiaries have been adjusted to ensure consistency with the policies adopted by the Company.

On April 1, 2025, the Company has incorporated a new wholly-owned subsidiary to conduct business in the U.S. ahead of the Company's planned expansion of the Business Hub to that market in the future quarter of 2025. The new entity, incorporated in the state of Delaware, will be conducting business under the name Cubeler Inc. (U.S.) and will have legal and operational rights related to the Business Hub in the United States.

Gain on transactions on investments in subsidiaries

On April 3, 2025, the Company signed an agreement regarding the share transfer of its subsidiary Wechain (Nanjing) Technology Service Co., Ltd. ("WECHAIN"). The Company agreed to transfer 12.59% of WECHAIN's shares to its non-controlling shareholder Nanjing Zhongke Ruanzhi Information Technology Co., Ltd. at $Nil consideration. The subsidiary completed all the filings and registrations of the transfer on April 14, 2025. After the transfer, the Company lost its controllership to WECHAIN, representing 38.41% of its shares. The transaction resulted in a gain of $370,439, which is presented within Gain on transactions on investments in subsidiaries in the consolidated statement of profit and loss for the year ended December 31, 2025.

On October 15, 2025, the Company completed the deregistration (to complete the legal dissolution of the entity) of its former subsidiary, ASCS, following a strategic decision to transfer all operating activities of ASCS to its parent company, ASDS. As a result of this transaction, the Company ceased to control ASCS as of that date, and the entity was removed from the consolidated financial statements in accordance with the applicable consolidation guidance. Upon deconsolidation, the Company derecognized the assets, liabilities, and non-controlling interests related to ASCS. The transaction resulted in a gain of $92,162, which is presented within Gain on transactions on investments in subsidiaries in the consolidated statement of profit and loss for the year ended December 31, 2025.

The total combined impact of the Wechain transaction, which resulted in a gain of $370,439, the $92,162 gain recognized on the deregistration of ASCS, and the $5,070 gain from the deregistration of ASB, resulted in a total Gain on transactions on investments in subsidiaries of $467,671, which has been recorded in the consolidated statement of profit and loss for the year ended December 31, 2025.

Profit or loss of subsidiaries acquired or disposed of during the year are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

4 - SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.4 Foreign currency translation

Functional and presentation currency

The consolidated financial statements are presented in Canadian dollars, which is also the functional currency of the parent company.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the respective entity, using the exchange rates prevailing at the date of the transactions (spot exchange rate). Currency translation adjustment reflects the currency fluctuation between the functional currency of the Company's subsidiaries in Chinese (Renminbi) and the Company's functional currency (Canadian dollar) during the year. This element represents a theoretical profit or loss that can be materialized only if the underlying assets or liabilities to which the adjustment is attributed are realized. Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in a foreign currency at year-end exchange rates are recognized in profit or loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value, which are translated using the exchange rates at the date when fair value was determined.

4.5 Foreign operations

In the consolidated financial statements, all assets, liabilities and transactions of the entities with a functional currency other than Canadian dollars are translated into Canadian dollars upon consolidation. The functional currency of the entities has remained unchanged during the reporting period.

On consolidation, assets and liabilities have been translated into Canadian dollars at the closing rate at the reporting date. Revenues and expenses have been translated into Canadian dollars at the average rate over the reporting period. Exchange differences are charged or credited to other comprehensive income and recognized in the currency translation reserve in equity. On disposal of a foreign operation, the related cumulative translation differences recognized in equity are reclassified to profit or loss and are recognized as part of the gain or loss on disposal.

4.6 Segment reporting

The Company presents and discloses segmental information based on information that is regularly reviewed by the chief operating decision maker who is responsible for allocating resources and assessing the performance of the operating segments. The chief operating decision maker has been identified as the senior management team, which makes strategic and operational decisions.

For management purposes, the Company uses the same measurement policies as those used in its financial statements.

In addition, corporate assets which are not directly attributable to the business activities of any operating segments are not allocated to a segment. This primarily applies to the Company’s headquarters.

4.7 Revenue recognition

Revenue arises mainly from providing supply chain management services to customers, the rendering of financial services, service fees, annual platform access fees and the delivery of IT and R&D related services. To determine whether to recognize revenue, the Company follows a five-step process:

- identifying the contract with a customer;
- identifying the performance obligations;
- determining the transaction price;
- allocating the transaction price to the performance obligations;
- recognizing revenue when performance of obligation is satisfied.

Revenue is recognized either at a point in time or over time when the Company satisfies performance obligations by transferring the promised goods or services to its customers.

Supply chain services

Supply chain services revenues relates to raw materials sold to supply chain participants through its GoldRiver procurement platform.

The revenues for the sales of raw materials are earned upon delivery of specific units in accordance with the customers individual purchase orders at a point in time when:

- The customer has obtained the significant risks and rewards of ownership (goods are at its location and accepted);
- The Company has transferred physical possession of the goods;
- The customer has accepted the assets (as evidenced by its stamp);
- The amount of consideration is fixed and determinable (per contract price and confirmed quantity);
- The Company has a present right to payment for that specific delivery (an account receivable is established).

The transaction price is the fixed amount of consideration in exchange for transferring the promised goods. This price is determined based on the unit prices stipulated in the sales contract, applied to the quantities confirmed as delivered and accepted by the customers.

Financial services

Financial services revenues include interest revenue earned from commercial loans to small and medium-sized businesses and entrepreneurs and fees earned for services rendered to financial institutions to manage loans made to their customers.

Interest revenue earned from commercial loans is recorded using the effective interest rate method.

4 - SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

Information Technology (IT) applications and research & development (R&D) related services

The services are based on standard IT projects to be developed or R&D services to be rendered per the needs of each customer.

The services include:

– R&D work on specific IT solutions & services;
– Installation and set-up of specific IT solutions & services;
– Technical support to certain business processes;
– IT technical consulting & training.

The revenues for the delivery of IT applications and R&D related services are earned upon delivery or over time depending on when the Company satisfies the performance obligation as per the different business contracts.

Annual platform access fees

The Company provides customers with ongoing access to its technology platform and related support services under fixed-fee annual contracts. This arrangement constitutes one distinct performance obligation: a stand-ready obligation to provide continuous platform access and associated services throughout the contract term.

The performance obligation is satisfied over time because the customer receives and consumes the benefits of platform access evenly throughout the contract period. Revenue is recognized on a straight-line basis over the duration of the contract. The transaction price is the fixed annual fee specified in the contract.

Service fees

Service fee revenues include fees earned for services rendered to financial institutions to help them find loan candidates, determine what potential or existing customers to lend to, manage their credit risk exposure, and help facilitate their credit transactions through the Company's technology platforms.

Service fees earned for services rendered to financial institutions over time is calculated based on a percentage of the value of the transactions associated with the services or in some cases, represent the price to obtain risk analysis or similar types of reports, charged either per report or on a subscription basis.

4.8 Assets held for sale

Assets held for sale are classified as held for sale when their carrying amount will be recovered principally through a sale transaction rather than continuing use and a sale is highly probable. Assets designated as held for sale are accounted for at the lower of their carrying amount at designation and fair value less costs to sell.

4.9 Current and deferred income taxes

Tax expense recognized in profit or loss when applicable comprises the sum of deferred tax and current tax not recognized directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the consolidated financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be able to be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in profit or loss, except where they relate to items that are recognized directly in the equity, in which case the related deferred tax is also recognized in equity.

4.10 Basic and diluted loss per share

Basic loss per share is calculated using the net loss and the weighted average number of outstanding shares during the year. Diluted loss per share is calculated by adjusting the weighted average number of outstanding shares, for the effects of all dilutive potential common shares which include convertible debentures, options and warrants. Since the Company has incurred losses, the diluted loss per share is equal to the basic loss per share due to the antidilutive effect of convertible debentures, options and warrants.

(In Canadian dollars)

4 - SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.11 Financial instruments

The Company classifies a financial asset or a financial liability in its statement of financial position when it becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset or a financial liability at its fair value plus or minus, transaction costs that are directly attributable to the acquisition of the financial asset or the financial liability where applicable.

Financial assets

The Company classify financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss, based on its business model for managing the financial asset and the financial asset contractual cash flow characteristics. The three categories are defined as follows:

(a) Amortized cost - A financial asset is measured at amortized cost if both of the following conditions are met:
- the net asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets comprised of cash and restricted cash, loans receivable, debtors (except sales tax receivable), deposit and other current assets are measured at amortized cost. After initial recognition, these are measured at amortized cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

(b) Fair value through other comprehensive income - Financial assets are classified and measure at fair value through other comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

(c) Fair value through profit or loss - Any financial assets that are not held in one of the two business models mentioned are measured at fair value through profit or loss.

Equity investments, other than subsidiaries controlled by the Company or associate companies, are recorded at fair value through profit or loss. The equity investments are measured at fair value, using either active market transactions to value its investment or other valuation methods whenever no active market exists. Variation in fair value is recorded in the consolidated statements of comprehensive profit and loss.

When, and only when, the Company changes its business model for managing financial assets it must reclassify all affected financial assets.

Impairment of financial assets

The Company assess the impairment of its loans receivables, debtors, and deposit using the expected credit loss model. The Company considers a broader range of information when assessing credit risk and measuring expected credit loss including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

At the end of each reporting period, the Company applies a three-stage forward looking impairment approach for its loans receivables to measure the expected credit loss (ECL). For all the other financial assets, the Company applies the simplified approach which reflects the lifetime ECL.

Determining the stage

The ECL three-stage impairment approach is based on the change in the credit quality of loans receivable financial assets. If the credit risk and the credit quality of non-impaired financial instruments has not deteriorated significantly since initial recognition, these financial instruments are classified in Stage 1, and an allowance for credit losses is measured and recorded at an amount equal to the 12-month expected credit loss. When there is a significant increase in credit risk and the credit quality has deteriorated significantly since initial recognition, these non-impaired financial instruments are migrated to Stage 2, and an allowance for credit losses is measured and recorded at an amount equal to lifetime expected credit losses. When one or more events that have a detrimental impact on the estimated future cash flows of a financial asset has occurred, the financial asset is considered credit-impaired and is migrated to Stage 3, and an allowance for credit losses equal to lifetime expected losses continues to be recorded or the financial asset is written off. The Company was previously rebutting the presumption in paragraph 5.5.11 of IFRS 9 that a financial asset has a significant increase in credit risk when it is more than 30 days past due, and the presumption of default when it is more than 90 days past due, for its portfolio of credit-based loans, only. The 30-day and 90-day thresholds were not applied as automatic triggers but as points that necessitate a deeper review, the outcome of which may be a rebuttal based on loan-specific characteristics. As of December 31, 2025, the Company enhanced its ECL model to rely on overdue-day triggers for migration between stages, whereby a financial asset has an increase in credit risk when it is more than 30 days past due and is considered in default when it is more than 90 days past due. This change in accounting estimate was applied prospectively. The model now presents its stages as follows:

Stage 1	Performing/Not Overdue
Stage 2	Underperforming/Overdue 30-90 days
Stage 3	Credit-Impaired/Overdue > 90 days

The interest income is calculated on the gross carrying amount for financial assets in Stages 1 and 2 and on the net carrying amount for financial assets in stage 3.

Measurement of Expected Credit losses (ECL)

ECLs are measured as the probability-weighted present value of all expected cash shortfalls over the remaining expected life of the financial instruments, and reasonable and supportable information about past events, current conditions and forecasts of future events and economic conditions is considered. The estimation and application of forward-looking information requires significant judgment. The cash shortfall is the difference between all contractual cash flows owed to the Company and all the cash flows that the Company expects to receive.

The measurement of ECLs is primarily based on the product of the financial instruments probability of default, loss given default, and exposure at default. Forward-looking macroeconomic factors such as credit default indices, interest rates and gross domestic product are incorporated into the risk parameters. The estimate of expected credit losses reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes. Due to the short-term nature of the Company's commercial loans, the forward-looking macroeconomic factors are generally not important to the Company.

4 - SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

A financial asset is deemed credit-impaired when one or more events with a detrimental impact on its estimated future cash flows have occurred. Such events could include but are not limited to 1) significant financial difficulty of the counterparty; 2) a breach of contract, such as a default or past-due event; or 3) the likelihood that the counterparty will enter bankruptcy or other financial reorganization.

Debtors and deposits are written off (i.e. derecognised) when there is no reasonable expectation of recovery. Failure to make payments within 180 days from the invoice date and failure to engage with the Company on alternative payment arrangements among other is considered indicators of no reasonable expectation of recovery.

The Company applies experienced credit judgment to adjust the modelled ECL results when it becomes evident that known or expected risk factors and information were not considered in the credit risk rating and modelling process.

The simplified approach has been used for the calculation of the ECL for debtors and deposit.

Financial liabilities

The Company's liabilities include accounts payable, advances and accrued liabilities, debentures, short term loans, loan payable, credit facility, bonds, CEBA loan and conversion options.

When the Company becomes a party to the contractual provisions of the financial instruments, these are initially measured at fair value adjusted for transaction costs unless the Company classified its financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortized cost using the effective interest method except for conversion option classified at fair value through profit or loss, which are carried subsequently at fair value with gains or losses recognized in profit or loss.

The liability and the conversion option or the equity components of convertible debentures are presented separately on the consolidated statements of financial position starting from initial recognition.

The liability component is recognized initially at the fair value, by discounting the stream of future payments of interest and principal at the prevailing market rate for a similar liability of comparable credit status and providing substantially the same cash flows that do not have an associated conversion option. Subsequent to initial recognition, the liability component is measured at amortized cost using the effective interest method; the liability component is increased by accretion of the discounted amounts to reach the nominal value of the debentures at maturity.

The carrying amount of the equity component is calculated by deducting the carrying amount of the financial liability from the amount of the debentures and is presented in shareholders' equity as equity component of convertible debentures. A deferred tax liability is recognized with respect to any temporary difference that arises from the initial recognition of the equity component separately from the liability component. The deferred tax is charged directly to the carrying amount of the equity component. Subsequent changes in the deferred tax liability are recognized through the consolidated statements of comprehensive profit and loss. The conversion option is initially valued at fair value and subsequently revaluted at fair market value with gains or losses recognized in the consolidated statement of comprehensive profit and loss.

4.12 Associate company

The Company applies the equity method in accounting investments in companies subject to significant influence ("associate company"). The share of the operating results of an associate company is recorded in the consolidated statements of comprehensive profit and loss. The cumulative Company's share of the associate company losses is limited to the recorded equity interest, except for obligation or payments assumed for another party. An impairment loss is recognized if any facts and circumstances indicate that the investment's carrying value exceeds its fair value.

4.13 Property and equipment

Property and equipment are initially recorded at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by the Company's management. Property and equipment are subsequently measured at cost less accumulated depreciation and impairment.

Depreciation is recognized on a straight-line basis using rates based on the estimated useful lives of the asset as follows:

	Useful life
IT and office equipment	2–5 years
Vehicles and other equipment	3–5 years
Right-of-use assets	0-10 years
Leasehold improvement	10 years

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

4.14 Intangible assets

Intangible assets acquired separately are initially recognized at acquisition cost and are subsequently measured at cost less accumulated depreciation and impairment losses. Intangible assets acquired through business combination are measured initially at their fair value as at the date of acquisition. After initial recognition, intangible assets are recorded at cost less accumulated amortization, if they are amortizable, and less accumulated impairment.

Amortization is recognized on a straight-line basis using rates based on the estimated useful lives of the asset as follows:

	Useful life
Fintech platforms (Gold River, Cubeler, and others)	3–8 years
Tradename	3–8 years
Loan servicing agreements	10 years

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

4 - SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.15 Business combinations

The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Company, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. The Company measures the non-controlling interest, if any, at the proportionate share in the acquiree's identifiable net assets. Acquisition costs are expensed as incurred.

Assets acquired and liabilities assumed are recorded at their acquisition-date fair values.

After initial recognition, goodwill is measured at cost less any accumulated impairment.

4.16 Impairment of goodwill and long-lived assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows called cash-generating units (CGUs). As a result, some assets are tested individually for impairment and some are tested at the CGU level. Goodwill is allocated to those CGUs that are expected to benefit from synergies of a related business combination and represent the lowest level within the group at which management monitors goodwill.

CGUs to which goodwill has been allocated (determined by the Company's management as equivalent to operating segments) are tested for impairment at least annually. All other individual assets or CGUs are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's (or CGUs) carrying amount exceeds its recoverable amount which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use management estimates expected future cashflows from each CGU and determines a suitable discount rate in order to calculate the present value of those cashflows. The data used for impairment testing is directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each CGU and reflect current market assessments of the time value of money and asset specific risk factors.

Impairment losses for CGUs reduce first the carrying amount of any goodwill allocated to that CGU. Any remaining impairment loss is charged pro-rata to the other assets in the CGU.

With the exception of goodwill, all assets are subsequently reassessed for indications an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or CGU's recoverable amount exceeds it's carrying amount.

4.17 Provisions

Provisions are recognized when present obligations as a result of a past event will probably lead to an outflow of economic resources from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events.

Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted when the time value of money is significant.

4.18 Equity

Capital stock represents the amount received on the issue of shares less incremental costs, net of tax, directly attributable to the issue of the shares. If shares are issued after share options or warrants are exercised, it also includes compensation costs previously recognized in contributed surplus.

Unit Placements ("Units")
The Company allocates the equity financing proceeds between common shares and warrants according to the relative fair value of each instrument. The fair value of the common shares is determined according to the market price of the shares on the Canadian Securities Exchange on the issuance date, and the fair value of the warrants is determined using the Black & Scholes pricing model.

Contributed surplus within equity includes amounts in connection with share options and warrants issued. When share options and warrants are exercised, the related compensation cost is transferred in capital stock.

When conversion of debentures occurs, the related cost is transferred from the equity component of convertible debentures to capital stock. The related issuance costs reduce the equity.

Deficit includes all current and prior period losses and the value of the extended warrants.

Accumulated other comprehensive income includes all current and prior period currency translation adjustment gain and losses.

4.19 Share-based payments

The Company operates equity-settled share-based payment plans for its eligible directors, officers, employees and others providing similar services. None of the Company's plans features any options for a cash settlement.

All goods and services received in exchange for the grant of any share-based payments are measured at their fair values, unless that fair value cannot be estimated reliably. If the Company cannot estimate reliably the fair value of the goods and services received, the Company shall measure their value indirectly by reference to the fair value of the equity instruments granted. For the transactions with employees and others providing similar services, the Company measured the fair value of the services received by reference to the fair value of the equity instruments granted.

All equity-settled share-based payments (except warrants to brokers, agents and finders) are ultimately recognized as an expense in the profit or loss with a corresponding credit to contributed surplus, in equity. Equity-settled share-based payments to brokers, in respect of an equity financing, are recognized as issuance costs and are presented as a reduction to the equity instruments with a corresponding credit to contributed surplus, in equity.

4 - SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting year, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is an indication that adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior period if share options ultimately exercised are different to that estimated on vesting.

4.20 Leased assets

The Company recognized a right-of-use asset and a lease liability with respect to a lease on the date the underlying asset is available for use by the Company (hereafter, the "commencement date").

The right-of-use asset is initially measured at cost, which includes the initial lease liabilities adjusted for lease payments on or before the commencement date, plus initial direct costs incurred and an estimate of all of the costs for dismantling and removing the underlying asset, less any lease incentives received as part of the contract.

The right-of-use asset is amortized over the shorter of the estimated useful life of the underlying asset or the lease term on a straight-line basis. Additionally, the cost of a right-of-use asset is reduced by any accumulated impairment losses and, as appropriate, adjusted for any remeasurement of the related lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date over the lease payments to be made over the lease term, calculated using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as its discounting rate. The lease payments included in the lease liability include the following, in particular:

– Fixed payments, including in-substance fixed payments, less any lease incentives receivable;
– Variable payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
– Lease payments relating to extension options that the Company is reasonably certain it will exercise.

Accordingly, lease payments and the lease liability include payments relating to lease and non-lease components.

The Company has elected not to recognize separately non-lease components of leases for office space (buildings).

The interest expense relating to lease liabilities is recognized in profit or loss using the effective interest method. New right-of-use assets and liabilities are non-cash transactions and thus excluded from the consolidated statement of cashflows.

The lease liability is remeasured when there is a change in future lease payments resulting from a change in an index or when the Company changes its measurement with respect to the exercise of a purchase, extension or termination option. The lease liability adjustment is adjusted against the related right-of-use asset or recorded in profit or loss if the right-of-use asset is reduced to zero.

Lease payments relating to leases for which the underlying asset is of low value are recognized on a straight-line basis as an expense in profit or loss. Low-value assets include computer equipment and small office furniture.

4.21 Research & Developement costs

Internally incurred research and development costs are recognized to the profit and loss accounts as incurred, except for project development costs that meet the criteria below:

– The product or process is defined, and costs are seperatly identified and reliably measured;
– The technical feasibility of the product or project is demonstrated, and the Group's experience in this area is established;
– Adequate resources are available to complete the project successfully;
– A potential market for the products exists or their usefulness, in case of internal use, is demonstrated;
– The Company intends to produce or market, or use the new product or process, and can demonstrate its profitability or existence of a market.

When all the above criterias meet, the development costs are capitalized as intangible assets.

The method of amortization is generally determined by reference to the expected period in which future economic benefits will be earned. If the method cannot be determined reliably, linear amortization is adopted. The period of amortization depends on the type of activity.

5 - CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

5.1 Estimates

5.1.1 Share-based payments and warrants

The estimation of the fair value of options and warrants at the date of grant requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. Details of the assumptions used by the Company are given in note 21 and 22.

5.1.2 Impairment of goodwill and long-lived assets

Determining if there are any facts and circumstances as indicating impairment loss or reversal of impairment losses is a subjective process involving judgement and a number of estimates and assumptions in many cases.

In assessing impairment, management assesses the recoverable amount of each asset or CGU based on expected future cashflows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

5 - CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS (CONTINUED)

5.1.3 Leases

Recognizing leases requires judgment and the use of estimates and assumptions. Judgment is used to determine whether there is reasonable certainty that a lease extension or cancellation option will be exercised. Furthermore, management estimates are used to determine the lease terms and the appropriate interest rate to establish the lease liability.

5.1.4 Acquisition valuation method

The Company uses valuation techniques when determining the fair value of certain assets and liabilities acquired in a business combination. In particular, the fair value of each intangible assets is dependent on the outcome of many variables.

5.1.5 Measurement of expected credit losses (ECL)

Determining if there are any significantly strong facts and circumstances indicating expected credit losses is a subjective process involving judgement relative to the overall context and probability of recoverability of the balances under review.

5.2 Judgments

5.2.1 Deferred tax assets

The Company must use certain assumptions and important accounting judgments to determine if deferred taxes can be recognized. Management has to evaluate whether it is more likely than not that they will be realized, taking into consideration all probable elements at their disposal to determine if all or part of deferred taxes will be recognized. To determine this probability, certain factors have to be taken into account, notably the Company's projection of future taxable income and determine in which fiscal period these profits should materialize.

5.2.2 Going concern

The assessment of the Company's ability to continue as a going concern and to have sufficient funds to pay its ongoing operating expenditures, meet its liabilities the ongoing year, involve significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances. More information about the going concern is disclosed in note 2.

5.2.3 Classification of investments in equity

When the Company recognize an investment in equity, all the relevant facts and circumstances are considered to determine the level of participation and influence on the operation and the classification of the asset as either an associate company or an other equity investment. Such facts and circumstances would include, but not be limited to, the percentage of ownership, the percentage of the voting rights, and the relative influence of other owners or partners in the investment.

5.2.4 Determination of Control Over an Investee Subject to Nominee Shareholder Arrangements

Management exercised significant judgement in concluding that the Company controls ASFC. The Company determined that it has power over ASFC's relevant activities, exposure to variable returns, and the ability to use its power to affect those returns, as required by IFRS 10. The key judgements and assumptions supporting this conclusion are:

- **Nominee Shareholder Structure:** The Company indirectly holds 51% of ASFC's registered capital through nominee shareholder agreements and the contractual obligations they impose on the Company's nominee shareholders. Management judged these agreements to provide substantive rights, enabling the Company to direct ASFC's relevant activities.
- **Power Over Relevant Activities:** Under ASFC's articles of association, the board of shareholders is the company's organ of authority. The board of shareholders has the power to appoint and remove the company's directors, and to determine the company's board of directors, which in turn determine the company's operating principles and investment plans, which management identified as ASFC's relevant activities. Prior to the creation of ASFC, the Company entered into nominee shareholder agreements with four nominee shareholders such that the nominee shareholders would hold shares in ASFC on behalf of the Company and exercise their voting rights as instructed by the Company. The Company therefore sent its registered capital contribution to create ASFC, representing 51% of the total registered capital of ASFC, to the nominee shareholders so that the registered capital may be contributed by the nominee shareholders on behalf of the Company. It is therefore the nominee shareholders, not the Company, who are identified as the registered contributors of ASFC's registered capital in ASFC's articles of association, which gives them the voting rights associated with the registered capital contribution. Because voting rights are proportional to capital contributions, the Company's 51% interest, as recognized in the nominee shareholder agreements, provides the Company with indirect majority decision-making authority of ASFC's board of shareholders through the nominee shareholder agreements. While the nominee shareholders are the legally registered shareholders of ASFC, the nominee shareholder agreements identify the Company as the actual contributor of the registered capital of ASFC. Article 11 of the nominee shareholder agreements states that the Company may terminate the nominee shareholder agreement and restore its actual shareholding status at any time. Given that the board of shareholders has the power to appoint and remove the company's directors, who in turn have the power to appoint and remove members of the company's management, and that the Company can unilaterally terminate its agreement with its nominee shareholders at any time, the Company therefore, through the nominee shareholder agreements, has the power to remove any member of ASFC's management team regardless of whether the member is a nominee shareholder or not. This reaffirms the Company control over ASFC's board of shareholders, its board of directors, its executive management and ultimately over ASFC's relevant activities.
- **Ability to Affect Returns:** By directing ASFC's relevant activities through its nominee shareholders, the Company can influence ASFC's financial performance and therefore the returns associated with its ownership interest.
- **Exposure to Variable Returns:** The Company is exposed to both upside and downside variability from ASFC's performance. Management noted that loss of control would result in a material deconsolidation impact, demonstrating significant exposure to variable returns.

(In Canadian dollars)

5 - CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS (CONTINUED)

– **Consistency of Judgements:** Management confirmed that no changes occurred in the judgements or assumptions used to assess control during the reporting period.

6 - LOANS RECEIVABLE AND ALLOWANCE FOR CREDIT LOSSES

One of the Company's subsidiaries in China, Asia Synergy Financial Capital ("ASFC"), provides various financial services to small and medium-sized enterprises.

ASFC provides loans that are either guaranteed by a related party, collateral assets or a combination of both. The loans secured with collateral are either secured by second-hand vehicles or by the residential property of the borrower. Loans not guaranteed by collateral assets are guaranteed by a related party.

Loans guaranteed by second-hand vehicles
The second-hand vehicles are valued by the company's credit department before approving a loan. The loan value at inception typically represents between 40% to 80% of the collateral value. The second-hand vehicles' collateral values are evaluated at the beginning of the loan and periodically during the life of the loan, based on an industry-recognized used car guide validated by company personnel, their knowledge, experience and the inspection process before approval of the loan.

Loans guaranteed by second rank mortgage on residential property
Before approving a loan, the Company's credit department will assess the value of any other mortgages taken out on the residential property and put it as collateral by the prospective borrower. The loan value at inception typically represents between 25% and 50% of the collateral value exceeding the first-rank mortgage taken by the borrower. The value of the residential property is evaluated at the beginning of the loan and periodically during the life of the loan based on a residential broker site, which is validated by the Company's personnel, their knowledge, experience and inspection process before approval of the loan.

All the loans secured by collateral assets are registered on the appropriate government-regulated system.

Credit & Supply Chain Finance Credit
The Company makes loans to small and medium enterprises ("SME") in the technology sector and in the retail sector. Before approving a loan, the Company performs an initial credit evaluation of the borrower. The credit evaluation includes the review of the borrower company's credit profile, operating performance, financial statements, tax payments and receipt records, shareholders' structure and their individual credit rating. Based on this initial evaluation, the Company will then proceed to sign a loan agreement with the SME borrowers. To mitigate the default risk in the case of any overdue situation incurred regarding these credit loans, a letter of guarantee must also be signed before the loan is finally granted to SME borrowers. Accordingly, a guarantor must agree to provide a full guarantee to cover any overdue principal and interest on behalf of the borrowers. The Company will also perform ongoing monitoring of SME borrowers through visits, phone calls and follow-up on business model developments. 100% of the credit and supply chain finance credit are guaranteed by an entity that is also a non-controlling shareholder of ASFC. No supply chain finance credit was granted during the period.

For the majority of loans granted, interest is payable by the borrower every month.

Loans receivable are summarized as follows:

	2025 December 31	**2024** December 31
Principal balance loans receivable		
Autos	1,044,561	950,478
Residential Property	62,024	175,065
Credit and Supply Chain Finance Credit	18,747,220	17,865,395
Principal balance loans receivable	19,853,805	18,990,938
Less expected credit loss (ECL)	(1,862,354)	(738,609)
Foreign exchange	(15,692)	(6,443)
Loans receivable net	17,975,759	18,245,886
Loans receivable maturing in less than 12 months	17,975,759	18,186,928
Loans receivable maturing in more than 12 months	–	58,958
	17,975,759	18,245,886

Impaired loans and allowances for credit loss

The Company performed a three-stage forward-looking impairment approach to its loan portfolio to measure the expected credit loss as described in detail in the summary of significant accounting policies.

The Company applies a three-stage, forward-looking impairment approach to its loan portfolio to measure expected credit losses, as described in the summary of significant accounting policies note 4.11. The ECL model incorporates both historical data and forward-looking macroeconomic factors, which may change over time, and the Company monitors these factors at each reporting period. The model is applied on a collective basis by product type; however, if indicators suggest that the collective assessment is no longer representative of underlying borrower risk, the Company will adjust its ECL model accordingly or migrate specific loans to a higher credit-risk stage.

The Company evaluates the guarantor's financial capacity and liquidity using a combination of qualitative and quantitative information. This includes a review of unaudited financial information, annual tax-filing records, bank statements, and confirmation of the guarantor's ongoing business relationships with selected clients and partners. These procedures are performed on a recurring basis, with financial information and bank statements reviewed quarterly and other supporting documentation reviewed annually.
The most recent annual review was completed for the year ended December 31, 2025. Based on the information available at that date, management did not identify any material deterioration in the guarantor's liquidity position or overall financial condition. The Company also maintains regular communication with the guarantor's management to remain informed of any significant developments.

(In Canadian dollars)

6 - LOANS RECEIVABLE AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

The guarantee provides substantive credit enhancement to the Company's loan portfolio. As part of the ECL model, the recoverability of exposures benefiting from the guarantee is influenced by the guarantor's creditworthiness. Any significant change in the guarantor's liquidity, financial strength, or credit quality would directly affect the loss-given-default (LGD) assumptions applied to these exposures.
At the reporting date, management concluded that the guarantor continues to demonstrate sufficient financial capacity to support the guarantee, and no adjustments to the ECL model were required beyond those already incorporated into the Company's standard credit-risk assessment process.

Certain loan exposures experienced a significant increase in credit risk and are supported by guarantees provided by Jiangsu Jiudong Ltd. ("Jiudong") a 49% non-controlling shareholder of ASFC, covering principal and interest amounts on loans that experienced deterioration in the borrowers' creditworthiness. The Company assessed whether these guarantees provide substantive credit support in measuring ECLs by evaluating the legal enforceability of the arrangements, the extent of coverage, Jiudong's financial capacity and liquidity, and its demonstrated willingness and economic incentive to perform. Based on this assessment, the Company concluded that the guarantees constitute substantive credit enhancement. The guarantees do not affect the probability of default of the borrowers but are reflected in the loss given default through expected recoveries. These expected recoveries were incorporated into the measurement of lifetime ECLs. As a result, ECLs are reduced relative to an unsecured basis and remain sensitive to changes in the guarantor's creditworthiness. The Company monitors both borrower and guarantor credit risk on an ongoing basis.

Credit quality of loans

The following table presents the gross carrying amount of loans receivable as at December 31, 2025 and 2024, according to credit quality and ECL impairment stages.

		Credit Loss Allocation Applied (1)		
		Autos	Residential Property	Credit and Supply Chain Finance Credit
Stage 1		1.0%	1.0%	2.0%
Stage 2		6.8%	1.0%	10.0%
Stage 3		87.1%	1.0%	20.0%
December 31, 2025	**%**	**Gross Carrying Amount**	**Allowance for Credit Loss**	**Net Carrying Amount**
Stage 1: Performing	12.3%	2,444,515	(490)	2,444,025
Stage 2: Underperforming	1.1%	214,492	(1,044)	213,448
Stage 3: Credit-impaired	86.6%	17,194,798	(1,876,512)	15,318,286
	100.0%	19,853,805	(1,878,046)	17,975,759

(1) Credit Loss Allocation Applied represents the LGD rate part of the calculation of the Allowance for Credit Loss rate. In addition to the Allowance for Credit Loss rate the model incorporates PD rates representing the probability of default. The calculation is as follow: PD*LGD*Gross Carrying Amount = Allowance for Credit Loss. The PD rate used in the ECL model by product type is presented as follows:

	PD rates	
	Auto and Residential Property	Credit and Supply Chain Finance Credit
Stage 1	1.0%	1.0%
Stage 2	30.0%	5.0%
Stage 3	100.0%	30.0%

December 31, 2024	**%**	**Gross Carrying Amount - (Restated - Note 32)**	**Allowance for Credit Loss**	**Net Carrying Amount**
Stage 1: Performing	16.7%	3,168,057	(3,577)	3,164,480
Stage 2: Underperforming	49.9%	9,481,045	–	9,481,045
Stage 3: Credit-impaired	33.4%	6,341,836	(741,475)	5,600,361
	100.0%	18,990,938	(745,052)	18,245,886

The Gross Carrying Amount for loans to customers as at December 31, 2025, broken down by product type and stages as follows:

	Product Type - Autos			
	Stage 1	Stage 2	Stage 3	Total
Gross Carrying Amount as at January 1, 2025	–	–	950,478	950,478
Repayments (contractual)	–	–	(443)	(443)
Capitalized interest at year-end	–	–	98,853	98,853
Foreign exchange and other	–	–	(4,327)	(4,327)
Gross Carrying Amount as at December 31, 2025	–	–	1,044,561	1,044,561

(In Canadian dollars)

6 - LOANS RECEIVABLE AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

	Product Type - Residential property			
	Stage 1	Stage 2	Stage 3	Total
Gross Carrying Amount as at January 1, 2025	35,077	–	139,988	175,065
Repayments (contractual)	(23,770)	–	(97,618)	(121,388)
Capitalized interest at year-end	–	1,992	3,964	5,956
Transfers				
- to lifetime ECL performing	(13,348)	13,348	–	–
Foreign exchange and other	2,041	(1,285)	1,635	2,391
Gross Carrying Amount as at December 31, 2025	–	14,055	47,969	62,024

	Product Type - Credit & Supply Chain Finance Credit			
	Stage 1	Stage 2	Stage 3	Total
Gross Carrying Amount as at January 1, 2025	3,132,981	9,481,045	5,251,369	17,865,395
Originations / new loans	245,000	–	–	245,000
Repayments (contractual)	(508,010)	–	–	(508,010)
Capitalized interest at year-end (1)	105,470	1,004	1,138,396	1,244,870
Transfers				
- to lifetime ECL performing	(199,433)	199,433	–	–
- to lifetime ECL credit-impaired	(538,161)	(9,481,045)	10,019,206	–
Foreign exchange and other	206,668	–	(306,703)	(100,035)
Gross Carrying Amount as at December 31, 2025	2,444,515	200,437	16,102,268	18,747,220

(1) Interest revenue on commercial loans is recognized using the effective interest rate method. The Company recorded a year-end adjustment for all loans that matured during the year but continued to accrue interest until the principal was fully repaid. All such loans were classified as Stage 3 as of December 31, 2025.

The Gross Carrying Amount for loans to customers as at December 31, 2024, broken down by product type and stages as follows:

	Product Type - Autos			
	Stage 1	Stage 2	Stage 3	Total
Gross Carrying Amount as at January 1, 2024	–	–	908,831	908,831
Repayments (contractual)	–	–	(164,882)	(164,882)
Capitalized interest at year-end	–	–	66,759	66,759
Derecognitions (including write-offs)	–	–	75,052	75,052
Foreign exchange and other	–	–	64,718	64,718
Gross Carrying Amount as at December 31, 2024	–	–	950,478	950,478

	Product Type - Residential property			
	Stage 1	Stage 2	Stage 3	Total
Gross Carrying Amount as at January 1, 2024	148,544	–	126,769	275,313
Repayments (contractual)	(89,097)	–	(54,651)	(143,748)
Capitalized interest at year-end	7,055	–	20,309	27,364
Transfers				
- to lifetime ECL credit-impaired	(50,240)	–	50,240	–
Foreign exchange and other	18,815	–	(2,679)	16,136
Gross Carrying Amount as at December 31, 2024	35,077	–	139,988	175,065

	Product Type - Credit & Supply Chain Finance Credit - (Restated - Note 32)			
	Stage 1	Stage 2	Stage 3	Total
Gross Carrying Amount as at January 1, 2024	16,102,062	–	–	16,102,062
Originations / new loans	1,892,160	–	–	1,892,160
Repayments (contractual)	(1,873,099)	–	–	(1,873,099)
Capitalized interest at year-end	810,256	–	–	810,256
Transfers				
- to lifetime ECL performing	(9,481,045)	9,481,045	–	–
- to lifetime ECL credit-impaired	(5,251,369)	–	5,251,369	–
Foreign exchange and other	934,016	–	–	934,016
Gross Carrying Amount as at December 31, 2024	3,132,981	9,481,045	5,251,369	17,865,395

(In Canadian dollars)

6 - LOANS RECEIVABLE AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

The loss allowance for loans to customers as at December 31, 2025, broken down by product type, reconciles to the opening loss allowance for that provision as follows:

	Product Type - Autos			
	Stage 1	Stage 2	Stage 3	Total ECL
Loss allowance as at January 1, 2025	–	–	740,075	740,075
Originations net of repayments and other derecognitions	–	–	63,979	63,979
Net remeasurement	–	–	96,565	96,565
Foreign exchange and other	–	–	9,277	9,277
Loss allowance as at December 31, 2025	–	–	909,896	909,896

	Product Type - Residential property			
	Stage 1	Stage 2	Stage 3	Total ECL
Loss allowance as at January 1, 2025	4	–	1,400	1,404
Originations net of repayments and other derecognitions	(2)	–	(912)	(914)
Net remeasurement	–	41	–	41
- to lifetime ECL performing	(1)	1	–	–
Foreign exchange and other	–	–	(8)	(8)
Loss allowance as at December 31, 2025	1	42	480	523

	Product Type - Credit & Supply Chain Finance Credit (1)			
	Stage 1	Stage 2	Stage 3	Total ECL
Loss allowance as at January 1, 2025	3,573	–	–	3,573
Originations net of repayments and other derecognitions	196	–	–	196
Net remeasurement	–	962	962,916	963,878
Transfers	–	–	–	–
- to lifetime ECL performing	(40)	40	–	0
- to lifetime ECL credit-impaired	(3,220)	–	3,220	0
Foreign exchange and other	(20)	–	–	(20)
Loss allowance as at December 31, 2025	489	1,002	966,136	967,627

(1) The Company experienced an increase in credit risk since initial recognition on its Credit & Supply Chain Finance Credit portfolio of loans receivable during the period ended December 31, 2025. The impact of the increase in credit risk was incorporated into the ECL model and the Company recorded an additional ECL expense of $964,054 in the consolidated statement of comprehensive profit and loss.

The loss allowance for loans to customers as at December 31, 2024, broken down by product type, reconciles to the opening loss allowance for that provision as follows:

	Product Type - Autos			
	Stage 1	Stage 2	Stage 3	Total ECL
Loss allowance as at January 1, 2024	–	–	553,828	553,828
Originations net of repayments and other derecognitions	–	–	(11,674)	(11,674)
Net remeasurement	–	–	191,740	191,740
Foreign exchange and other	–	–	6,181	6,181
Loss allowance as at December 31, 2024	–	–	740,075	740,075

	Product Type - Residential property			
	Stage 1	Stage 2	Stage 3	Total ECL
Loss allowance as at January 1, 2024	15	–	1,268	1,283
Originations net of repayments and other derecognitions	(7)	–	(444)	(451)
Net remeasurement	–	–	497	497
Transfers				
- to lifetime ECL credit-impaired	(5)	–	5	–
Foreign exchange and other	1	–	74	75
Loss allowance as at December 31, 2024	4	–	1,400	1,404

	Product Type - Credit & Supply Chain Finance Credit			
	Stage 1	Stage 2	Stage 3	Total ECL
Loss allowance as at January 1, 2024	3,220	–	–	3,220
Originations net of repayments and other derecognitions	166	–	–	166
Foreign exchange and other	187	–	–	187
Loss allowance as at December 31, 2024	3,573	–	–	3,573

(In Canadian dollars)

7 - DEBTORS

	2025 December 31	2024 December 31
Sales tax receivable	968,988	1,010,176
Advances to companies	260,991	264,487
Accounts receivable (1)	3,257,602	387,530
Subscriptions receivable from non-controlling interests	1,358,386	1,303,309
Other receivable	–	300,000
Prepayments to third party subcontractors (2)	2,185,952	2,163,114
	8,031,919	5,428,616

(1) The Company reassesses the recoverability of each debtor categorized by type of supply chain activity and by customer. The Company identified new indicators of specific deterioration in supply chain activities related to business transactions on the GoldRiver platform during the year ended December 31, 2024. During the year ended December 31, 2025, an expense of $186,624 (December 31, 2024 - an expense of $10,320,481) was recorded as expected credit loss in the consolidated statements of comprehensive profit and loss. Please refer to the Note 30 Economic Dependance for more information regarding the concentration of risk as of December 31, 2025 regarding the remaining balance of Accounts Receivable still outstanding.

	2025 December 31	2024 December 31
Accounts receivable before expected credit loss	17,669,639	14,789,788
Less expected credit loss (ECL)	(14,016,904)	(13,830,280)
Foreign exchange	(395,133)	(571,978)
Accounts receivable after expected credit loss	3,257,602	387,530

The Company track the overdue days by using an aging matrix as follow based on internal credit risk exposure overdue days:

December 31, 2025	**Current**	**30-90 days**	**91-180 days**	**>180 days**	**Total**
Expected credit loss rate	0%	0%	0%	99%	
Estimated total gross carrying amount at default	2,995,060	129,311	–	14,545,268	17,669,639
Expected credit loss rate	–	–	–	14,412,037	14,412,037
Accounts receivable after expected credit loss	**2,995,060**	**129,311**	**–**	**133,231**	**3,257,602**

December 31, 2024	**Current**	**30-90 days**	**91-180 days**	**>180 days**	**Total**
Expected credit loss rate	51%	100%	0%	100%	
Estimated total gross carrying amount at default	794,390	23,770	30,399	13,941,229	14,789,788
Expected credit loss rate	407,278	23,770	30,399	13,940,811	14,402,258
Accounts receivable after expected credit loss	**387,112**	**–**	**–**	**418**	**387,530**

(2) Subsidiaries of the Company active in supply chain activity made prepayments to subcontractors to support operational supply chain processes. These prepayments were funded entirely by amounts received from the Company's underlying customer and were intended to be recovered through the subcontractors' future delivery of goods and services over the contract term. Although the Company did not use its own cash to fund these prepayments, the arrangement does not eliminate the credit risk associated with the subcontractors' ability to refund the Company, and ultimately the underlying customers from whom the funds originated. The Company no longer expects to recover these amounts through the performance of services.
As at the date of these financial statements, recovery is expected to occur in cash. Accordingly, the prepayments are treated as financial assets exposed to credit risk. The Company's exposure relates to the subcontractors' ability and willingness to settle the outstanding balance.

Management revised its expectation based on updated operational timelines communicated by the subcontractor after the initial verbal confirmation regarding early repayment. During second quarter of 2025 discussions, the supplier/subcontractor informed the Company that certain cash flows supporting the repayment schedule would be delayed due to changes in its internal planning and resource allocation. This updated information indicated that the conversion of the prepayment balance would occur later than originally anticipated or be paid into installments as per ongoing discussion, shifting the expected settlement date from December 31, 2025 to before the end of Q2 2026, based on the tripartite agreement signed. The guarantee was assessed as strong and enforceable based on due diligence performed by the Issuer in June 2025, including an evaluation of the guarantor's financial capacity and the legal enforceability of the guarantee arrangement. The Issuer's due diligence supported its conclusion that the guarantor has sufficient financial capacity and liquidity to fully satisfy the prepayment balances if required. This conclusion formed part of the key inputs used in measuring expected credit losses (ECLs), supporting the assessment that the recoverable portion of the gross carrying amount is solid and unconditional due to the quality and enforceability of the credit enhancement. The guarantee is expected to cover 100% of the outstanding amount, and its effect has been incorporated into the Issuer's ECL measurement. The presence of this credit enhancement significantly reduces the Company's exposure to credit loss and supports the conclusion that the expected credit loss remains Nil as of December 31, 2025.

(In Canadian dollars)

7 - DEBTORS (CONTINUED)

The Company assesses the credit risk associated with these prepayments by considering historical settlement patterns, internal credit assessments, and relevant forward looking information. The most recent review, completed as of December 31, 2025, indicated no material deterioration in the subcontractors' financial condition. Management's assessment was supported by ongoing discussions with the subcontractors and their continued engagement toward resolving the outstanding balance.
Although the balance has been outstanding for an extended period, management determined that the risk of default remains limited. This conclusion reflects the subcontractors' demonstrated cooperation, the progress made in settlement discussions, and the expectation of full cash recovery. The Company monitors this exposure through aging analysis, internal credit risk ratings, and direct communication with the subcontractors.
Each prepayment is matched by a corresponding contract liability representing the obligation owed to the downstream customer. This liability is presented under "Contract liabilities with third party customers" in Note 13.

The Company track the overdue days by using an aging matrix as follow based on internal credit risk exposure overdue days:

	Current	30-90 days	91-180 days	>180 days	Total
31-Dec-24	–	–	–	2,163,114	2,163,114
31-Dec-25	–	–	–	2,185,952	2,185,952

**The movement between December 31, 2024 and December 31, 2025 is attributable to foreign exchange conversion impact.*

8 - OTHER CURRENT ASSETS

	2025 December 31	2024 December 31
Other current assets (1)	–	7,733,174
	–	7,733,174

(1) Of the total amount closed through the combined private placements of August 1st, 2023, August 18th, 2023 and September 8th, 2023, as described in the note 15, the Company had funds from convertible debentures recorded in other current assets amounting to $7,733,174 as at December 31, 2024. The funds from convertible debentures were still in process of being transferred to the Company from a bank account in China owned by a Director and officer of the Company and were under the control of a Company's holding subsidiary as at December 31, 2024. Following an assessment of the capital needs of its Chinese operations, the Company eventually reallocated the entire $7,733,174 to its Canadian operations, using $1,090,491 of the amount in the second quarter of 2025 and the remaining balance of $6,642,683 during the third quarter of 2025, bringing the balance of other current assets to $Nil as at December 31, 2025. This amount was presented under "Re-allocation of capital from proceeds of previous financings" under financing activities of the Consolidated Statements of Cash Flows.

9 - PROPERTY AND EQUIPMENT

	Right-of-Use Assets	IT & Office Equipment	Leasehold Improvement	Vehicles & Other Equipment	Total
Gross carrying amount					
Balance as at January 1, 2025	3,985,776	680,716	405,059	191,393	5,262,944
Disposals	(1,805,847)	(408,007)	(405,059)	(191,393)	(2,810,306)
Balance as at December 31, 2025	2,179,929	272,709	–	–	2,452,638
Accumulated amortization					
Balance as at January 1, 2025	2,451,506	343,500	66,978	181,382	3,043,366
Depreciation	178,242	76,783	28,705	(31,654)	252,076
Disposals	(661,482)	(119,258)	(95,683)	(149,783)	(1,026,206)
Exchange differences	187,415	(31,405)	–	55	156,065
Balance as at December 31, 2025	2,155,681	269,620	–	–	2,425,301
Net carrying amount as at December 31, 2025	24,248	3,089	–	–	27,337
Gross carrying amount					
Balance as at January 1, 2024	5,371,610	696,923	405,059	215,463	6,689,055
Disposals	(1,385,834)	(16,207)	–	(24,070)	(1,426,111)
Balance as at December 31, 2024	3,985,776	680,716	405,059	191,393	5,262,944
Accumulated amortization					
Balance as at January 1, 2024	2,703,747	256,500	28,705	190,779	3,179,731
Depreciation	355,991	96,025	38,273	624	490,913
Disposals	(556,102)	(8,072)	–	(9,986)	(574,160)
Exchange differences	(52,130)	(953)	–	(35)	(53,118)
Balance as at December 31, 2024	2,451,506	343,500	66,978	181,382	3,043,366
Net carrying amount as at December 31, 2024	1,534,270	337,216	338,081	10,011	2,219,578

During the year ended December 31, 2025, the Company disposed IT & Office Equipment and Vehicules & Other Equipment having a combined net book value of $639,733 for a total net proceeds of $46,493. Consequently, a loss on disposition of property and equipment of $593,240 (December 31, 2024 - a gain of $12,868) was recorded in the consolidated statement of comprehensive profit and loss.

(In Canadian dollars)

9 - PROPERTY AND EQUIPMENT (CONTINUED)

During the year ended December 31, 2025, the Company disposed Right-of-Use Assets ("ROUA") having a combined net book value of $1,144,365 net of the remaining Lease Liability of $2,136,796 which represented a non-cash transaction and resulted in a gain on disposition of property and equipment of $992,431. As a result of the termination of the Canadian ROUA and the related lease liability, the Company had previously been entitled to reimbursement for leasehold improvements and furnitures, which had been recorded as accounts receivable in accordance with the contract. These receivables were surrendered upon the termination date. After offsetting $209,041 of remaining rent payable to the landlord and $90,502 of prepaid rent, the Company left behind approximately $771,373 of reimbursable expenses. The surrender of these net receivables resulted in the Company recognizing a loss on forgiveness of net receivables totaling $652,836. In addition, the lease payment of the Company's subsidiary ASST, ASDS and ASCS were forgiven for an amount of $41,574. The Company recorded the combined net loss on disposition of property and equipment related to the previous transactions related to the ROUA derecognition for a total amount of $253,645 in the consolidated statement of comprehensive profit and loss (December 31, 2024 - a gain of $20,754).

10 - INVESTMENTS

	2025 December 31	**2024** December 31
Other equity investments (1)	980,000	985,500
	980,000	985,500

(1) The Company holds, through its ASFC subsidiary, a 5% equity interest in Wuxi Xincheng Venture Capital Partnership ("AVC"), a China-registered investment partnership. The fair market value of the equity investment is $980,000 as at December 31, 2025 (December 31, 2024 - $985,500).

The movement during the year ended December 31, 2025 and 2024, relating to the other equity investments, were as follows:

	2025 December 31	**2024** December 31
Balance at the beginning of the year	985,500	1,183,005
Impairment (AXS)	–	(266,085)
Foreign exchange	(5,500)	68,580
Balance at the end of the year	980,000	985,500

11 - FINANCE LEASE RECEIVABLE

	2025 December 31	**2024** December 31
Balance at the beginning of the year	92,464	–
Additions	–	100,980
Rental payments received	(34,729)	(8,516)
Balance at the end of the year	57,735	92,464
Current Portion	42,640	34,729
Non-current Portion	15,095	57,735

As a sublessor, the Company classifies its subleases as either operating or finance leases. In order to do so, the Company assesses whether it transfers substantially all the risks and rewards of ownership. Those assets that transfer substantially all the risks and rewards are classified as finance leases and the opposite as operating leases.

Since March 1, 2024, the Company changed its head office location from 119 Spadina Avenue, Suite 705, Toronto, ON to 82 Richmond St. E. Toronto, ON M5C 1P1. Consequently, the Company subleased its prior office space for the residual duration of the initial lease and entered into a new short-term lease. As part of the sublease, the Company recognized a finance lease receivable of $100,980, derecognized the residual value of the right-of-use asset having a net book value of $259,183 and recorded a loss on sublease of $158,203 in the consolidated statement of comprehensive profit an loss for the year ending December 31, 2024.

The Company's undiscounted lease payment to be received as at December 31, 2025 were as follows:

As at December 31, 2025	**Payments to be received by period**			
	1 year	2 - 5 years	Beyond 5 years	Total
Lease payments to be received	44,555	15,252	–	59,807

As at December 31, 2024	**Payments to be received by period**			
	1 year	2 - 5 years	Beyond 5 years	Total
Lease payments to be received	38,555	59,807	–	98,362

The total unearned finance income up to the end of the sublease term is $2,072 as at December 31, 2025 ($5,899 - December 31, 2024).

The total other rental income collected from the subtenant relating to additional rent (operating expenses recovery) is recorded as revenues in the consolidated statement of comprehensive profit and loss for the year ended December 31, 2025.

(In Canadian dollars)

12 - INTANGIBLE ASSETS

The carrying value of the intangible assets as at December 31, 2025 and December 31, 2024, were as follows:

	Loan Servicing Agreement	Gold River Platform	System Integration Platform *(Formerly called Cubeler Interface)*	Cubeler Platform	Other ERP Platforms	Heartbeat Platform	Tradenames	Total intangible assets
Gross carrying amount								
Balance as at January 1, 2025	1,430,000	19,508,201	2,708,222	24,924,238	6,877,035	10,254,843	5,287,000	70,989,539
Addition	–	–	–	–	(9,985)	–	–	(9,985)
Balance as at December 31, 2025	1,430,000	19,508,201	2,708,222	24,924,238	6,867,050	10,254,843	5,287,000	70,979,554
Accumulated amortization and impairment loss								
Balance as at January 1, 2025	858,000	19,508,201	2,708,222	24,924,238	5,458,888	10,254,843	5,284,668	68,997,060
Amortization	143,000	–	–	–	458,214	–	500	601,714
Exchange differences	–	–	–	–	265,014	–	–	265,014
Balance as at December 31, 2025	1,001,000	19,508,201	2,708,222	24,924,238	6,182,116	10,254,843	5,285,168	69,863,788
Net carrying amount as at December 31, 2025	429,000	–	–	–	684,934	–	1,832	1,115,766
Gross carrying amount								
Balance as at January 1, 2024	1,430,000	19,114,001	2,597,846	24,924,238	6,477,629	10,501,156	5,287,000	70,331,870
Addition	–	394,200	110,376	–	399,406	(246,313)	–	657,669
Balance as at December 31, 2024	1,430,000	19,508,201	2,708,222	24,924,238	6,877,035	10,254,843	5,287,000	70,989,539
Accumulated amortization and impairment loss								
Balance as at January 1, 2024	715,000	9,823,803	1,692,598	24,924,238	3,744,424	9,459,156	5,284,168	55,643,387
Amortization	143,000	4,263,145	499,715	–	1,614,927	463,706	500	6,984,993
Impairment loss on intangible	–	5,712,051	570,241	–	251,953	392,387	–	6,926,632
Exchange differences	–	(290,798)	(54,332)	–	(152,416)	(60,406)	–	(557,952)
Balance as at December 31, 2024	858,000	19,508,201	2,708,222	24,924,238	5,458,888	10,254,843	5,284,668	68,997,060
Net carrying amount as at December 31, 2024	572,000	–	–	–	1,418,147	–	2,332	1,992,479

(In Canadian dollars)

12 - INTANGIBLE ASSETS (CONTINUED)

12.1 Impairment testing - Goodwill and other intangible assets for the prior year

Goodwill and intangible assets not yet available for use are tested each financial year for impairment and whenever events or changes in circumstances indicate that the carrying amount of individual intangible assets or CGUs may not be recoverable. Intangible assets with finite useful lives are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of individual intangible assets may not be recoverable.

For the purpose of impairment testing, goodwill is allocated to the operating segments expected to benefit from the synergies of the business combinations in which the goodwill arises as set out below, and is compared to its recoverable amount.

For the purpose of impairment testing, at the time of the purchase price allocation, when goodwill arises it is allocated to the operating segments (Cash Generating Units ("CGUs")) expected to benefit from the synergies of the business combinations in which the goodwill arises. Impairment of goodwill is assessed by estimating the recoverable amount of the CGU to which goodwill has been allocated compared to the net carrying value of CGU assets.

Indicators of impairment - Heartbeat

As at December 31, 2024, management revised downward for a second year in a row its Heartbeat's business forecasted growth and net generated cash flows following the CGU latest operational performance. Management concluded that Heartbeat's economic performance during the last quarters met the criteria to assess the CGU and related intangible assets for impairment. As at December 31, 2024, events or changes in circumstances indicate that the carrying amount of individual intangible assets may not be recoverable.

Impairment review - Heartbeat

As at December 31, 2024, the goodwill, recoverable amounts and related carrying values of the Heartbeat CGU were assessed to be as follows:

	Intangible assets included in CGU	Recoverable amount	Carrying value	Impairment
Heartbeat CGU	392,387	–	392,387	(392,387)

Following recent events that took place in the fourth quarter of 2024, the Company revised downward its Heartbeat business forecast growth and net generated cash flows following the drop in transaction volume on the platform during the last 12 months. The Company decided to be prudent in estimating the timing of future potential revenues.

Management decided to estimate the recoverable amount to $Nil as of December 31, 2024 to be prudent and due to the poor economic performance during the last 12 months related to the Heartbeat's CGU.

Considering the financial performance, Tenet assessed the recoverable amount of the Technology and Tradename and concluded in an impairment of $392,387 was recognized for the period ended December 31, 2024.

Indicators of impairment - GoldRiver

As at December 31, 2024, management revised Goldriver's business forecasted growth and net generated cash flows following the CGU latest operating performance. Additionally, the Company engaged an external valuator to assess the technical valuation of Goldriver's technology and estimate the approximate market price for potential buyers of similar technology. Due to the uncertainty of potential buyers at the time of the financial statement and the unpredictability of restoring transaction volumes and revenues to historical levels, the Company concluded that it met the criteria to assess the CGU and related intangible assets for impairment. As at December 31, 2024, events or changes in circumstances indicate that the carrying amount of individual intangible assets may not be recoverable.

Impairment review - GoldRiver

As at December 31, 2024, the goodwill, recoverable amounts and related carrying values of the GoldRiver CGU were assessed to be as follows:

	Intangible assets included in CGU	Recoverable amount	Carrying value	Impairment
GoldRiver CGU	5,447,850	–	5,447,850	(5,447,850)

Management determined that an impairment test could not be reliably performed due to the absence of forecasted budgets and key valuation assumptions. Given the lack of sufficient evidence to support future economic benefits, a full write-off was proposed. As a result, an impairment loss of $5,447,850 was recognized in the Audited Consolidated Financial Statements for the year ended December 31, 2024.

(In Canadian dollars)

12 - INTANGIBLE ASSETS (CONTINUED)

Indicators of impairment - Steelchain

As at December 31, 2024, management revised Steelchain's business forecasted growth and net generated cash flows following the CGU latest operating performance. Due to the uncertainty of potential buyers at the time of the financial statement and the unpredictability of restoring transaction volumes and revenues to historical levels, the Company concluded that it met the criteria to assess the CGU and related intangible assets for impairment. As at December 31, 2024, events or changes in circumstances indicate that the carrying amount of individual intangible assets may not be recoverable.

Impairment review - Steelchain

As at December 31, 2024, the goodwill, recoverable amounts and related carrying values of the Steelchain CGU were assessed to be as follows:

	Intangible assets included in CGU	Recoverable amount	Carrying value	Impairment
Steelchain CGU	1,086,395	–	1,086,395	(1,086,395)

Management determined that an impairment test could not be reliably performed due to the absence of forecasted budgets and key valuation assumptions. Given the lack of sufficient evidence to support future economic benefits, a full write-off was proposed. As a result, an impairment loss of $1,086,395 was recognized in the Audited Consolidated Financial Statements for the year ended December 31, 2024.

13 - ACCOUNTS PAYABLE, ADVANCES AND ACCRUED LIABILITIES

	2025 December 31	2024 December 31
Trade accounts payable and accruals	17,003,945	16,867,812
Advances received from a company owned by a Director, no interest (1)	1,217,740	720,983
Advances from third-party customers, no interest	46,855	45,707
Contract liabilities with third-party customers, no interest (2,3)	2,612,914	2,164,371
Interest payable on debentures (note 15)	604,228	209,383
Provision for legal settlement (4)	1,644,720	1,726,680
Advances from third-party	–	190,000
	23,130,402	21,924,936

(1) During the year ended December 31, 2025, a Company owned by a Director of the Company, made a series of short-term loans totally approximately $500,780 to Asia Synergy Holding Inc. (“ASH”), a wholly owned subsidiary of the Company. The balance of the net advances received from a Company owned by a Director at no interest as at December 31, 2025 is $1,217,740 (December 31, 2024 - $720,983). A foreign exchange gain of $4,023 was recognized.

(2) Advance from downstream corporate clients for supply chain bundle service fee.

(3) The table below summarizes the significant changes in contract liabilities with third-party customers.

	2025 December 31	2024 December 31
Balance at the beginning of the year	2,164,371	2,019,404
Increase in contract liabilities during the period	1,298,123	131,419
Revenue recognized for balances included in Contract liabilities Balance at the beginning of the year	–	(87,175)
Revenue recognized for balances included in Contract liabilities Balance in previous years	(14,886)	(15,083)
Revenue recognized for Contract liabilities originated during the period	(802,175)	(1,422)
Other	(21,806)	–
Exchange differences	(10,713)	117,228
Balance at the end of the year	2,612,914	2,164,371

(4) On April 8th, 2024, an agreement was signed to settle a class action lawsuit that was brought against Tenet and two of its executives on November 19, 2021 in the United States District Court for the Eastern District of New York. Despite the fact that the settlement does not include any admission of liability or wrongdoing on the part of the Company or any defendant, the parties have agreed to a settlement of approximately $1,632,000 ($1,200,000 USD) payable in five instalments between April 30, 2024, and December 31, 2024. Consequently, a loss on legal settlement totalling $1,632,000 was initially recorded in the statements of comprehensive profit and loss for the year ended December 31, 2023 and a provision for legal settlement for the same amount was booked, in accounts payable, advances and accrued liabilities within the consolidated statements of financial position as at December 31, 2023. The balance recorded in accounts payable, advances and accrued liabilities is revalued into Canadian dollars at the foreign exchange rate as at the end of each reporting period with the resulting difference recorded as a foreign exchange expense within the consolidated statement of comprehensive profit and loss. During the year ended December 31, 2025, the Company recorded a foreign exchange loss of $81,660 related to this revaluation. As a result, the balance recorded in accounts payable, advances and accrued liabilities as at December 31, 2025 is $1,644,720 (December 31, 2024 - $1,726,680).

(In Canadian dollars)

14 - LEASE LIABILITIES

	2025 December 31	**2024** December 31
Balance at the beginning of the year	1,895,774	2,787,836
Adjustment (1)	(1,245,609)	(591,303)
Accretion interest	157,113	264,794
Lease payments	(621,105)	(546,425)
Effect of exchange rate change on obligation	(37,470)	(19,128)
Balance at the end of the year	148,703	1,895,774
Current Portion	115,700	203,426
Non-current Portion	33,003	1,692,348

(1) During the year ended December 31, 2025, the Company disposed of the remaining Lease Liability in Canada which represented a non-cash transaction and resulted in a gain on disposition of property and equipment net of its ROUA.

The Company's obligations regarding lease payments as at December 31, 2025, and December 31, 2024, were as follows:

As at December 31, 2025	**Payments due by period**			
	1 year	2 - 5 years	Beyond 5 years	Total
Lease payments	98,760	33,348	–	132,108

As at December 31, 2024	**Payments due by period**			
	1 year	2 - 5 years	Beyond 5 years	Total
Lease payments	579,484	1,682,142	1,392,635	3,654,261

(In Canadian dollars)

15 - DEBENTURES

The carrying value of the debentures as at December 31, 2025 and 2024, was as follows:

	2025 December 31	2024 December 31
Debenture issuance of December 23, 2022 (note 15.1)	450,000	450,000
Debenture issuance of January 31, 2023 (note 15.2)	50,000	214,737
Debenture issuance of August 1, 2023 (note 15.3)	2,316,619	2,001,270
Debenture issuance of August 18, 2023 (note 15.4)	336,410	2,039,815
Debenture issuance of September 8, 2023 (note 15.5)	627,426	544,405
Debenture issuance of Februaty 2, 2024 (note 15.6)	781,728	863,944
Debenture issuance of Februaty 27, 2024 (note 15.7)	393,836	326,979
Debenture issuance of April 16, 2024 (note 15.8)	632,405	535,325
Debentures	5,588,424	6,976,475
Debentures, short-term	3,780,455	664,737
Debentures, long-term	1,807,969	6,311,738
	5,588,424	6,976,475

As at December 31, 2025, $604,228 of interest payable on debentures is recorded in accounts payable, advances and accrued liabilities (December 31, 2024 - $209,383).

Total issuance costs recorded in the consolidated statements of changes in equity related to convertible debentures issued during year ended December 31, 2025 and 2024 were respectively $Nil and $208,717.

15.1 Debenture issuance of December 23, 2022

On December 23, 2022, the Company issued 308 units of convertible debentures for gross contractual proceeds of $3,080,000 (net proceeds of $2,864,400 after related expenses). Each unit sold comprised of $10,000 face value debentures, maturing on December 23, 2024, bearing interest at a nominal rate of 10% payable monthly, plus 10,000 purchase warrants, for a total of 3,080,000 purchase warrants, exercisable into Company common shares at $2.00 per share for a period of 24 months from the date of issuance.

The debentures, at issuance, allowed their subscribers to convert them into common shares of the Company at any time prior to maturity, subject to certain terms and conditions, at $1.00 per common share.

On April 19, 2023, the Company amended the conversion terms of the convertible debentures to allow the holders thereof to convert the face value of the Debentures into Debentures Shares at the price to be determined under the next transaction or series of directly related transactions in the course of which the Corporation issues and sells common shares or units for aggregate net proceeds of not less than $5,000,000, the whole in accordance with the terms and conditions set forth in an amending agreement with each of the Holders. As such, subsequenty to the debenture issuance of August 18, 2023 (refer to note 15.4), the debentures are convertible at a price of $0.25 per common share.

On April 24, 2023, $2,000,000 of convertible debentures were converted into common shares of the Company. At the date of conversion, these debentures had an amortized cost totalling $1,443,894. The Company issued 2,816,901 common shares to the debenture holder and recorded $1,443,894 in share capital.

On December 23, 2024, convertible debentures with nominal value of $680,000 were expired. $230,000 of that amount was repaid from the proceeds of the private placement closed on November 29, 2024, resulting in a remaining balance of $450,000 as at December 31, 2024. The Company is in negotiations with the holders to arrange a repayment date. Interest expense has been accrued in accordance with the original terms of the convertible debentures for the year ended December 31, 2025.

The movement during the year ended December 31, 2025 and 2024, relating to those debentures, was as follows:

	2025 December 31	2024 December 31
Balance at the beginning of the year	450,000	563,388
Maturity repayment	–	(230,000)
Interest and accretion of debentures	–	94,939
Amortization of financing issuance costs	–	21,673
Balance at the end of the year	450,000	450,000

As at December 31, 2025, $9,770 of interest payable on debenture is recorded in accounts payable, advances and accrued liabilities (December 31, 2024 - $21,834).

15.2 Debenture issuance of January 31, 2023

On January 31, 2023, the Company issued 351 units of convertible debentures for gross contractual proceeds of $3,510,000 (net proceeds of $3,280,350 after related expenses). Each unit sold comprised of $10,000 face value debentures, maturing on January 31, 2025, bearing interest at a nominal rate of 10% payable monthly, plus 10,000 purchase warrants, for a total of 3,510,000 purchase warrants, exercisable into Company common shares at $2.00 per share for a period of 24 months from the date of issuance.

The debentures, at issuance, allowed their subscribers to convert them into common shares of the Company at any time prior to maturity, subject to certain terms and conditions, at $1.00 per common share.

(In Canadian dollars)

15 - DEBENTURES (CONTINUED)

On April 19, 2023, the Company amended the conversion terms of the convertible debentures to allow the holders thereof to convert the face value of the Debentures into Debentures Shares at the price to be determined under the next transaction or series of directly related transactions in the course of which the Corporation issues and sells common shares or units for aggregate net proceeds of not less than $5,000,000, the whole in accordance with the terms and conditions set forth in an amending agreement with each of the Holders. As such, subsequenty to the debenture issuance of August 18, 2023 (refer to note 15.4), the debentures are convertible at a price of $0.25 per common share.

On December 19, 2024, convertible debentures having a nominal value of $250,000 were converted into common shares of the Company. At the date of conversion, these debentures had an amortized cost totalling $238,104. The Company issued 3,366,667 common shares to the debenture holders and recorded $238,104 in share capital.

On January 3, 2025, $50,000 of convertible debentures were converted into common shares of the Company. At the date of conversion, these debentures has an amortized cost totalling $48,804. The Company issued 500,000 common shares to the debenture holders and recorded $48,804 in share capital.

On January 31, 2025, convertible debentures with nominal value of $170,000 were expired. $30,000 out of the remaining value was repaid from the proceeds of the private placement closed on November 29, 2024 and a total of $90,000 was repaid during the year ended December 31, 2025, resulting in the remaining value of $50,000 as at December 31, 2025. The Company is in negotiations with the holders to arrange a repayment date. Interest expense has been accrued in accordance with the original terms of the convertible debentures for the year ended December 31, 2025.

The movement during the year ended December 31, 2025 and 2024, relating to those debentures, was as follows:

	2025 December 31	**2024** December 31
Balance at the beginning of the year	214,737	363,344
Maturity repayment	(120,000)	–
Balance at inception or beginning of the year	94,737	363,344
Conversion of debentures	(48,804)	(238,104)
Interest and accretion of debentures	3,601	74,642
Amortization of financing issuance costs	466	14,855
Balance at the end of the year	50,000	214,737

As at December 31, 2025, $2,469 of interest payable on debenture is recorded in accounts payable, advances and accrued liabilities (December 31, 2024 - $18,043).

15.3 Debenture issuance of August 1, 2023

On August 1, 2023, the Company issued 2,598 units of convertible debentures (including 2,000 units to Insiders) for gross contractual proceeds of $2,598,000 (net proceeds of $2,575,500 after related expenses). Each unit sold comprised of $1,000 face value debentures, maturing on August 1, 2026, bearing interest at a nominal rate of 10% payable monthly, plus 4,000 purchase warrants, for a total of 10,392,000 purchase warrants, exercisable into Company common shares at $0.50 per share for a period of 24 months from the date of issuance.

The debentures, at issuance, allowed their subscribers to convert them into common shares of the Company at any time prior to maturity, subject to certain terms and conditions, at $0.25 per common share.

The movement during the year ended December 31, 2025 and 2024, relating to those debentures, was as follows:

	2025 December 31	**2024** December 31
Balance at the beginning of the year	2,001,270	1,757,317
Interest and accretion of debentures	309,383	237,987
Amortization of financing issuance costs	5,966	5,966
Balance at the end of the year	2,316,619	2,001,270

As at December 31, 2025, $241,193 of interest payable on debenture is recorded in accounts payable, advances and accrued liabilities (December 31, 2024 - $24,250).

(In Canadian dollars)

15 - DEBENTURES (CONTINUED)

15.4 Debenture issuance of August 18, 2023

On August 18, 2023, the Company issued 7,625 units of convertible debentures for gross contractual proceeds of $7,625,000 (net proceeds of $7,625,000 after related expenses). Each unit sold comprised of $1,000 face value debentures, maturing on August 18, 2026, bearing interest at a nominal rate of 10% payable monthly, for a total of 30,500,000 purchase warrants, exercisable into Company common shares at $0.50 per share for a period of 24 months from the date of issuance.

The debentures, at issuance, allowed their subscribers to convert them into common shares of the Company at any time prior to maturity, subject to certain terms and conditions, at $0.25 per common share.

The Company used the residual value method to allocate the principal amount of the debentures between the liability, the equity component of the
During the beginning of the month of January 2024, convertible debentures having a nominal value of $5,000,000 were converted into common shares of the Company. At the date of conversion, these debentures had an amortized cost totalling $3,423,738. The Company issued 20,000,000 common shares to the debenture holders and recorded $3,860,618 in share capital which included the reclassification of the equity component of convertible debentures initally recorded at inception totalling $436,880.

During the month of January 2024, the holders of these above mentionned convertible debentures waived their right to receive the interest amounting $192,876 due to them by the Company up until the conversion dates that occurred between January 5 and 8, 2024. In addition, on December 31, 2024, the other holder waived the right to receive the interest amounting $315,323 due to them by the Company up until that day. In total, $508,199 of interests were relinquished and were recorded as a credit in finance costs with an equivalent amount that was reversed by the Company from accounts payable, advances and accrued liabilities as at December 31, 2024.

During the first quarter of 2025, convertible debentures having a nominal value of $2,250,000 were converted into common shares of the Company. At the date of conversion, these debentures had an amortized cost totalling $1,757,257. The Company issued 9,000,000 common shares to the debenture holders and recorded $1,953,853 in share capital which included the reclassification of the equity component of convertible debentures initally recorded at inception totalling $196,596.

The movement during the year ended December 31, 2025 and 2024, relating to those debentures, was as follows:

	2025 December 31	**2024** December 31
Balance at the beginning of the year	2,039,815	5,221,201
Conversion of debentures	(1,757,257)	(3,423,738)
Interest and accretion of debentures	53,852	242,352
Balance at the end of the year	336,410	2,039,815

As at December 31, 2025, $15,677 of interest payable on debentures is recorded in accounts payable, advances and accrued liabilities (December 31, 2024 - $16,250).

15.5 Debenture issuance of September 8, 2023

On September 8, 2023, the Company issued 710 units of convertible debentures to Insiders for gross contractual proceeds of $710,000 (net proceeds of $710,000 after related expenses). Each unit sold comprised of $1,000 face value debentures, maturing on September8, 2026, bearing interest at a nominal rate of 10% payable monthly, for a total of 2,840,000 purchase warrants, exercisable into Company common shares at $0.50 per share for a period of 24 months from the date of issuance.

The debentures, at issuance, allowed their subscribers to convert them into common shares of the Company at any time prior to maturity, subject to certain terms and conditions, at $0.25 per common share.

The movement during the year ended December 31, 2025 and 2024, relating to those debentures, was as follows:

	2025 December 31	**2024** December 31
Balance at the beginning of the year	544,405	–
Addition	–	480,543
Balance at inception or beginning of the year	544,405	480,543
Interest and accretion of debentures	83,021	63,862
Balance at the end of the year	627,426	544,405

As at December 31, 2025, $162,410 of interest payable on debentures is recorded in accounts payable, advances and accrued liabilities (December 31, 2024 - $500).

15.6 Debenture issuance of February 2, 2024

On February 2, 2024, the Company issued 1,610 units of convertible debentures for gross contractual proceeds of $1,610,000 (net proceeds of $1,373,335 after related expenses). Each unit sold comprised of $1,000 face value debentures, maturing on February 2, 2027, bearing interest at a nominal rate of 10% payable monthly, plus 6,666 purchase warrants, for a total of 10,732,260 purchase warrants, exercisable into Company common shares at $0.25 per share for a period of 24 months from the date of issuance.

Out of the total funds raised from the convertible debenture units issued on February 2nd, 2024, $150,000 worth of units were used to repay the secured corporate bonds (note 16). In addition, $1,110,000 worth of units were used to repay some of the short term loan holders (note 18).

(In Canadian dollars)

15 - DEBENTURES (CONTINUED)

The debentures, at issuance, allowed their subscribers to convert them into common shares of the Company at any time prior to maturity, subject to certain terms and conditions, at $0.15 per common share.

The units contain a "forced warrant conversion" feature under which the debenture will automatically be surrendered and converted into common shares of the Company should the shares of the Company trade at $2.50 or more for three consecutive trading days.

Tenet also granted 112.7 non-transferable broker warrants (the "CD Broker Warrants"), being such number of CD Broker Warrants as is equal to 7.0% of the number of CD Units sold pursuant to the offerings (1,610 units). Each CD Broker Warrant is exercisable to purchase one CD Unit at an exercise price of $1,000 for a period of two years from the date of its issuance.

The Company used the residual value method to allocate the principal amount of the debentures between the liability, the equity component of the debentures and the warrants. Under this method, an amount of $102,505 and $497,123 related to the conversion feature and the warrants issued were recorded in consolidated statements of changes in equity as at the date of issuance. The fair value of the liability component of $823,488 was computed as the present value of future principal and interest, discounted at a rate of 32%, net of the prorated share of transaction costs.

On October 24, 2024, convertible debentures having a nominal value of $125,000 were converted into common shares of the Company. At the date of conversion, these debentures had an amortized cost totalling $73,843. The Company issued 833,333 common shares to the debenture holders and recorded $81,802 in share capital which included the reclassification of the equity component of convertible debentures initially recorded at inception totalling $7,959.

On November 4, 2024, convertible debentures having a nominal value of $100,000 were converted into common shares of the Company. At the date of conversion, these debentures had an amortized cost totalling $60,158. The Company issued 666,667 common shares to the debenture holders and recorded $66,525 in share capital which included the reclassification of the equity component of convertible debentures initally recorded at inception totalling $6,367.

During the first quarter of 2025, convertible debentures having a nominal value of $375,000 were converted into common shares of the Company. At the date of conversion, these debentures had an amortized cost totalling $236,765. The Company issued 2,500,000 common shares to the debenture holders and recorded $260,640 in share capital which included the reclassification of the equity component of convertible debentures initally recorded at inception totalling $23,875.

The movement during the year ended December 31, 2025 and 2024, relating to those debentures, was as follows:

	2025 December 31	2024 December 31
Balance at the beginning of the year	863,944	–
Addition	–	1,610,000
Issuance costs allocated to the debenture component	–	(186,884)
Conversion component of convertible debenture	–	(102,505)
Contributed surplus for the warrants	–	(497,123)
Balance at inception or beginning of the year	863,944	823,488
Conversion of debentures	(236,765)	(134,001)
Interest and accretion of debentures	114,663	119,388
Amortization of financing issuance costs	39,886	55,070
Balance at the end of the year	781,728	863,944

As at December 31, 2025, $58,127 of interest payable on debenture is recorded in accounts payable, advances and accrued liabilities (December 31, 2024 - $80,787).

The fair value of the 112.7 non-transferable broker unit warrants was calculated at $61,129 and was recorded as issuance costs prorated between the equity and liability components of the convertible debentures. The equivalent opposite amount was recorded in contributed surplus within the consolidated statements of changes in equity. The fair value was calculated using the Black & Scholes option pricing model with the following assumptions:

Share price at the date of grant	$0.125
Expected life	2 years
Risk-free interest rate	4.06%
Expected volatility	132.67%
Dividend	0%
Exercise price at the date of grant (1)	$0.15 and $0.25

(1) Although the exerice price of the non-transferable broker unit warrants are at a nominal value of $1,000, the fair market value of the broker unit warrants was determined based on the underlying embedded conversion options and warrants of the convertible debentures units having a conversion/exercise price of $0.15 and $0.25 respectively. The fair market value of the liability component of the broker unit warrants was deemed as $Nil because the 10% nominal interest rate of the debentures (exlusively without the conversion options and warrants) is below fair market value.

The volatility was determined by using the Company's own historical volatility over a period corresponding to expected life of the conversion options and warrants.

(In Canadian dollars)

15 - DEBENTURES (CONTINUED)

15.7 Debenture issuance between February 21 and 26, 2024

Between February 21 and 26, 2024, the Company issued a combined 1,000 units of convertible debentures for gross contractual proceeds of $1,000,000 (net proceeds of $924,400 after related expenses). Each unit sold comprised of $1,000 face value debentures, maturing between February 21 and 26, 2027, bearing interest at a nominal rate of 10% payable monthly, plus 6,666 purchase warrants, for a total of 6,666,000 purchase warrants, exercisable into Company common shares at $0.25 per share for a period of 24 months from the date of issuance.

Out of the total funds raised from the convertible debenture units issued, $345,000 worth of units were used to repay for consulting services rendered by an investor to the Company between October 1, 2023 and January 31, 2024.

The debentures, at issuance, allowed their subscribers to convert them into common shares of the Company at any time prior to maturity, subject to certain terms and conditions, at $0.15 per common share.

The units contain a “forced warrant conversion” feature under which the debenture will automatically be surrendered and converted into common shares of the Company should the shares of the Company trade at $2.50 or more for three consecutive trading days.

Tenet also granted 70 non-transferable broker warrants (the "CD Broker Warrants"), being such number of CD Broker Warrants as is equal to 7.0% of the number of CD Units sold pursuant to the offerings (1,000 units). Each CD Broker Warrant is exercisable to purchase one CD Unit at an exercise price of $1,000 for a period of two years from the date of its issuance.

The Company used the residual value method to allocate the principal amount of the debentures between the liability, the equity component of the debentures and the warrants. Under this method, an amount of $63,329 and $301,143 related to the conversion feature and the warrants issued were recorded in consolidated statements of changes in equity. The fair value of the liability component of $568,768 was computed as the present value of future principal and interest, discounted at a rate of 32%, net of the prorated share of transaction costs.

On June 27, 2024, convertible debentures having a nominal value of $505,000 were converted into common shares of the Company. At the date of conversion, these debentures had an amortized cost totalling $300,408. The Company issued 3,366,667 common shares to the debenture holders and recorded $332,389 in share capital which included the reclassification of the equity component of convertible debentures initally recorded at inception totalling $31,981.

In addition, during the month of December 2024, the holders of these above mentionned convertible debentures waived their right to receive the interest due to them by the Company up until the conversion dates that occurred on June 27, 2024. In total, $17,774 of interests were relinquished and were recorded as a credit in finance costs with an equivalent amount that was reversed by the Company from accounts payable, advances and accrued liabilities as at December 31, 2024.

The movement during the year ended December 31, 2025 and 2024, relating to those debentures, was as follows:

	2025 December 31	2024 December 31
Balance at the beginning of the year	326,979	–
Addition	–	1,000,000
Issuance costs allocated to the debenture component	–	(66,760)
Conversion component of convertible debenture	–	(63,329)
Contributed surplus for the warrants	–	(301,143)
Balance at inception or beginning of the year	326,979	568,768
Conversion of debentures	–	(300,408)
Interest and accretion of debentures	55,841	46,438
Amortization of financing issuance costs	11,016	12,181
Balance at the end of the year	393,836	326,979

As at December 31, 2025, $21,656 of interest payable on debenture is recorded in accounts payable, advances and accrued liabilities (December 31, 2024 - $24,750).

The fair value of the 70 non-transferable broker unit warrants was calculated at $35,047 and was recorded as issuance costs prorated between the equity and liability components of the convertible debentures. The equivalent opposite amount was recorded in contributed surplus within the consolidated statements of changes in equity. The fair value was calculated using the Black & Scholes option pricing model with the following assumptions:

Share price at the date of grant (February 21 and 26, 2024)	$0.13 & $0.12
Expected life	2 years
Risk-free interest rate	4.23%
Expected volatility	129.45%
Dividend	0%
Exercise price at the date of grant (1)	$0.15 and $0.25

(1) Although the exerice price of the non-transferable broker unit warrants are at a nominal value of $1,000, the fair market value of the broker unit warrants was determined based on the underlying embedded conversion options and warrants of the convertible debentures units having a conversion/exercise price of $0.15 and $0.25 respectively. The fair market value of the liability component of the broker unit warrants was deemed as $Nil because the 10% nominal interest rate of the debentures (exlusively without the conversion options and warrants) is below fair market value.

The volatility was determined by using the Company's own historical volatility over a period corresponding to expected life of the conversion options and warrants.

(In Canadian dollars)

15 - DEBENTURES (CONTINUED)

15.8 Debenture issuance of April 16, 2024

On April 16, 2024, the Company issued 2,015 units of convertible debentures for gross contractual proceeds of $2,015,000 (net proceeds of $1,897,700 after related expenses). Each unit sold comprised of $1,000 face value debentures, maturing on April 16, 2027, bearing interest at a nominal rate of 10% payable monthly, plus 6,666 purchase warrants, for a total of 12,165,640 purchase warrants, exercisable into Company common shares at $0.25 per share for a period of 24 months from the date of issuance. The financing includes 475 convertible debenture units sold to an Officer and Director of the Company with the same terms as the other subscribers except that each CD Unit sold to the officer of Tenet comes with only 4,000 Common Share purchase warrants (the "Insider Warrants") exercisable to acquire one Common Share at an exercise price of $0.50 instead of $0.25. In addition, the conversion price of the convertible debentures is at $0.25 instead of $0.15.

Out of the total funds raised from the convertible debenture units issued on April 16, 2024, $20,000 worth of units were used to repay a bond holder balance (refer to note 16). In addition, $475,000 worth of units were used to repay advances previously received from a company owned by an Officer and Director of the Company (refer to note 13).

The debentures, at issuance, allowed their subscribers to convert them into common shares of the Company at any time prior to maturity, subject to certain terms and conditions, at $0.15 per common share.

The units contain a "forced warrant conversion" feature under which the debenture will automatically be surrendered and converted into common shares of the Company should the shares of the Company trade at $2.50 or more for three consecutive trading days.

Tenet also granted 117.3 non-transferable broker warrants (the "CD Broker Warrants"), being such number of CD Broker Warrants as is equal to 7.0% of the number of CD Units sold pursuant to the offerings (at the exception for the CD units sold to insiders which were subject to a reduced commission of 2%). Each CD Broker Warrant is exercisable to purchase one CD Unit at an exercise price of $1,000 for a period of two years from the date of its issuance.

The Company used the residual value method to allocate the principal amount of the debentures between the liability, the equity component of the debentures and the warrants. Under this method, an amount of $161,743 and $598,239 related to the conversion feature and the warrants issued were recorded in consolidated statements of changes in equity as at the date of issuance. The fair value of the liability component of $1,255,018 was computed as the present value of future principal and interest, discounted at a rate of 32%, net of the prorated share of transaction costs.

On August 19, 2024, convertible debentures having a nominal value of $425,000 were converted into common shares of the Company. At the date of conversion, these debentures had an amortized cost totalling $251,193. The Company issued 2,833,333 common shares to the debenture holders and recorded $280,594 in share capital which included the reclassification of the equity component of convertible debentures initally recorded at inception totalling $29,401.

On October 15, 2024, convertible debentures having a nominal value of $780,000 were converted into common shares of the Company. At the date of conversion, these debentures had an amortized cost totalling $474,897. The Company issued 5,200,000 common shares to the debenture holders and recorded $528,858 in share capital which included the reclassification of the equity component of convertible debentures initally recorded at inception

In addition, during the month of December 2024, the holders of these above mentionned convertible debentures waived their right to receive the interest due to them by the Company up until the conversion dates that occurred on August 19, 2024 and October 15, 2024 respectively. In total, $53,392 of interests were relinquished and were recorded as a credit in finance costs (note 25.4) with an equivalent amount that was reversed by the Company from accounts payable, advances and accrued liabilities (refer to note 13) as at December 31, 2024.

The movement during the year ended December 31, 2025 and 2024, relating to those debentures, was as follows:

	2025 December 31	**2024** December 31
Balance at the beginning of the year	535,325	–
Addition	–	2,015,000
Issuance costs allocated to the debenture component	–	(97,549)
Conversion component of convertible debenture	–	(161,743)
Contributed surplus for the warrants	–	(598,239)
Balance at inception or beginning of the year	535,325	1,157,469
Conversion of debentures	–	(726,090)
Interest and accretion of debentures	87,910	88,123
Amortization of financing issuance costs	9,170	15,823
Balance at the end of the year	632,405	535,325

(In Canadian dollars)

15 - DEBENTURES (CONTINUED)

As at December 31, 2025, $92,926 of interest payable on debenture is recorded in accounts payable, advances and accrued liabilities (December 31, 2024 - $22,969).

The fair value of the 117.3 non-transferable broker unit warrants was calculated at $39,768 and was recorded as issuance costs prorated between the equity and liability components of the convertible debentures. The equivalent opposite amount was recorded in contributed surplus within the consolidated statements of changes in equity. The fair value was calculated using the Black & Scholes option pricing model with the following assumptions:

Share price at the date of grant	$0.09
Expected life	2 years
Risk-free interest rate	4.21%
Expected volatility	129.74%
Dividend	0%
Exercise price at the date of grant (1)	$0.15 and $0.25

(1) Although the exerice price of the non-transferable broker unit warrants are at a nominal value of $1,000, the fair market value of the broker unit warrants was determined based on the underlying embedded conversion options and warrants of the convertible debentures units having a conversion/exercise price of $0.15 and $0.25 respectively. The fair market value of the liability component of the broker unit warrants was deemed as $Nil because the 10% nominal interest rate of the debentures (exlusively without the conversion options and warrants) is below fair market value.

The volatility was determined by using the Company's own historical volatility over a period corresponding to expected life of the conversion options and warrants.

16 - BONDS

On May 29, 2020, the Company issued 400 units of secured corporate bonds at $1,000 per unit. Each unit sold was comprised of a $1,000 face value bond, redeemable on June 10, 2023, bearing interest at a nominal rate of 10% payable monthly, plus 20 purchase warrants exercisable into Company common share at $2.00 per share for a period of 36 months from the date of issuance.

The Bonds are redeemable after 36 months from the date of issuance (the “Initial Maturity Date”). Each holder has a right (the “Initial Extension Right”) at the end of the Initial Maturity Date to extend the Bond for another 12 months (the “Initial Extension Period”) by giving written notice to that effect to the Company no later than sixty (60) days prior to the Initial Maturity Date. Any holder that has elected to exercise its Initial Extension Right will also have a further right at the end of the Initial Extension Period to extend its Bond for another 12 months (the “Second Extension Period”) under the same notice conditions as stated in the Initial Extension.

If a holder elects to extend its Bonds, the Company may redeem such holder’s Bonds at any time on payment of a 5% premium to redeem the Bonds

Bonds are secured by a pledge on the aggregate assets of the Company, maturing on May 29, 2023. The Company used the residual value method to allocate the principal amount of the bond between the liability and the contributed surplus. Under this method, an amount of $64,896 (net of transaction costs) related to the warrants issued was applied to the contributed surplus as at the date of issuance. The fair value of the liability component was $227,569 computed as the present value of future principal and interest payments discounted at a rate of 22%.

As the bonds have expired, the Company is in the process of negotiating an extension with the bondholders. While the Company expects to be able to extend the maturity date of these bonds, there can be no assurances that it will be able to do so. Following discussions with bondholders during the quarter, the Company successfully negotiated a monthly repayment schedule with certain bondholders to ensure full repayment by the end of 2025. The Company was not able to repay in full as of December 31, 2025. Interest expense has been accrued in accordance with the original terms of the bonds for the year ended December 31, 2025. During the period ended December 31, 2025, the Company reclassed a portion of the bonds $100,000 that was previously presented under accounts, payable, advances and accrued liabilities.

The movement during the year ended December 31, 2025 and 2024, relating to these bonds, were as follows:

	2025 December 31	**2024** December 31
Balance at the beginning of the year	230,000	400,000
Adjustment	100,000	–
Payment	(157,500)	(170,000)
Balance at the end of the year	172,500	230,000

17 - CEBA LOAN (Canada Emergency Business Account)

On April 20, 2020, the Company applied for and received $40,000 under the Canada Emergency Business Account (CEBA). Further, on September 1, 2021, through its acquisition of Cubeler, the Company acquired an additional CEBA loan totaling $60,000. Under this program providing interest-free loans, repaying the balance of the loan on or before January 18, 2024, will result in loan forgiveness of approximately 30% ($30,000), which was the intention of the Company. Subsequent to year-end 2021, the Government of Canada announced that the deadline to repay loans under the Canada Emergency Business Account program would be extended by one year (that is from December 31, 2022 to December 31, 2023). As at January 1, 2024, the loan balance bear interest at 5% and will be repayable on maturity on December 31, 2025. On January 17, 2024, the company repaid $66,800 of it's CEBA loan which resulted in a loan forgiveness of $20,000. The balance outstanding of the CEBA loan as at December 31, 2025 and 2024 was $13,200.

18 - SHORT TERM LOANS

During the year ended December 31, 2024, the Company entered into loan agreements totalling $1,993,500 at an interest rate of 10% and maturing between June 29, 2024 and January 31, 2025. The Company was in the process of negotiating an extension with some of the holders. During the year ended December 31, 2024, total amount of $2,060,000 was repaid from the proceeds of the various private placements and $155,000 was repaid in cash consideration. These repayments were applied against the previously outstanding balance of promissory notes, resulting in a remaining outstanding balance of $1,188,500. During the year ended December 31, 2025, the Company entered into two short terms loan agreements with certain investor for a total amount of $350,000, with an annual interest rate of 10% and maturing on February 14, 2026. During the same period, a cumulative amount of $1,238,500 was repaid from the proceeds of the private placement closed on March 13, 2025. The balance outstanding of the short term loan as at December 31, 2025 was $300,000.

19 - LOAN PAYABLE

During the fourth quarter of 2024, the Company entered into another loan agreement totalling $416,016 with an insurance provider (Directors and Officers insurance) at an effective annual interest rate of 8.10% payable in ten instalments and maturing in October 1, 2025. This loan was a non-cash transaction, directly with the insurance provider. The balance outstanding of the loan as at December 31, 2024 was $416,016. During the second quarter of 2025, the Company renegotiated a new D&O policy along with a new loan agreement with a new provider at an effective annual interest rate of 9.37% payable in ten instalments and maturing in April 25, 2026. The balance outstanding of the new loan as at December 31, 2025 was $71,938.

20 - CREDIT FACILITY

On July 22, 2024, the Company announced that it has secured a credit facility of up to $5,000,000, allowing the Company drawdown up to $5,000,000 over a twelve-month period by sending drawdown notices to a lender. No drawdown notice can exceed $500,000 and there must be at least five business days between each drawdown notice. The Company will pay interest at an annual rate of 10% on any amount drawn from the Credit Facility and will have up to twenty-four months from the date of the drawdown notice to repay the amount advanced by a lender. The Credit Facility is guaranteed by assets pledged by a collection of the Company shareholders in a separate collateral agreement between a lender and the shareholders. As at December 31, 2024, the Company has received drawdown for a total of $600,000.

During the year ended December 31, 2025, a total of $295,426 was repaid on the outstanding credit facility. From the amount repaid, $45,000 was paid in cash and the remaining amount was repaid from the proceeds of the March 13, 2025 private placement. The balance outstanding of the credit facility as at December 31, 2025 was $Nil (December 31, 2024 - $295,426).

21 - SHAREHOLDERS' EQUITY

21.1 Authorized share capital

The share capital of the Company consists of an unlimited authorized number of common shares without par value.

21.2 Description of the shareholders' equity operations during the current year

a) During the first quarter of 2025, the Company issued a total of 2,090,968 shares as payment to consultants and services providers for a total of $149,300 worth of services.

b) During the first quarter of 2025 and as mentioned in note 15.2, 15.4 and 15.6, convertible debentures having a nominal value of $2,675,000 and an amortized costs of $2,042,826 were converted into 12,000,000 common shares. The Company recorded a total of $2,263,297 in share capital which represents the amortized cost of the debentures and the fair value of the related conversion option initially recorded at inception totalling $220,471.

c) On March 13, 2025, the Company issued 72,983,340 units of shares and warrants for gross contractual proceeds of $3,649,167 (net proceeds of $3,381,667 after related expenses). Each unit sold comprised of one common share and one common share purchase warrant exercisable into Company common shares at $0.15 per share for a period of 24 months from the date of issuance. Consequently, $1,277,464 and $2,371,703 were credited to contributed surplus and capital stock respectively. The fair value of the 1,600,000 finder's warrants was calculated at $55,970 and recorded as issuance of broker compensation warrants in the consolidated statements of changes in equity as at the date of issuance. Out of the total funds raised from the shares and warrants units issued on March 13, 2025, $1,238,500 worth of proceeds were used to repay a short term loan (refer to note 18), and $250,426 worth of proceeds were used to repay a credit facility (refer to note 20).

21.3 Description of the shareholders' equity operations during the prior year

a) On January 3, 2024, the Company issued 269,814 common shares to the business managers of the Company's subsidiary Steelchain, in accordance with the amended assets purchase and performance agreement of the Steelchain acquisition effective from October 1, 2022. The payment in shares was for the performance based compensation up to December 31, 2023 totalling $539,628 which was settled in common shares at the minimum price of $2 per share.

21 - SHAREHOLDERS' EQUITY (CONTINUED)

b) During the year ended December 31, 2024 and as mentioned in note 15.2, 15.4, 15.6, 15.7 and 15.8, convertible debentures having a nominal value of $7,185,000 and an amortized costs of $4,822,342 were converted into 35,400,000 common shares. The Company recorded a total of $5,388,890 in share capital which represents the amortized cost of the debentures and the fair value of the related conversion option initially recorded at inception totalling $566,548.

c) On September 4, 2024, the Company issued 39,075,000 units of shares and warrants for gross contractual proceeds of $3,907,500 (net proceeds of $3,668,500 after related expenses). Each unit sold comprised of one common share and one common share purchase warrant exercisable into Company common shares at $0.20 per share for a period of 36 months from the date of issuance. Consequently $2,892,341 and $915,159 were credited to contributed surplus and capital stock respectively, and $100,000 was recorded to equity to issue in the consolidated statement of changes in equity. The fair value of the 2,054,000 finder's warrants was calculated at $156,031 and recorded as issuance of broker compensation warrants in the consolidated statements of changes in equity as at the date of issuance. Out of the total funds raised from the shares and warrants units issued on September 4, 2024, $710,000 worth of units were repaid to a short term loan (refer to note 18). In addition, $60,000 worth of units were repaid to short-term advances previously received from third party investor (refer to note 13).

d) On November 15, 2024, the Company announced to issue 8,650,000 units of shares and warrants for gross contractual proceeds of $865,000 (net proceeds of $830,000 after related expenses). Each unit sold comprised of one common share and one common share purchase warrant exercisable into Company common shares at $0.20 per share for a period of 36 months from the date of issuance. Consequently, $614,949 and $250,051 were credited to contributed surplus and capital stock respectively. The fair value of the 280,000 finder's warrants was calculated at $19,906 and recorded as issuance of broker compensation warrants in the consolidated statements of changes in equity as at the date of issuance. Out of the total funds raised from the shares and warrants units issued on November 15, 2024, $140,000 worth of units were given as an exchange to a short term loan (refer to note 18).

e) On November 29, 2024, the Company announced to issue 11,010,000 units of shares and warrants for gross contractual proceeds of $1,101,000 (net proceeds of $1,085,000 after related expenses). Each unit sold comprised of one common share and one common share purchase warrant exercisable into Company common shares at $0.20 per share for a period of 36 months from the date of issuance. Consequently, $778,605 and $322,395 were credited to contributed surplus and capital stock respectively. The fair value of the 60,000 finder's warrants was calculated at $4,243 and recorded as issuance of broker compensation warrants in the consolidated statements of changes in equity as at the date of issuance. Out of the total funds raised from the shares and warrants units issued on November 29, 2024, $230,000 worth of units were given as an exchange to convertible debenture which were expired on December 23, 2024 (refer to note 15.1). As at December 31, 2024, the balance of subscriptions receivable of shares and warrants from this issuance recorded in the debtors was $300,000 (December 31, 2023 - $Nil).

f) On December 12, 2024, the Company announced to issue 1,900,000 units of shares and warrants for gross contractual proceeds of $190,000 (net proceeds of $182,800 after related expenses). Each unit sold comprised of one common share and one common share purchase warrant exercisable into Company common shares at $0.20 per share for a period of 36 months from the date of issuance. Consequently, $117,939 and $72,061 were credited to contributed surplus and capital stock respectively. The fair value of the 72,000 finder's warrants was calculated at $4,469 and recorded as issuance of broker compensation warrants in the consolidated statements of changes in equity as at the date of issuance. Out of the total funds raised from the shares and warrants units issued on December 12, 2024, $100,000 worth of units were given as an exchange to a short term loan (refer to note 18).

g) Between July 22, 2024, and August 12, 2024, the Company issued a total of 18,000,000 shares as payment to consultants and services providers for a total of $1.100,000 worth of debt. Out of the total debt repaid by shares, an expenses of $900.000 have been recorded as consulting fees in the consolidated statements of comprehensive profit and loss.

(In Canadian dollars)

21 - SHAREHOLDERS' EQUITY (CONTINUED)

21.4 Warrants

The outstanding warrants movement as at December 31, 2025 and December 31, 2024 and the respective changes during the year, are summarized as follows:

	December 31, 2025		December 31, 2024	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Outstanding, beginning of year	144,459,996	0.35	55,054,996	0.66
Granted	74,887,340	0.15	92,664,900	0.22
Expired	(51,795,096)	0.58	(3,259,900)	2.00
Outstanding and exercisable, end of year	167,552,240	0.19	144,459,996	0.35

As at December 31, 2025, and December 31, 2024, the number of outstanding warrants which could be exercised for an equivalent number of common shares.

	December 31, 2025		December 31, 2024	
	Number	Exercise price	Number	Exercise price
Expiration date				
January, 2025	–	–	3,510,000	2.00
January, 2025	–	–	221,250	2.00
June, 2025	–	–	4,291,846	0.16
August, 2025	–	–	10,392,000	0.50
August, 2025	–	–	40,000	0.50
August, 2025	–	–	30,500,000	0.50
September, 2025	–	–	2,840,000	0.50
February, 2026	10,732,260	0.25	10,732,260	0.25
February, 2026	4,966,170	0.25	4,966,170	0.25
February, 2026	1,699,830	0.25	1,699,830	0.25
April, 2026	10,265,640	0.25	10,265,640	0.25
April, 2026	1,900,000	0.50	1,900,000	0.50
September, 2027	38,075,000	0.20	38,075,000	0.20
September, 2027	2,054,000	0.20	2,054,000	0.20
October, 2027	1,000,000	0.20	1,000,000	0.20
November, 2027	8,650,000	0.20	8,650,000	0.20
November, 2027	280,000	0.20	280,000	0.20
November, 2027	11,010,000	0.20	11,010,000	0.20
November, 2027	364,000	0.20	60,000	0.20
December, 2027	1,900,000	0.20	1,900,000	0.20
December, 2027	72,000	0.20	72,000	0.20
March, 2027	72,983,340	0.15	–	–
March, 2027	1,600,000	0.15	–	–
	167,552,240		144,459,996	

The Company issued 304,000 broker warrants (Expiring November 2027) during the first quarter of 2025 due to delays in communication with the broker in order to complete the issuance before the end of the year 2024.

22 - SHARE-BASED PAYMENTS

The Company has adopted an incentive stock option plan which provides that the Board of Directors of the Company may, from time to time, at its discretion and in accordance with the Exchange regulations, grant to directors, officers, employees and others providing similar services to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares exercisable for a period of up to 5 years from the date of grant. The options reserved for issuance to any individual director, officer, or employee will not exceed 5% of the issued and outstanding common shares, and the number of common shares reserved for issuance to others providing services will not exceed 2% of the issued and outstanding common shares. Options may be exercised as of the grant date for a period determined by the Board but shall not be greater than five years from the grant date and 90 days following cessation of the option holder position with the Company. Provided that the cessation of office, directorships or employment or other similar service arrangement was by reason of death (in the case of an individual), the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option.

(In Canadian dollars)

22 - SHARE-BASED PAYMENTS (CONTINUED)

The outstanding options movement as at December 31, 2025 and December 31, 2024, are summarized as follows:

	December 31, 2025		December 31, 2024	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at the beginning of year	2,706,440	2.26	3,379,098	2.04
Expired	(1,870,500)	1.33	(595,000)	1.01
Forfeited	(12,149)	4.38	(77,658)	2.27
Outstanding at the end of year	823,791	4.33	2,706,440	2.26
Exercisable at the end of year	823,791	4.33	2,697,849	2.26

The table below summarizes the information related to outstanding share options as at December 31, 2025.

Maturity date	Range of exercise price	Number of options	Weighted average remaining contractual life (years)
March 22, 2026	5.50	55,000	2 months
July 7, 2026	4.10	700,000	6 months
October 28, 2026	11.50	25,000	0 years and 9 months
January 1, 2027	7.50	8,126	0 years and 12 months
April 1, 2027	4.16	5,000	1 years and 3 months
December 1, 2027	0.85	9,184	1 years and 11 months
February 1, 2028	0.95	21,481	2 years and 1 months
		823,791	

The table below summarizes the information related to outstanding share options as at December 31, 2024.

Maturity date	Range of exercise price	Number of options	Weighted average remaining contractual life (years)
June 11, 2025	1.00	745,500	5 months
October 28, 2025	1.50	1,075,000	9 months
November 6, 2025	2.70	50,000	10 months
March 22, 2026	5.50	55,000	1 years and 2 months
July 7, 2026	4.10	700,000	1 years and 6 months
October 28, 2026	11.50	25,000	1 years and 9 months
January 1, 2027	7.50	9,312	2 years and 0 months
February 1, 2027	5.60	4,256	2 years and 1 months
April 1, 2027	4.16	8,865	2 years and 3 months
July 1, 2027	1.65	1,971	2 years and 6 months
December 1, 2027	0.85-1.32	10,055	2 years and 11 months
February 1, 2028	0.95	21,481	3 years and 1 months
		2,706,440	

During the year ended December 31, 2025, the Company recorded an $258 related to share-based payments (December 31, 2024 - $12,564) to the consolidated statements of comprehensive profit and loss and contributed surplus.

23 - INCOME TAXES

Significant tax expense (income) components

The significant tax expense (income) components are detailed as follows:

	2025 December 31	2024 December 31
Current tax expense		
Current taxes	–	9,141
Change in estimate related to prior period	(1,404,526)	(402,192)
Total current tax expense	(1,404,526)	(393,051)
Deferred tax expense (income)		
Origination and reversal of temporary differences	(2,950,475)	(14,932,885)
Change in estimate related to prior period	12,067	(1,344,777)
Change in unrecognized temporary differences	3,105,935	14,815,773
Total deferred tax income	167,527	(1,461,889)
Total tax expense (income)	(1,236,999)	(1,854,940)

(In Canadian dollars)

23 - INCOME TAXES (CONTINUED)

Relationship between expected tax expense and tax expense (income)

The relationship between the expected tax expense calculated on the basis of the combined federal and provincial tax rate in Canada and the tax expense presented on the consolidated statements of comprehensive income is as follows:

	2025 December 31	2024 December 31
Loss before income taxes	(10,342,489)	(61,116,762)
Expected tax expense (income) calculated on the basis of the combined federal and provincial tax rate in Canada of 26.5% (26.5% in 2025)	(2,740,760)	(16,195,942)
Adjustments for the following		
Share-based payments	68	2,833
Difference in foreign tax rate	5,944	731,951
Other non-deductible expenses	(232,425)	148,286
Change in unrecognized temporary differences	3,105,935	14,815,773
Change in estimate related to prior periods	(1,387,092)	(1,344,777)
Other	11,331	(13,064)
Tax expense (income)	(1,236,999)	(1,854,940)

Unrecognized temporary differences

The Company has the following temporary differences and tax losses for which no deferred tax was recognized:

December 31, 2025	Federal	Provincial	Foreign
Unrecognized deductible temporary differences			
Intangible assets	2,477,171	2,477,171	–
Financing and share issue costs	1,053,644	1,053,644	–
Scientific research and development expenses	1,747,356	–	–
Non-capital losses	79,508,843	79,460,627	13,835,066
Accounts payable, accruals and other	–	–	58,263,135
	84,787,014	82,991,442	72,098,201

December 31, 2024	Federal	Provincial	Foreign
Unrecognized deductible temporary differences			
Intangible assets	2,477,171	2,477,171	–
Financing and share issue costs	2,385,897	2,385,897	–
Scientific research and development expenses	1,747,356	–	–
Non-capital losses	70,154,279	70,106,063	20,676,223
Accounts payable, accruals and other	–	–	52,444,200
	76,764,703	74,969,131	73,120,423

Movement of the foreign deferred tax assets (liabilities) in 2025

	2025 January 1	Non-cash transaction	Business acquisition	Results	2025 December 31
Loans receivable	63,368	–	–	(63,399)	(31)
Accounts receivable	(879,194)	–	–	–	(879,194)
Intangible assets	(155,772)	–	–	–	(155,772)
Non-capital losses	879,194	–	–	25,930	905,124
Accounts payable, advances and accrued liabilities	55,993	–	–	–	55,993
Right-of-use asset	(92,306)	–	–	86,244	(6,062)
Lease liability	128,717	–	–	(48,775)	79,942
	–	–	–	–	–

Movement of the foreign deferred tax assets (liabilities) in 2024

	2024 January 1	Non-cash transaction	Business acquisition	Results	2024 December 31
Loans receivable	63,368	–	–	–	63,368
Accounts receivable	(1,631,111)	–	–	751,917	(879,194)
Intangible assets	(155,772)	–	–	–	(155,772)
Non-capital losses	–	–	–	879,194	879,194
Accounts payable, advances and accrued liabilities	55,993	–	–	–	55,993
Right-of-use asset	(251,063)	–	–	158,757	(92,306)
Lease liability	287,474	–	–	(158,757)	128,717
	(1,631,111)	–	–	1,631,111	–

(In Canadian dollars)

23 - INCOME TAXES (CONTINUED)

Movement of the canadian deferred tax liabilities in 2025

	2025 January 1	Adjustment of prior year	Charged to equity	Results	**2025** December 31
Property and equipment	(258,970)	(17,433)	–	276,403	–
Intangible assets	58,467	–	–	(58,466)	1
Lease liabilities	581,008	–	–	(581,008)	–
Non-capital losses	–	–	–	150,899	150,899
Loans payable	(523,742)	–	167,526	205,316	(150,900)
Accounts payable, advances and accrued liabilities	143,237	–	–	(143,237)	–
	–	(17,433)	167,526	(150,093)	–

Movement of the canadian deferred tax liabilities in 2024

	2024 January 1	Non-cash transaction	Charged to equity	Results	**2024** December 31
Property and equipment	(394,375)	–	–	135,405	(258,970)
Intangible assets	8,746	–	–	49,721	58,467
Lease liabilities	698,961	–	–	(117,953)	581,008
Non-capital losses	505,334	93,066	–	(598,400)	–
Loans payable	(856,953)	(93,066)	169,222	257,055	(523,742)
Accounts payable, advances and accrued liabilities	38,287	–	–	104,950	143,237
	–	–	169,222	(169,222)	–

As at December 31, 2026, the Company has non-capital losses that are available to reduce income taxes in future years and for which no deferred tax asset has been recognized in the consolidated statements of financial position. These losses expire in the following years:

	Federal	Provincial	Foreign
2027	–	–	1,010,653
2028	–	–	7,833,707
2029	–	–	3,122,070
2030	152,796	152,796	1,868,636
2031	1,081,723	1,051,288	–
2032	1,730,827	1,715,690	–
2033	506,261	495,001	–
2034	961,557	963,040	–
2035	1,339,690	3,334,281	–
2036	1,581,746	1,575,100	–
2037	2,153,868	2,157,330	–
2038	1,151,230	1,152,584	–
2039	1,704,998	1,708,917	–
2040	5,728,275	5,732,384	–
2041	6,549,631	6,549,181	–
2042	15,417,343	13,424,167	–
2043	14,515,123	14,515,094	–
2044	15,009,782	15,009,782	–
2045	9,923,992	9,923,992	–
	79,508,842	79,460,627	13,835,066

24 - CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Company's capital management objectives are as follows:

- To ensure the Company's ability to continue its development;
- To provide an adequate return to shareholders.

The Company monitors capital based on the carrying amount of equity which represents $356,182 as at December 31, 2025 (December 31, 2024 - equity of $3,716,242).

The Company manages its capital structure and makes adjustments to it to ensure it has sufficient liquidity and raises capital through stock markets to continue its development.

The Company is not subject to any externally imposed capital requirements.

(In Canadian dollars)

25 - FINANCIAL INSTRUMENTS

25.1 Classification of financial instruments

As at December 31, 2025, the carrying amount of financial assets and financial liabilities were as follows:

			December 31, 2025
	Assets and liabilities carried at fair value	Assets and liabilities carried at amortized cost	Total carrying value
Financial assets			
Cash	–	1,341,666	1,341,666
Restricted Cash	–	3,432	3,432
Debtors	–	7,062,931	7,062,931
Loans receivable	–	17,975,759	17,975,759
Deposit	–	69,797	69,797
Investments	980,000	–	980,000
	980,000	26,453,585	27,433,585
Financial liabilities			
Accounts payable, advances and accrued liabilities	–	21,099,609	21,099,609
Bonds	–	172,500	172,500
CEBA Loan	–	13,200	13,200
Debentures	–	5,588,424	5,588,424
Short term loans	–	300,000	300,000
Loan payable	–	71,938	71,938
	–	27,245,671	27,245,671

As at December 31, 2024, the carrying amount of financial assets and financial liabilities were as follows:

			December 31, 2024
	Assets and liabilities carried at fair value	Assets and liabilities carried at amortized cost	Total carrying value
Financial assets			
Cash	–	890,085	890,085
Restricted Cash	–	3,840	3,840
Debtors	–	4,418,440	4,418,440
Loans receivable	–	18,245,886	18,245,886
Deposit	–	86,442	86,442
Investments	985,500	–	985,500
Other current assets	–	7,733,174	7,733,174
	985,500	31,377,867	32,363,367
Financial liabilities			
Accounts payable, advances and accrued liabilities	–	20,014,827	20,014,827
Bonds	–	230,000	230,000
CEBA Loan	–	13,200	13,200
Debentures	–	6,976,475	6,976,475
Short term loans	–	1,188,500	1,188,500
Loan payable	–	470,654	470,654
Credit facility	–	295,426	295,426
	–	29,189,082	29,189,082

25.2 Financial risk management objectives and policies

The Company is exposed to various risks in relation to financial instruments. The main risks the Company is exposed to are credit risk, market risk and liquidity risk.

The Company does not actively engage in the trading of financial instruments for speculative purposes.

No changes were made in the objectives, policies and processes related to financial instrument risk management during the reporting years.

The most significant financial risks to which the Company is exposed are described below.

25 - FINANCIAL INSTRUMENTS (CONTINUED)

25.3 Financial risks

25.3.1 Credit & Liquidity risk

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failling to pay for its obligation. Credit risk for the Company is mostly on loans receivable and debtors. The credit risk is not significant for other financial instruments.

As at December 31, 2025, the Company continued to actively monitor the situation and assess any indicators of changes in recoverability for credit-impaired financial assets. Based on its evaluation, management determined that a reclassification of presentation from Stage 1 to Stage 2 or 3 for product "Credit & Supply Chain Finance Credit" was required as of December 31, 2024 due to increased in credit risk based on the increased risk of default by the underlying borrowers, please refer to the Note 6 - LOANS RECEIVABLE AND ALLOWANCE FOR CREDIT LOSSES. As of December 31, 2025, the reflected impact of the increased in credit risk was recorded through expected credit losses of $964,054 (December 31, 2024 - $353) in the consolidated statement of comprehensive profit and loss.The staging migration of certain loans receivable, driven by the observed increase in credit risk, was the primary factor behind this adjustment. The Company apply the general approach model for ECL for its loans receivable portfolio as explained in the Note 6 and in the Note 4.11.

The Company's exposure to credit risk for the financial assets under the simplified approach arises primarily from trade receivables and contract assets recognized under IFRS 15. The Company applies the simplified approach under IFRS 9, recognizing lifetime expected credit losses (ECL) on trade receivables and contract assets at each reporting date. The Company maintains a general provisioning policy whereby balances outstanding for more than 180 days are considered indicators of no reasonable expectation of recovery. In addition, further indicators of credit impairment such as initiation of legal action, evidence of financial distress of counterparties, or significant delays in payment are considered in determining whether additional impairment is required.

The Company's impairment model incorporates:
-Provision Matrix: Aging of receivables (current, 30–90 days, 91–180 days, and >180 days overdue).
-Forward-Looking Information: Adjustments to historical default rates based on macroeconomic conditions, industry trends, and customer-specific risk factors.
-Qualitative Indicators: Legal letters issued, deterioration in counterparties' financial condition, and other observable events indicating heightened credit risk.
This methodology ensures that impairment provisions reflect both historical experience and forward-looking expectations, consistent with IFRS 9 requirements.

The ECL models explicitly integrate forward-looking macroeconomic data to reflect reasonable and supportable information that is available without undue cost or effort. Specifically, ASFC utilizes two key external indicators. Firstly, the general bankruptcy rate for SMEs in mainland China is monitored and incorporated as a primary driver to adjust the probability of default ("PD") and the baseline credit loss percentages applied to the SME loan portfolio. This ensures the loss rates dynamically respond to the prevailing economic stress within this key borrower segment. Secondly, as part of the Company's ECL model, the recoverability of loan exposures is influenced by the creditworthiness of the guarantor. Changes in guarantor's liquidity position or overall credit quality would materially affect the loss-given-default (LGD) percentage, which is a key input in the calculation of the ECL provision. At present, the guarantee continues to provide substantive credit enhancement.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk management aims to ensure that the Company maintains sufficient cash resources and access to financing to meet its obligations as they come due. The Company's objective is to maintain a cash position adequate to cover the next twelve months of forecasted obligations (note 2).

The Company conducts substantially all of its operations through subsidiaries located in the People's Republic of China ("PRC"), with the exception of Cubeler Inc. (Canada), Tenoris3 Inc. (Canada), Cubeler U.S. Inc. (United States), and Asia Synergy Ltd. (Hong Kong). As a result, the Company is subject to the PRC's regulatory framework governing the movement of capital into and out of China. The PRC government imposes strict controls and approval processes on foreign currency conversions, profit repatriations, intercompany loans, and capital contributions between PRC subsidiaries and their foreign parent companies. These controls may limit, delay, or restrict the Company's ability to:

1) repatriate earnings or cash generated by its PRC subsidiaries to Canada;
2) convert Renminbi ("RMB") into foreign currencies; and
3) inject capital or provide funding from the parent company into its PRC subsidiaries.

If the Company is unable to repatriate funds from China in a timely manner, it may experience delays in deploying capital for corporate purposes outside the PRC, including funding operations, servicing debt, or executing strategic initiatives. Such delays could adversely affect the Company's liquidity position, operating performance, revenue generation, and profitability. In these circumstances, the Company may be required to seek interim or bridge financing to meet its obligations. There is no assurance that such financing would be available on favorable terms, or available at all. A prolonged inability to repatriate funds or secure alternative financing, if required, would have a material adverse effect on the Company's liquidity, financial condition, and overall business operations.

(In Canadian dollars)

25 - FINANCIAL INSTRUMENTS (CONTINUED)

The Company's non-derivative financial liabilities have contractual maturities (including interest payments where applicable) as summarized below:

			December 31, 2025
	Current		Long-term
	Within 6 months	6 to 12 months	More than 12 months
Accounts payable, advances and accrued liabilities	21,099,609	–	–
Bonds	172,500	–	–
CEBA loan	13,200	–	–
Debentures	500,000	3,683,000	2,315,000
Short term loans	300,000	–	–
Loan payable	71,938	–	–
	22,157,247	3,683,000	2,315,000

			December 31, 2024
	Current		Long-term
	Within 6 months	6 to 12 months	More than 12 months
Accounts payable, advances and accrued liabilities	20,014,827	–	–
Bonds	230,000	–	–
CEBA loan	13,200	–	–
Debentures	670,000	5,933,000	2,690,000
Short term loans	1,188,500	–	–
Loan payable	169,772	300,882	–
Credit facility	–	–	295,426
	22,286,299	6,233,882	2,985,426

25.4 Finance costs

The breakdown of finance costs during the year ended December 31, 2025 and 2024 is as follows:

	2025 December 31	2024 December 31
Interest on lease liabilities (note 14)	157,113	264,794
Interest on debentures and bonds	696,965	1,051,897
Interest on advances	53,250	17,657
Interest on credit facility	7,386	25,040
Interest on finance lease	(3,827)	(3,613)
Accretion on debentures and bonds	708,271	967,731
Interest on debentures relinquished (1)	–	(579,364)
Interest, loan payable	21,884	28,067
Interest, short term loan	28,508	94,221
Total interest expense	1,669,550	1,866,430
Interest income	(5,198)	(20,837)
Miscellaneous	101,417	95,002
Total Finance costs	1,765,769	1,940,595

(1) During the year ended December 31, 2024, the holders of convertible debentures waived their right to receive the interest due to them by the Company up until the conversion dates or December 31, 2024. In total, $807,352 of interest was relinquished including $227,988 from Mr. Joseph and Mr. Qiu which both agreed to have the Company use the amount of interest payable on their convertible debentures applied against their respective outstanding loans and the remaining balance totalling $579,364 was derecognised from the liability and recorded to the consolidated statements of comprehensive profit and losses at December 31, 2024.

The following methods and assumptions were used to determine the estimated fair value for each class of financial instruments:

- The fair value of cash, restricted cash, short and long term loans receivable, debtors (except sales tax receivable), deposits, other current assets, accounts payable, advances and accrued liabilities approximate their carrying amount, given the short-term maturity;
- The fair value of the debentures and the bonds is estimated using a discounted cash flow approach and approximate their carrying amount. CEBA loan, short term loan and loan payable are recognized at its cost which approximate its fair value;
- The fair value of equity investments is based on the underlying fair market value estimate of the assets & liabilities as at the date of reporting.
- The fair value of conversion options is determined using the Black & Scholes and Binomial pricing models.

The Company categorized its financial instruments based on the following three levels of inputs used for fair value measurements:

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

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the assets and liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Equity investments, bonds, debentures and conversion option are level 3 under the fair value hierarchy.

(In Canadian dollars)

25 - FINANCIAL INSTRUMENTS (CONTINUED)

Regarding the equity investments, in the absence of observable market data and based on the analysis of the unobservable inputs specific to AVC, particularly the immateriality of the attributable loss, the positive net asset value, the ongoing investment activities, the absence of impairment indicators, and management's assertion regarding the portfolio value, it is concluded that the carrying amount of $980,000 (i.e. RMB ¥5,000,000), determined under the cost method, represents a reasonable approximation of the fair value of the investment in AVC as of December 31, 2025. Therefore, no adjustment to the carrying amount is deemed necessary.

Fair value measurements are reviewed quarterly and approved by senior management. Sensitivity analysis is performed in accordance with an internal model based on scenarios analysis (i.e. a decrease or increase of 5% of the interest rate) at the measurement date and on a recurring basis, and accounts for any significant impact. The valuation methodology is consistent with prior periods and complies with IFRS 13 guidelines. Changes in assumptions or inputs are documented and assessed for material impact. Based on the sensitivity analysis, a 5% change in interest rates would result in an impact of approximately $12,631 and $63,824 respectively in the three and twelve-month periods ended on December 31, 2025 which is not considered significant.

26 - RELATED PARTY TRANSACTIONS

The Company's related party transactions do not include, unless otherwise stated, special terms and conditions. Outstanding balances are usually settled in cash.

Transactions with key management personnel, officers and directors

The Company's key management personnel are, the CEO, the CFO, the COO, the CEO of the China operations and the members of the Board in Canada and in China. Their remuneration includes the following expenses:

	2025 December 31	**2024** December 31 **(Restated - Note 32)**
Salaries and fringe benefits	1,607,279	1,656,269
	1,607,279	1,656,269
Revenues (1)	531,849	–
	531,849	–

(1) During the year ended December 31, 2025, revenue from a related-party customer amounted to $531,849 compared to $Nil for the same period in 2024 and was related to custom platform development services provided to Wuxi Dinghao Jiaye Information Technology Co., Ltd., an entity controlled by Mr. Liang Qiu, who is a Director and Officer of the Company.

These transactions occurred in the normal course of operations and have been measured at fair value.

As at December 31, 2025, and 2024 the consolidated statements of financial position includes the following amounts with related parties:

	2025 December 31	**2024** December 31 **(Restated - Note 32)**
Advances paid to a Director, no interest	–	1,809
Other current assets, no interest (1)	–	7,733,174
Tatal amounts owed to the Company by related parties	–	7,734,983
Advances received from a company owned by a Director, no interest (2)	1,217,740	720,983
Debentures , with interest (1)	2,777,513	2,407,008
Debentures, interest payable (3)	463,463	181,463
Trade accounts payable and accruals to Directors and key management personnel (4)	1,424,185	1,327,489
Total amount owed to related parties by the Company	5,882,901	4,636,943

(1) In September 2023, the Company transferred approximately $9,400,000 to a bank account in China belonging to a director and executive officer of the Company. The primary source of these funds is a series of private placements, as described in Debentures (note 15). The funds were transferred to Mr. Qiu's bank account in anticipation that the funds would be used by Mr. Qiu as the registered capital to establish a new data science subsidiary for the Company in China to provide economic and industrial data aggregation and data analysis services. Mr. Qiu transferred control of the bank account in question to a subsidiary of the Company while the funds were in his account. During the fourth quarter of 2023, the previously estimated amount required to establish the Company's data science subsidiary in China was revised downward and approximately $1,700,000 from the bank account was sent to the Company's Canadian bank account, leaving a balance of approximately $7,733,174 in the account, which was recorded under "Other current assets" in the Company's Q4 2024 Financial Statements (please see Note 8). During the first quarter of 2025, it was determined that the Company would not need to create a new data science subsidiary in order to provide its intended economic and industrial data aggregation and data analysis services. Therefore, the approximately $7,733,174 still in Mr. Qiu's bank account at the time was transferred to the Company Canadian bank account between May 2025 and August 2025, reducing the balance reported by the Company under "Other current assets" to $Nil. The amortized cost of the debentures due to related parties totalling $2,777,513 are recorded in Debentures (note 15).

26 - RELATED PARTY TRANSACTIONS (CONTINUED)

(2) From time to time, the Company's subsidiaries in China require active funding to support their operations. If the Company was to send funds to these subsidiaries from Canada, the funds would have to either be received by the subsidiaries in the form of registered capital or loans, both of which would come with certain complexities. As foreign owned entities, the amount on capital the Company's Chinese subsidiaries are allowed to borrow from foreign companies, including from the Company, is limited, while increasing their registered capital would be a time-consuming process that would involve working with multiple government authorities. So, rather than sending urgently needed funds from the Head Office in Canada to the Chinese subsidiaries, the Company entered into a series of loan agreements with a Chinese based technology consulting company called Dinghao Jiaye Technology Inc. ("DJ Tech"), which is controlled by the CEO of the Company's Chinese Operations, Mr. Liang Qiu. During the course of 2023 and 2024, the previously mentioned Company owned by a Director of the Company, made a series of short-term loans to Asia Synergy Holding Inc. ("ASH"), a wholly owned subsidiary of the Company. Over the course of the year ended December 31, 2025, DJ Tech provided $500,780 new loans to the Company's ASH subsidiary in China. The balance of the net advances received from a Company owned by a Director at no interest as at December 31, 2025 is $1,217,740 (December 31, 2024 - $720,983) and bears no interest given the fact that only licensed lenders are allowed to charge interest on loans granted to corporative borrowers as per the laws in mainland China. The advances received from a company owned by a Director is recorded in accounts payable, advances and accrued liabilities (note 13).

(3) As at December 31, 2025, $463,463 of debentures, interest payable due to related parties are recorded in accounts payable, advances and accrued liabilities (note 13).

(4) As at December 31, 2025, $1,424,185 ($1,327,489 - December 31, 2024) payable to Directors, Officers and key management personnel was recorded in accounts payable, advances and accrued liabilities in note 13 of the Company's Consolidated Financial Statements for the years ended December 31, 2025 and 2024. The majority of the payables relates to salary and benefits unpaid to Directors and Officers of the Company in China and Canada.

Mr. Kelong Chen and Mr. Changsheng Zhuo, both related parties of the Company, were involved in related party transactions with the Company for the year ended December 31, 2025. Mr. Chen is a related party to the Company by virtue of the fact that he: is a director of the Company's ASFC subsidiary; holds shares in the Company's ASFC subsidiary on behalf of the Company through a nominee shareholder agreement; is a significant shareholder and a director of Jiudong Ltd, who is a 49% minority shareholder in the Company's ASFC subsidiary; and acts as a guarantor in connection with the ASFC's lending activities, as described under the section "Credit & supply chain finance credit guaranteed". Mr. Zhuo is a related party to the Company by virtue of the fact that he: is the CEO of the Company's ASFC subsidiary; is a director of the Company's ASFC subsidiary; holds shares in the Company's ASFC subsidiary on behalf of the Company through a nominee shareholder agreement; is a significant shareholder and a director of Jiudong Ltd, who is a 49% minority shareholder in the Company's ASFC subsidiary; and acts as a guarantor in connection with the ASFC's lending activities, as described under the section "Credit & supply chain finance credit guaranteed".

In March 2025, Mr. Chen and Mr. Zhuo collectively subscribed to $220,000 of the Company's private placement financing of common shares and warrants for total gross proceeds of $3,649,167. Their participation in the private placement represented a related party transaction, which the Company measured at fair value. As at December 31, 2025, an amount of $136,545 ($91,344 - December 31, 2024) was payable to each of them related to their roles as director (Mr. Chen), and director and officer (Mr. Zhuo) of ASFC. These amounts were recorded in accounts payable, advances and accrued liabilities in Note 13 of the Company's Consolidated Financial Statements for the year ended December 31, 2025 and in the line "Trade accounts payable and accruals to Directors and key management personnel" included in the table above for related party disclosure.

Credit & supply chain finance credit guaranteed

As described in Note 6 – Loans Receivable and Allowance for Credit Losses, the Company provides credit & supply chain finance credit to SMEs in the technology and retail sector. These loans require a guarantee to mitigate credit risk in the event of default. 100% of these loans are guaranteed by an entity that is also a non-controlling shareholder of ASFC (the "Guarantor"). Accordingly, the guarantees provided in respect of the Company's loans receivable represent related party transactions for financial reporting purposes.

Mr. Chen holds a 35% equity interest in Jiudong and is a reporting insider of the Company. Mr. Chen serves as Chairman of the Board of Directors of ASFC but plays no role and has no involvement or decision making authority in the day to day management of ASFC. At Jiudong, he is a member of the Board of Directors and a shareholder, but he similarly does not take part in the management decisions or daily operations of Jiudong. Although Mr. Chen has significant ownership in Jiudong and board roles in both entities, his lack of operational involvement limits his direct influence over loan approvals or matters related to the guarantee arrangement. The approval mechanism led by the Company's Financial Controller, ensures that a substantial portion of the decision-making authority remains with the Company. Mr. Chen is also personally party to the guarantee agreement between ASFC and Jiudong. Although Mr. Chen has no direct implication in ASFC's lending decision making process, his involvement with both Jiudong and ASFC can give rise to potential conflicts of interests which may have adverse effects for the Company and its shareholders.

Mr. Zhuo holds a 15% equity interest in Jiudong and is a reporting insider of the Company. Mr. Zhuo serves as ASFC's CEO and oversees ASFC's daily operations. He is responsible for the communication and the execution of ASFC's strategic objectives throughout the organization. While Mr. Zhuo exerts influence over certain operational decisions (e.g., loan extensions, deferrals, or restructurings), where such decisions involve loans guaranteed by Jiudong, the decisions must also be approved by the ASFC Financial Controller to help mitigate potential conflicts of interest. Mr. Zhuo is also a member of the Board of Directors of Jiudong, is a minority shareholder of the company, and just like Mr. Chen, he is also personally party to the guarantee agreement between ASFC and Jiudong. Although Mr. Zhuo does not participate in Jiudong's management decisions or daily operations, his involvement with both Jiudong and ASFC can give rise to potential conflicts of interests which may have adverse effects for the Company and its shareholders.

(In Canadian dollars)

26 - RELATED PARTY TRANSACTIONS (CONTINUED)

Mr. Zhou holds a 10% equity interest in Jiudong and is a reporting insider of the Company. He has no role in ASFC's Board of Directors or management and does not participate in ASFC's operational activities. Mr. Zhou serves as both a member of the Board of Directors and the Chief Executive Officer of Jiudong, and he is responsible for the company's day-to-day operations and management decisions, including those related to the guarantee arrangement. Just like Mr. Chen and Mr. Zhuo, Mr. Zhou is personally party to the guarantee agreement between ASFC and Jiudong. Although Mr. Zhou has no involvement in ASFC, his leadership role at Jiudong may influence how Jiudong evaluates and administers guarantees provided to ASFC, which could give rise to potential conflicts of interests with adverse effects for the Company and its shareholders.

27 - SEGMENT REPORTING

The Company monitors the Group's activities through two reportable segments: Fintech Platform and Financial Services. Management determined these reportable segments by evaluating the nature of the Group's operations and applying the aggregation criteria set out in IFRS 8. The service provided within each of the two reportable segments share similar characteristics and are similar in each of the following respects:
(a) the nature of the products and services;
(b) the nature of the production processes;
(c) the type or class of customer;
(d) the methods used to distribute products or provide services; and
(e) the nature of the regulatory environment.

The Fintech Platform segment aggregates the Group's technology-based platforms that facilitate B2B procurement, supply-chain transactions, and data analysis activities. These platforms share a common technological infrastructure, similar service-based revenue models, similar customer groups (primarily SMEs and business partners), and similar economic characteristics over the long term. This segment operates in China in 2024 and 2025, and plans for a North American adapted version to eventually operate in Canada. Revenue in this segment is primarily generated by subsidiaries leveraging platforms such as GoldRiver, LinkSteel and Heartbeat in conjunction with the Cubeler data analysis platform, which combine to account most of the segment's revenue.

The Financial Services segment includes the Group's lending and credit-outsourcing activities. All services within this segment operate within a banking-related regulatory environment in China. These operations have distinct revenue models, risk profiles, customer classes, and regulatory environments compared with the Fintech Platform segment and therefore are presented separately.

Other

The "Other" category includes the activity and unallocated portion of the Canadian parent company's services and all non-operating holdings registered in Hong Kong and China.

Elimination

The "Elimination" category includes charges from Asia Synergy Data Solutions Ltd. ("ASDS"), the strategic research and development entity in mainland China, to other operating entities within the segment "Fintech Platform" under Asia Synergy Supply-chain Technologies Ltd. ("ASST"), Zhejiang Xinjiupin – Oil & Gas Management Co. ("AJP"), and Asia Synergy Technologies Ltd. ("AST") for partial R&D work performed on supply chain-related IT modules. These inter-company sales, recognized and invoiced by ASDS on a quarterly basis, were subsequently netted against a re-invoiced inter-company management fee within the Company's subsidiaries' scope as part of the consolidation elimination process.

The segment information years ended December 31, 2025, and 2024, are as follows:

					December 31, 2025
	Fintech Platform	Financial Services	Other	Elimination	Total
Revenues					
Financial service revenue	–	1,281,116	–	–	1,281,116
Fees and sales	813,388	81,606	–	–	894,994
Supply chain services	8,702,533	–	–	–	8,702,533
Other rental income from a sublease	–	–	52,002	–	52,002
Inter-segment	440,151	–	–	(440,151)	–
Total revenues	9,956,072	1,362,722	52,002	(440,151)	10,930,645
Expenses					
Depreciation and amortization	630,122	70,085	220,087	–	920,294
Finance costs	29,717	20,726	1,715,326	–	1,765,769
Expected credit loss	186,624	1,123,745	–	–	1,310,369
Impairment charge	–	–	–	–	–
Cost of service, supply chain	8,330,792	–	–	–	8,330,792
All other expenses	2,504,872	482,430	6,398,759	(440,151)	8,945,910
Total expenses	11,682,127	1,696,986	8,334,172	(440,151)	21,273,134
Profit (loss) before tax	(1,726,055)	(334,264)	(8,282,170)	–	(10,342,489)
Income tax (recovery)	(1,404,526)	–	167,527	–	(1,236,999)
Net profit (loss)	(321,529)	(334,264)	(8,449,697)	–	(9,105,490)
Non-controlling interest	477,433	(77,020)	–	–	400,413
Net profit (loss) attributable to:					
Owners of the parent	(798,962)	(257,244)	(8,449,697)	–	(9,505,903)
Segmented assets	12,380,314	18,782,644	(876,026)	–	30,286,932

(In Canadian dollars)

27 - SEGMENT REPORTING (CONTINUED)

					December 31, 2024
	Fintech Platform	Financial Services	Other	Elimination	Total
Revenues					
Financial service revenue	–	787,199	–	–	787,199
Fees and sales	989,693	380,618	–	–	1,370,311
Supply chain services	643,389	–	–	–	643,389
Other rental income from a sublease	–	–	42,871	–	42,871
Inter-segment	646,302	–	–	(646,302)	–
Total revenues	2,279,384	1,167,817	42,871	(646,302)	2,843,770
Expenses					
Depreciation and amortization	7,191,638	75,832	334,003	–	7,601,473
Finance costs	80,810	28,027	1,831,758	–	1,940,595
Expected credit loss	31,723,573	671,232	–	–	32,394,805
Change in fair value of contingent consideration	(699,514)	–	(572,391)	–	(1,271,905)
Change in fair value of debentures conversion options	–	–	(80,080)	–	(80,080)
Impairment charge	7,192,717	–	–	–	7,192,717
Cost of service, supply chain	89,111	–	–	–	89,111
Forgiveness of CEBA loan	(20,000)	–	–	–	(20,000)
Loss on sublease	158,203	–	–	–	158,203
Gain on disposition of property and equipment	(33,622)	–	–	–	(33,622)
All other expenses	5,793,372	824,251	10,017,914	(646,302)	15,989,235
Total expenses	51,476,288	1,599,342	11,531,204	(646,302)	63,960,532
Profit (loss) before tax	(49,196,904)	(431,525)	(11,488,333)	–	(61,116,762)
Income tax (recovery)	(213,982)	(383,914)	(1,257,044)	–	(1,854,940)
Net profit (loss)	(48,982,922)	(47,611)	(10,231,289)	–	(59,261,822)
Non-controlling interest	(1,618,042)	310,348	–	–	(1,307,694)
Net profit (loss) attributable to: owners of the parent	(47,364,880)	(357,959)	(10,231,289)	–	(57,954,128)
Segmented assets	10,954,406	19,459,453	8,181,412	–	38,595,271

The Company's non-current assets are located in the following geographic regions:

	2025	2024
	December 31	December 31
	Non-current Assets	Non-current Assets
China	2,121,271	3,413,212
Canada	86,724	1,987,480
	2,207,995	5,400,692

(In Canadian dollars)

28 - NON-CONTROLLING INTERESTS

The Company controls the following subsidiaries that have significant non-controlling interests.

Entities	2025 December 31 % ownership and voting rights held by NCIs	2024 December 31 % ownership and voting rights held by NCIs
Asia Synergy Supply Chain Ltd. ("ASSC")	49%	49%
Asia Synergy Financial Capital Ltd. ("ASFC")	49%	49%
Beijing Kailifeng New Energy Technology Co., Ltd. ("KALIFENG")	57.5%	57.5%
Shanghai Xinhuizhi Supply Chain Management Co., Ltd. ("ASAC")	49%	49%
Jiangsu Supairui IOT Technology Co., Ltd. ("ASTH")	20%	20%
Wuxi Suyetong Supply Chain Management Co., Ltd. ("SST")	20%	20%

	Total comprehensive profit and loss allocated to NCI		Accumulated NCI	
Entities	2025 December 31	2024 December 31	2025 December 31	2024 December 31
Asia Synergy Supply Chain Ltd. ("ASSC")	597,935	(1,118,056)	790,027	192,090
Asia Synergy Financial Capital Ltd. ("ASFC") (1)	(45,580)	431,777	12,175,642	12,221,223
Wechain (Nanjing) Technology Service Co., Ltd. ("WECHAIN")	148,374	(306,889)	–	(148,374)
Kailifeng New Energy Technology Co., Ltd. ("KALIFENG")	(255,681)	(227,044)	731,553	987,237
Shanghai Xinhuizhi Supply Chain Management Ltd. ("ASAC")	3,532	2,168	2,045	(1,487)
Jiangsu Supairui IOT Technology Co., Ltd. ("ASTH") (1)	(3,264)	(44,467)	(109,634)	(106,372)
	445,316	(1,262,511)	13,589,633	13,144,317

(1) Wuxi Suyetong Supply Chain Management Co., Ltd. ("SST") is included with ASTH since the latest holds 100% of the shares of SST.

No dividends were paid to NCIs during the year ended December 31, 2025 and 2024.

(In Canadian dollars)

28 - NON-CONTROLLING INTERESTS (CONTINUED)

Summarized financial information for subsidiaries with NCIs, before intragroup eliminations are as follows:

	ASSC		ASFC		Wechain		Kailifeng		ASAC		ASTH (1)		Total	
	2025 December 31	2024 December 31	2025 December 31	2024 December 31	2025 December 31	2024 December 31	2025 December 31	2024 December 31	2025 December 31	2024 December 31	2025 December 31	2024 December 31	2025 December 31	2024 December 31
Current assets	2,112,437	2,313,508	25,768,410	25,987,043	–	494,954	1,842,542	2,032,719	6,775	6,815	11,520	11,711	29,741,684	30,846,750
Non-current assets	–	54	164,750	218,311	–	108,812	239,458	491,584	296	298	(212)	2,577	404,292	821,636
	2,112,437	2,313,562	25,933,160	26,205,354	–	603,766	2,082,000	2,524,303	7,071	7,113	11,308	14,288	30,145,976	31,668,386
Current liabilities	299,075	300,939	109,806	48,659	–	283,071	273,537	218,675	–	1	114,389	115,113	796,807	966,458
Non-current liabilities	51,057	67,111	264,474	295,206	–	600,205	928,110	1,049,763	–	4,928	443,522	465,722	1,687,163	2,482,935
	350,132	368,050	374,280	343,865	–	883,276	1,201,647	1,268,438	–	4,929	557,911	580,835	2,483,970	3,449,393
Equity attributable to owners of the parent	822,273	199,930	12,672,607	12,720,048	–	(154,430)	540,713	729,696	2,128	(1,547)	(438,536)	(425,487)	13,599,185	13,068,210
Non-controlling interests	790,027	192,090	12,175,642	12,221,223	–	(148,374)	731,553	987,237	2,045	(1,487)	(109,634)	(106,372)	13,589,633	13,144,317

	ASSC		ASFC		Wechain		Kailifeng		ASAC		ASTH (1)		Total	
	2025 December 31	2024 December 31	2025 December 31	2024 December 31	2025 December 31	2024 December 31	2025 December 31	2024 December 31	2025 December 31	2024 December 31	2025 December 31	2024 December 31	2025 December 31	2024 December 31
Revenue	–	986	1,281,116	787,200	30,657	40,091	14,232	125,383	–	–	–	–	1,326,005	953,659
Profit for the year attributable to the owners of the parent	626,419	(1,147,461)	(80,165)	323,014	(11,593)	(290,015)	(206,393)	(216,856)	2,464	(31)	13,271	(137,377)	344,003	(1,468,726)
Profit for the year attributable to NCIs	601,854	(1,102,463)	(77,018)	310,348	149,130	(278,642)	(279,238)	(202,564)	2,367	(29)	3,318	(34,344)	400,413	(1,307,694)
Profit (loss) for the year	1,228,273	(2,249,924)	(157,183)	633,362	137,537	(568,657)	(485,631)	(419,420)	4,831	(60)	16,589	(171,721)	744,416	(2,776,420)
Other comprehensive income ("OCI") for the year														
OCI attributable to the owners of the parent	(4,079)	(16,230)	32,721	126,386	(788)	(29,401)	17,412	(25,479)	1,212	2,287	(26,325)	(40,489)	20,153	17,074
OCI attributable to NCIs	(3,919)	(15,594)	31,438	121,429	(757)	(28,248)	23,557	(24,480)	1,165	2,198	(6,581)	(10,122)	44,903	45,183
OCI for the year	(7,998)	(31,824)	64,159	247,815	(1,545)	(57,649)	40,969	(49,959)	2,377	4,485	(32,906)	(50,611)	65,056	62,257
Total comprehensive income for the year attributable to the owners of the parent	622,340	(1,163,691)	(47,444)	449,400	(12,381)	(319,416)	(188,981)	(242,335)	3,676	2,257	(13,054)	(177,866)	364,156	(1,451,651)
Total comprehensive income for the year attributable to NCIs	597,935	(1,118,056)	(45,580)	431,777	148,374	(306,889)	(255,681)	(227,044)	3,532	2,168	(3,264)	(44,467)	445,316	(1,262,511)
Total comprehensive profit and loss for the year	**1,220,275**	**(2,281,747)**	**(93,024)**	**881,177**	**135,993**	**(626,305)**	**(444,662)**	**(469,379)**	**7,208**	**4,425**	**(16,318)**	**(222,333)**	**809,472**	**(2,714,162)**
Net cash used in operating activities	(7,121)	(88,838)	260,286	(1,444,001)	5,920	30,995	(440,085)	(171,183)	(96)	(9,585)	(243)	(60,337)	(181,339)	(1,742,949)
Net cash used in investing activities	1	35	8,163	(58,624)	249,154	(7,548)	79,264	(47,468)	10	(1,872)	55	55,447	336,647	(60,030)
Net cash from financing activities	–	–	(28,999)	(53,203)	(277,032)	(19,015)	112,407	764,180	–	9,879	–	22,666	(193,624)	724,507
Foreign exchange differences	7,113	76,711	(145,425)	1,486,638	25,357	(23,699)	(2,289)	(610)	55	(152)	185	(31,299)	(115,004)	1,507,589
	(7)	**(12,092)**	**94,025**	**(69,190)**	**3,399**	**(19,267)**	**(250,703)**	**544,919**	**(31)**	**(1,730)**	**(3)**	**(13,523)**	**(153,320)**	**429,117**

(1) Wuxi Suyetong Supply Chain Management Co., Ltd. ("SST") is included with ASTH since the latest holds 100% of the shares of SST.

29 - CONTINGENCIES

Through the normal course of operations, the Company may be exposed to a number of lawsuits, claims and contingencies. Provisions are recognized as liabilities in instances when there are present obligations and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and where such liabilities can be reliably estimated. No provision has been recognized in these consolidated financial statements. Although it is possible that liabilities may be incurred in instances where no provision has been made, the Company has no reason to believe that the ultimate resolution of such matters will have a material impact on its financial position.

30 - ECONOMIC DEPENDANCE

During the year ended December 31, 2024, the Company generates approximately 60% (included 2 customers over 10% concentration accounted for 32% and 14% respectively) of its revenues from four customers and partners with one financial institution for capital support when leveraging the deposits made for transactions on platforms (refer to note 9.2). Management has determined that the Company is exposed to a significant concentration of credit risk due to its reliance on four key customers. Should these customers or financial institutions substantially change their dealings with the Company, management is of the opinion that revenues and any financial assets would be significantly impacted and continued viable operations would be doubtful. On December 31, 2024, amounts due from these customers totaled approximately $271,280 representing 70% of total accounts receivable, net of expected credit losses.

During the year ended December 31, 2025, the Company generates approximately 80% of its revenues from one customer. Management has determined that the Company is exposed to a significant concentration of credit risk due to its reliance on one key customer. Should this customer substantially change its dealing with the Company, management is of the opinion that revenues and any financial assets would be significantly impacted and continued viable operations would be doubtful. As at December 31, 2025, amounts due from this customer represented 92% of total accounts receivable, net of expected credit losses.

The Company relies on two key suppliers to support its supply chain operations. These suppliers provide substantially all of the services or products required for the Company's supply chain activities. As presented in the statement of profit and loss, 100% of the "cost of service" line item relates to transactions with these two suppliers (FY2025 - $8,330,792).

This level of reliance on a limited number of suppliers exposes the Company to a significant concentration risk. Any disruption in the relationship with either supplier—including changes in pricing, service availability, or contractual terms—could have a material impact on the Company's operations and financial performance.

31 - SUBSEQUENT EVENTS

31.1 Dismissal of the U.S. class action lawsuit

On March 6, 2026, the Company announced that the class action lawsuit filed on October 25, 2023 in the United States District Court for the Eastern District of New York against the Company and its Chief Executive Officer and former Chief Financial Officer, which alleged four counts of violations of the securities laws of the United States, has been voluntarily dismissed by the plaintiffs without prejudice pursuant to a stipulation of voluntary dismissal agreed to by the parties and filed with the Court on February 24, 2026. The Court has administratively closed the case. The Company did not pay any compensation to the plaintiffs, nor does it have any obligations, financial or otherwise, owed to the plaintiffs in connection with the Lawsuit.

31.2 Private placement

On June 9, 2026, the Company closed a non-brokered private placement financing. The private placement consisted of the issuance of 55,200,000 common shares at a price of $0.05 per share for aggregate gross proceeds of $2,760,000.

32 - RESTATEMENT OF COMPARATIVE FIGURES

Subsequent to the issuance of the audited consolidated financial statements for the fiscal year ended December 31, 2024, management determined that certain disclosures needed to be revised in the notes to the consolidated financial statements in order to fully comply with applicable disclosure requirements under IFRS Accounting Standards. As a result, the Company has amended the comparative figures of the year ended December 31, 2024. The nature of the amended disclosures is summarized below:

- Expanded disclosure confirming the judgments applied in determining control over entities subject to nominee shareholder arrangements.
- Reclassification of presentation of loans receivable without any financial impact to the consolidated statement of comprehensive profit and loss to higher stages based on management's assessment under IFRS 9, please refer to Note 6.
- Expanded disclosure regarding the guarantor liquidity and capacity and the gross carrying amount of the loans receivable.
- Expanded disclosure regarding the accounts receivable aging matrix internal credit risk exposure in Note 7.
- Expanded and reclassification of related-party disclosures in Note 26 Related party transactions of the audited consolidated financial statements for the year ended December 31, 2024, to provide additional clarity and transparency.

These revisions relate solely to disclosure and presentation reclassification.

SCHEDULE B: MANAGEMENT DISCUSSION AND ANALYSIS

Tenet Fintech Group Inc.

Management's Discussion and Analysis

For the Year Ended December 31, 2025

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The following MD&A provides Management's point of view on the financial position and results of operations of Tenet Fintech Group Inc. on a consolidated basis, for the years ended December 31, 2025 (fiscal 2025) and December 31, 2024 (fiscal 2024).

Unless otherwise indicated or unless the context requires otherwise, all references in this MD&A to "**Tenet**", the "**Company**", "**Issuer**", "**we**", "**us**", "**our**" or similar terms refer to Tenet Fintech Group Inc. on a consolidated basis. This MD&A is dated June 24, 2026 and should be read in conjunction with the Audited Consolidated Financial Statements and the notes thereto for the years ended December 31, 2025 and December 31, 2024. Unless specified otherwise, all amounts are in Canadian dollars.

The financial information contained in this MD&A relating to the Audited Consolidated Financial Statements for the years ended December 31, 2025, and December 31, 2024, has been prepared using accounting policies that are in accordance with International Financial Reporting Standards as issued by the International Accounting Standard Board (hereafter "**IFRS Accounting Standards**").

The Audited Consolidated Financial Statements and MD&A have been reviewed by our Audit and Risk Management Committee and approved by our Board of Directors as of June 23, 2026.

INTRODUCTORY COMMENTS ABOUT NOMINEE SHAREHOLDER AGREEMENTS AND THE SAFEGUARD OF COMPANY CHOPS RELATED TO THE COMPANY'S ASIA SYNERGY FINANCIAL CAPITAL ("ASFC") SUBSIDIARY

As part of its operations in China, the Company makes loans to small and medium sized enterprises (SMEs) through its ASFC subsidiary. The Company does not have direct equity ownership in ASFC, but rather controls ASFC through contractual agreements with four nominee shareholders who are the registered shareholders of the Company 51% stake in ASFC. These four nominee shareholders and their associates are the registered owners of 100% of ASFC's shares. Of the 49% stake in ASFC not subject to the Company's nominee shareholder agreements, 34% is held by Jiudong Ltd., the Company's strategic partner for the creation of ASFC, and 15% is held by Jiudong Ltd. CEO, Chusheng Zhou. ASFC was established in 2018 with a registered capital of $20M, of which the Company contributed $10.2M through its nominee shareholders, representing 51% of ASFC's total registered capital. The $10.2M contributed by the Company was raised by the Company through of a private placement financing to which two of the Company's nominee shareholders each subscribed for $3M and received securities of the Company. While the funds for the nominee shareholders' subscriptions to the private placement were sent to the Company, those funds had to eventually be sent back to the nominee shareholders' bank accounts so that they could be contributed to the registered capital of ASFC on behalf of the Company. The fact that the funds representing the Company's contribution to the registered capital of ASFC may raise questions as to who the real contributors of the registered capital contributed on behalf of the Company are in the event of a dispute or the enforcement of the nominee shareholder agreements under Chinese law.

All matters of significance entrusted by the Company to the nominee shareholders, including those related to the establishment of ASFC itself and the appointment of ASFC's directors and named officers, are communicated in writing by the Company to the nominee shareholders. For any matter of significance previously entrusted to a nominee shareholder requiring any change or amendment, for instance a change of address in the government registry, a power of attorney must first be received by the nominee shareholder from the Company as mandated by the nominee shareholder agreements. Any power of attorney given by the Company to a nominee shareholder must specify the purpose for which the power of attorney is given, and if applicable, the period of time for which such power of attorney is valid.

ASFC's articles of association stipulate that the board of shareholders has control over the appointment or removal of the board of directors. ASFC's board of shareholders is comprised of three members, two of which are nominee shareholders of the Company and the third is the CEO of Jiudong Ltd., while ASFC's board of directors, whose members are appointed or removed by the board of shareholders, is comprised of the Company's CEO (Johnson Joseph), the CEO of the Company's Chinese Operations (Liang Qiu), the Company's CFO (Maxime Couturier), Kelong Chen (a nominee shareholder of the Company) and Changsheng Zhuo (a nominee shareholder of the Company).

The nominee shareholder structure implemented for ASFC was recommended by the Company's Chinese counsel to address challenges resulting from laws, policies and practices that may disfavor foreign-owned entities that operate within industries deemed sensitive by the Chinese government. Just like any entity operating in a foreign jurisdiction, the Company relies on the rule of law prevailing in China when it comes the nominee shareholder structure put in place for it to exert control over its ASFC subsidiary. As set out in ASFC's articles of association, ASFC's board of shareholders is the company's organ of authority, which board of shareholders the Company ultimately controls through its nominee shareholder agreements. This allows the Company to have effective control over ASFC's operations. While the Company's nominee shareholder agreements allow the Company to enjoy the economic rights, such as dividends, capital gains, and voting rights associated with the shares of ASFC held by the nominee shareholders, nominee shareholder structures also involve unique risks to investors. Such structures are frequently used by foreign entities to conduct business in China, however as of the date of this MD&A, their enforceability has not been tested in Chinese courts. A nominee shareholder may refuse to perform the obligations under the nominee shareholder agreement, such as assisting the Company with the disposal of the ASFC shares under the nominee shareholder agreement, leaving the Company with potentially limited recourse.

The Company relies on the collaboration of the nominee shareholders and their compliance with the terms of the nominee shareholder agreements to allow the Company to receive its share of the economic benefit from ASFC. As contemplated in the nominee shareholder agreements, any dividends declared by ASFC to which the Company would be entitled would first have to be sent to the nominee shareholder bank account identified in the nominee shareholder agreement before the nominee shareholder could send the funds to the Company's bank account. Given that the Company has no control over the nominee shareholders' bank accounts, any funds destined for the Company thus sent from ASFC could potentially not be received by the Company should the nominee shareholders refuse to perform their obligations under the nominee shareholder agreements to send the funds to the Company. As of the date of this MD&A, no dividend had been declared by ASFC to have allowed for this fund transfer process involving ASFC, the nominee shareholders and the Company to have been followed.

If the Company's nominee shareholder structure related to ASFC was deemed not to comply with Chinese regulations, or if the regulations change or are interpreted differently in the future, the Company may lose all rights related to ASFC, which may cause an investment in the Company's securities to suffer significant economic losses or even become worthless. For more on the risks related to the Company's nominee shareholder structure for ASFC, please see the Risks and Uncertainties section of this MD&A.

It should also be noted that the Company does not use a third-party custodian to hold the chops of ASFC which may adversely impact the Company's control over ASFC. For more on the risks related to the Company's Chinese subsidiaries' chops, please see the Risks and Uncertainties section of this MD&A.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Certain statements included in this MD&A constitute "forward-looking statements" under Canadian securities law, including statements based on management's assessment and assumptions and publicly available information with respect to the Company. By their nature, forward-looking statements involve risks, uncertainties and assumptions. The Company cautions that its assumptions may not materialize and that current economic conditions render such assumptions, although reasonable at the time they were made, subject to greater uncertainty. Forward-looking statements may be identified by the use of terminology such as "**believes**," "**expects**," "**anticipates**," "**assumes**," "**outlook**," "**plans**," "**targets**", or other similar words.

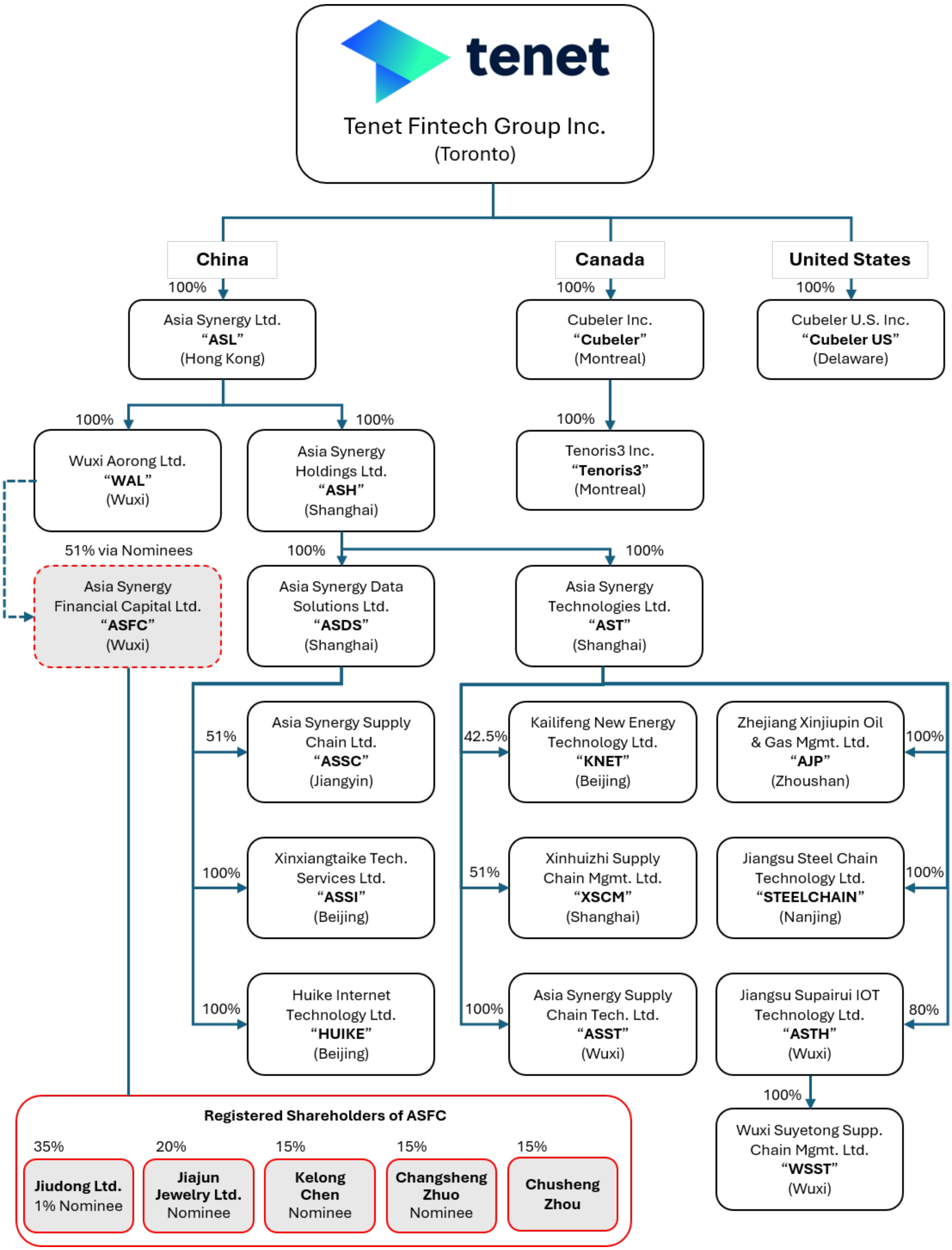
Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and other factors which may cause actual results, performance or achievements of the Company to be materially different from the outlook or any future results, performance or achievements implied by such statements. Accordingly, readers are advised not to place undue reliance on forward-looking statements. Important risk factors that could affect the forward-looking statements in this document include, but are not limited to, risks related to liquidity and capital resources; Tenet as a holding company with significant operations in China; the receipt of all required regulatory permissions; the repatriation of profits or other transfer of funds from our Chinese operating subsidiaries to Canada; operations in foreign jurisdictions and possible exposure to corruption, bribery or civil unrest; bankruptcy, dissolution or liquidation of Chinese subsidiaries; uncertainties regarding the growth and sustained profitability of e-commerce in China; illegality of digital asset transactions in China; increases in labor costs in China; regulation and censorship of information distribution over the Internet in China; oversight of The China Securities Regulatory Commission and other Chinese government agencies over foreign investment in China-based issuers; the consequences of the failure to make adequate contributions to various mandatory social security plans as required by Chinese regulations; the applications of Chinese labor contract law; uncertainties arising under the Chinese Enterprise Income Tax Law; Chinese governmental control of currency conversion; substantial doubt with respect to the ability of our Chinese operating subsidiaries to continue as a going concern; unauthorized use of the chops of our Chinese subsidiaries; difficulties for overseas regulators conducting investigations or collecting evidence within China; the ability to effect service of legal process, enforcing foreign judgments or bringing actions in China; COVID-19 and other pandemic illnesses; risks relating to auditor oversight including China continuing to prevent CPAB from inspecting the audit work of Canadian public companies conducted in China; provision for expected credit losses, anticipated cash needs and its need for additional financing, completion of announced transactions; plans for and timing of expansion of its product and services; the Company's ability to enter into new leases, loans or merchant agreements, collect on existing leases or loans, manage credit risk, offer products which appeal to customers at a competitive rate, respond to changes in legislation, react to uncertainties related to regulatory action, raise capital under favourable terms, control costs at all levels of the organization and maintain and enhance the system of internal controls; and other risks detailed from time to time in reports filed by the Company with securities regulators in Canada or other jurisdictions. We refer potential investors to the "**Risks and Uncertainties**" section of this MD&A.

The reader is cautioned to consider these and other risks and uncertainties carefully and not to put undue reliance on forward-looking information.

Forward-looking statements reflect information as of the date on which they are made. The Company assumes no obligation to update or revise forward-looking statements to reflect future events, changes in circumstances, or changes in beliefs, other than as required by applicable securities laws.

CORPORATE STRUCTURE

As of the date of this MD&A, Tenet had registered subsidiaries in Canada, China and the United States. Below is a diagram depicting the Company's ownership structure followed by a summarized description of each subsidiary by country, including Tenet's ownership percentage of each subsidiary.



Tenet Fintech Group Inc.
(Toronto)
China
Canada
United States
100%
Asia Synergy Ltd.
"ASL"
(Hong Kong)
100%
Cubeler Inc.
"Cubeler"
(Montreal)
100%
Cubeler U.S. Inc.
"Cubeler US"
(Delaware)
100%
Wuxi Aorong Ltd.
"WAL"
(Wuxi)
100%
Asia Synergy Holdings Ltd.
"ASH"
(Shanghai)
100%
Tenoris3 Inc.
"Tenoris3"
(Montreal)
51% via Nominees
Asia Synergy Financial Capital Ltd.
"ASFC"
(Wuxi)
100%
Asia Synergy Data Solutions Ltd.
"ASDS"
(Shanghai)
100%
Asia Synergy Technologies Ltd.
"AST"
(Shanghai)
51%
Asia Synergy Supply Chain Ltd.
"ASSC"
(Jiangyin)
42.5%
Kailifeng New Energy Technology Ltd.
"KNET"
(Beijing)
Zhejiang Xinjiupin Oil & Gas Mgmt. Ltd.
"AJP"
(Zhoushan)
100%
100%
Xinxiangtaike Tech. Services Ltd.
"ASSI"
(Beijing)
51%
Xinhuizhi Supply Chain Mgmt. Ltd.
"XSCM"
(Shanghai)
Jiangsu Steel Chain Technology Ltd.
"STEELCHAIN"
(Nanjing)
100%
100%
Huike Internet Technology Ltd.
"HUIKE"
(Beijing)
100%
Asia Synergy Supply Chain Tech. Ltd.
"ASST"
(Wuxi)
Jiangsu Supairui IOT Technology Ltd.
"ASTH"
(Wuxi)
80%
100%
Wuxi Suyetong Supp. Chain Mgmt. Ltd.
"WSST"
(Wuxi)
Registered Shareholders of ASFC
35%
Jiudong Ltd.
1% Nominee
20%
Jiajun Jewelry Ltd.
Nominee
15%
Kelong Chen
Nominee
15%
Changsheng Zhuo
Nominee
15%
Chusheng Zhou

CANADA
In Canada, Tenet owns 100% of Cubeler Inc. (**Cubeler**), which owns 100% of Tenoris3 Inc. (**Tenoris3**).

Cubeler
Cubeler is the original developer of the Cubeler Business Development Platform and the exclusive operator of the platform outside of China. Cubeler provides business promotion, networking, business intelligence, news and insights, and various business and funding options to privately owned small and medium sized businesses through the Cubeler platform on a free subscription basis model. To access the platform's free services, the registered members must connect their businesses' accounting software systems to the platform and agree to share the data with Cubeler. Cubeler uses the data to provide the services to the platform's registered members but also shares the data with its Tenoris3 subsidiary.

Tenoris3
Tenoris3 is the data science subsidiary of the Tenet group of companies. Tenoris3 uses small and medium sized business data coming from the accounting systems of the private companies registered on the Cubeler platform to develop various macroeconomic data indexes. The indexes, which Tenet plans to launch commercially sometime during the first half of 2026, will be marketed primarily to capital market participants and government agencies.

CHINA
Prior to establishing the corporate ownership structure under which Tenet owns its subsidiaries in China, the Company obtained counsel from both business and legal professionals with expertise in advising foreign entities on doing business in China.

The corporate ownership structure was devised to allow Tenet to benefit from tax incentives, facilitate the flow of dividend and royalty payments from China to Canada while shielding the Company from potential liability related to having business operations in China.

When creating a company in China, the registration documents need to clearly state what industry the company will be operating in and what the company will be doing. Once a company is established, it is then very difficult for the company to deviate from its originally disclosed sphere of operation and begin operating in an entirely different industry. Unlike most foreign companies who operate in a single industry in China, Tenet operates in several industries. Given that the Company's ultimate objective is to gather industrial data and provide economic data analysis services, Tenet needed insights into a wide range of industries. Thanks primarily to its Cubeler and GoldRiver platforms, the Company was able to find ways to provide services in a variety of sectors. However, the Company still had to create a subsidiary for many industrial sectors in which it operates, which explains why Tenet had 3 holding subsidiaries and 13 operating subsidiaries in China as of December 31, 2025.

Asia Synergy Limited (**ASL**) is a holding company registered in Hong Kong 100% owned by Tenet. ASL owns 100% of Asia Synergy Holdings Limited (**ASH**), which is a holding company registered in Shanghai, and 100% of Wuxi Aorong Limited (**WAL**), which is a holding company registered in Wuxi, China.

WAL owns 51% of Asia Synergy Financial Capital (**ASFC**). ASH owns 100% of Asia Synergy Data Solutions (**ASDS**) and 100% of Asia Synergy Technologies (**AST**). ASDS owns 51% of Asia Synergy Supply Chain (**ASSC**), 100% of Xinxiangtaike Tech. Services (**ASSI**) and 100% of Huike Internet Technology (**HUIKE**). AST owns 42.5% of Kailifeng New Energy Technology (**KNET**), 51% of Xinhuizhi Supply Chain Management (**XSCM**), 100% of Asia Synergy Supply Chain Technologies (**ASST**), 100% of Zhejiang Xinjiupin Oil & Gas Management (**AJP**), 100% of Jiangsu

Steel Chain Technology (**STEELCHAIN**), and 80% of Jiangsu Supairui IOT Technology (**ASTH**). ASTH owns 100% of Wuxi Suyetong Supp. Chain Management (**WSST**).

ASFC (official Chinese name: Wuxi Yadong Technology Micro Loan Co., Ltd.)
ASFC provides loans and financing solutions to Chinese SMEs by leveraging the data analysis services provided through the Company's Cubeler platform. ASFC was established partly to serve as an example to other Chinese financial institutions that the Cubeler platform's data analysis services could be used to safely lend to SMEs. At the time of the creation of ASFC in 2018, due to the regulations in China related to foreign ownership of entities providing financial services, it was recommended that ASFC not be held by the Company through the same holding entity as the Company's other subsidiaries. WAL was therefore specifically created based on that recommendation, in compliance with regulations at the time, while allowing the Company to control a majority stake in ASFC. It should be noted that WAL does not directly own its shares in ASFC, but it does so through a series of four nominee shareholder agreements. Nominee shareholder agreements are commonly used by foreign entities to hold ownership participations in Chinese companies. WAL's nominee shareholder agreements allow it, as the beneficial owner of the shares in ASFC, to retain all economic rights, such as dividends, capital gains, and voting rights associated with the shares despite not appearing on the government register as a registered shareholder of ASFC. While there are advantages to holding shares through a nominee shareholder agreement, there are also certain risks associated with such structures.

Relevant Terms of WAL's Nominee Shareholder Agreements:
The nominee shareholder agreements identify WALs as the beneficial owners of the shares of ASFC. The agreements state the nominees' obligations to act according to instructions provided by WAL in matters related to ASFC from the inception of the company to its dissolution, including the appointment of ASFC's directors who are responsible for providing operational instructions for ASFC. The nominee shareholders have allowed WAL to have majority representation on ASFC's board of directors, which meets periodically to ensure continued alignment between ASFC's operations and those of the Company. More details about the terms of WAL's nominee shareholder agreements can be obtained by consulting copies of the nominee shareholder agreements filed under the Company's profile on SEDAR+.

Nominee Shareholder Agreement Risks
While there are advantages to holding shares through a nominee shareholder agreement, there are also certain risks associated with such structures. For more on the risks related to the Company's nominee shareholder agreement, please see the "Risks and Uncertainties" section of this MD&A.

ASDS (official Chinese name: Shanghai Zunfang Data Technology Co., Ltd.)
As the operator of the Company's Cubeler platform in China, ASDS is considered to be the Company's most important Chinese subsidiary. ASDS is a data aggregator and data analysis solution provider to the Company's other operating subsidiaries, including supporting the Company's supply chain and logistics platforms, as well as servicing unrelated external clients. ASDS is also responsible for developing and maintaining the data infrastructure, analytics, and IT solutions that enable the overall efficiency of the Company's operations in China. As a technology solution provider, ASDS is able to directly and indirectly service clients operating in various industries.

ASSC (official Chinese name: Jiangyin Jinzun Technology Management Co., Ltd.)
ASSC leverages the Cubeler and GoldRiver platforms to provide supply chain management and logistics services as part of the Company's offering to businesses operating along the consumer product supply chain, from raw material providers to product manufacturers and product distributors.

ASSI (official Chinese name: Beijing Xinxiangtaike Technology Service Co., Ltd.)
ASSI operates in the insurance industry. ASSI provides insurance-related services to insurers and automobile dealers through the Company's "Heartbeat" insurance product management platform. These services include third-party product administrator services and extended warranty/vehicle replacement services.

HUIKE (official Chinese name: Beijing Huike Internet Technology Co., Ltd.)
HUIKE is a technology services company and the operator of the "Heartbeat" insurance product management platform. HUIKE gives access to the Heartbeat platform to automotive sales reps and insurance brokers on a SaaS model through monthly or annual subscription plans, enabling them to streamline their operations and manage insurance policies. Complementing this offering is a custom solutions division, which delivers tailored IT projects, training, and support services to enterprise clients in the insurance industry.

AST (official Chinese name: Shanghai Zunfan Information Technology Co., Ltd.)
AST is the operator of the Company's GoldRiver supply chain product procurement platform. Leveraging the GoldRiver platform, AST provides integrated supply chain solutions, including product sourcing, financing, warehousing and product delivery services, primarily to large industrial clients, factories and logistics clients.

KNET (official Chinese name: Beijing Kailifeng New Energy Technology Co., Ltd.)
KAILIFENG (**KLF**) operates primarily as a provider of SaaS-based IT services and R&D solutions, with its revenue streams structured around two core performance obligations: R&D project mandates and IT service/solutions delivery, recognized over time based on validated service statements. A key aspect of KLF's business is its involvement in the i3060 clean energy platform, which aligns with global sustainability initiatives and represents a strategic focus within its service offerings. Through this platform, KLF supports clean energy projects and technological development, integrating its IT and R&D capabilities to advance renewable energy solutions, thereby contributing to its recurring revenue model while operating in the growing green technology sector.

XSCM (official Chinese name: Shanghai Xinhuizhi Supply Chain Management Co., Ltd.)
XSCM was created in partnership with a company with over 30 years of experience in the food distribution industry to allow the Company to enter the industry and begin gathering data on the industry. XSCM had not yet begun to operate as of December 31, 2025.

ASST (official Chinese name: Jiangsu Xinborui Supply Chain Information Technology Service Co., Ltd.)
ASST provides technology-driven supply chain and logistics solutions through the Company's GoldRiver supply chain product procurement platform. ASST primarily services businesses operating in the retail, e-commerce and construction sectors. In addition to the product procurement and purchase order financing solutions GoldRiver is known for, through an extensive network of logistics and distribution partners, AST is able to offer its clients comprehensive transportation and logistics services, including freight, waterway, highway, and cold chain transportation services.

AJP (official Chinese name: Zhejiang Xinjiupin Supply Chain Management Co., Ltd.)
AJP operates within the clean technology and energy management industry, specifically focusing on oil and gas sector services. Leveraging the GoldRiver supply chain product procurement platform, AJP provides supply chain bundle services, including procurement, financing, payment monitoring, and logistics specifically catered to clients in the oil and gas sector.

STEELCHAIN (official Chinese name: Jiangsu Steel Chain Technology Co., Ltd.)
STEELCHAIN provides technology-integrated services, including procurement, logistics, and transaction flow management, to businesses in the industrial and raw materials sector, with a specific focus on steel and related materials. STEELCHAIN's services are provided through the Company's LinkSteel platform, which is a subset of the Company's GoldRiver supply chain product procurement platform.

ASTH (official Chinese name: Jiangsu Supairui IOT Technology Co., Ltd.)
ASTH is an Internet of Things (IoT) technology company operating within the transportation and logistics industry. ASTH leverages the Company's Yun Fleet platform to provide supply chain related transportation and logistics services, managing and processing online freight, waterway, inter-city highway, and cold chain transportation orders for corporate clients in the logistics industry.

WSST (official Chinese name: Wuxi Suyetong Supply Chain Management Co., Ltd.)
WSST is a supply chain management service provider focused on logistics and transportation services. Using the Company's Yun Fleet platform, WSST works in close operational partnership with the Company's ASTH subsidiary to manage non-bulk transportation orders, primarily for inter-city highway freight.

Notwithstanding the advice the Company received prior to putting its corporate structure in place, there are certain inherent risks to Tenet's corporate ownership structure and to conducting business in China. For instance, because of its multi-layered structure, the Company's board of directors doesn't have direct access to some of the executives of the Company's operating subsidiaries. This presents challenges for the board to effectively impact the decision making of the subsidiaries because, in part, certain important operating decisions may be made by the subsidiaries without being communicated to the board for its consideration. To help mitigate this type of risk, members of the Company's Canadian management team communicate with their Chinese counterparts on a regular basis, several times per week, to stay informed on all relevant developments that might be impacting the Company's operations in China, business development initiatives or operational strategies. This information is not only related to the board through formally scheduled board meetings, but also informally through unscheduled conversations between management and members of the board. There are also a variety of legal and cultural challenges to doing business in China which pose certain risks to the Company. For example, restrictive laws in China related to the flow of funds in and out of the country may impact the Company's ability to send operating funds to its subsidiaries or repatriate dividends from those subsidiaries to its shareholders in Canada. Sudden changes to laws and regulation affecting sectors where the Company operates may also force the Company to adjust its corporate structure, change the way it does business in the sector or completely cease operating in the sector. While the Company continues to stay informed on all the legal, political and cultural aspects which may impact its operations in China, there is no guarantee that its subsidiaries will continue to be able to operate uninterrupted or at all in China in the future. For more details on the risks the Company faces when it comes to doing business in China, please see the Risks and Uncertainties section of this MD&A.

UNITED STATES
As of December 31, 2025, Tenet had one registered subsidiary in the United States, Cubeler U.S. Inc. (**Cubeler US**), which the Company has 100% ownership of.

Cubeler US
Cubeler US is the entity under which Cubeler will be providing its services in the U.S. to U.S.-based small and medium sized businesses when the Cubeler platform officially launches in the U.S.

BUSINESS OVERVIEW

Tenet (**CSE: PKK)** (**OTC Pink: PKKFF**), is the parent company of a group of innovative financial technology (Fintech) and artificial intelligence (AI) companies. Tenet's subsidiaries operate various B2B platforms providing SMEs in China and Canada with services such as supply-chain related product procurement, purchase order financing, loans and other credit products, product and service promotion, access to market and business intelligence reports, and networking and other business development opportunities. All of Tenet's platforms operate on the basis that the SMEs must first register on the platforms and share their businesses' financial and operational data on a continuous basis with the platforms in order to benefit form the services provided. The SME data is analyzed and processed using AI and analytical tools to provide the SMEs with the services offered on the platforms. Through its Tenoris3 data science subsidiary, Tenet also uses AI, analytics and the SME data constantly flowing on its platforms to develop various business and economic intelligence products and services offered to discount brokerage firms, individual stock traders, capital markets professionals, government agencies, and financial institutions (the "**Data Products**").

The Company reports its revenue under two operating segments, the Financial Services segment and the Fintech Platform segment, and one non-operating segment, the "**Other**" segment. Revenue generated by the Company's Asia Synergy Financial Capital ("**ASFC**") subsidiary, which makes loans to SMEs in China, and the Company's Asia Synergy Credit Solutions ("**ASCS**") subsidiary, which provides loan management services to Chinese financial institutions, is recorded under the Financial Services segment. All other operating revenue generated by any of the Company's other subsidiaries, whether in China or in Canada, is recorded under the Fintech Platform segment. The Other revenue segment regroups all non-operating revenue such as revenue generated from sub-leases of the Company's office spaces and interest earned on deposits held in savings accounts.

Tenet operates under a slightly different business model in China than it does in Canada and therefore earns revenue differently in each country. In addition to earning service fees for the supply-chain related transactions facilitated by its platforms in China, Tenet also earns interest income on the loans and credit products it provides to Chinese SMEs through its ASFC subsidiary and loan management related service fees through its ASCS subsidiary. In Canada, however, Tenet does not engage in lending or credit activities, nor does it earn fees for the services provided to SMEs or financial institutions on its platforms. Instead, Tenet is aiming to have almost all revenue generated by its Canadian subsidiaries come by leveraging the SME data available through its platforms in both China and Canada, particularly its Cubeler Business Development Platform (the "**Cubeler Platform**"), to develop and commercialize business and economic intelligence based products and services.

In the era of AI and analytics where data has become the lifeblood of innovation, Tenet's objective is to become the global custodian of private SME data and leverage AI to become a global leader in business and economic intelligence.

BUSINESS DEVELOPMENTS & OPERATING HIGHLIGHTS

<u>Business Developments</u>

- January 22, 2025, strategic alliance with Bankeo, a Canadian online platform that connects businesses and entrepreneurs with accounting specialists.

- March 4, 2025, launch of beta version of the ie-Pulse business and economic intelligence platform in Canada with a single index and limited functionality to gather feedback from potential future clients.

- March 14, 2025, the Company closes a non-brokered private placement financing for gross proceeds of $3.6M.

- March 20, 2025, global technology-based lender Uncapped Technologies Inc., with the ability to extend credit of up to USD$10 per SME, joins the Company's Cubeler Business Development Platform as a financial institution partner.

- March 28, 2025, three new accounting and bookkeeping service providers, collectively servicing SMEs in several major North American cities, join the Company's Cubeler Business Development Platform as strategic referral partners.

- April 1, 2025, the Company creates a new U.S. subsidiary in preparation for expansion of North American operations.

- April 25, 2025, the Company and American alternative commercial financing provider NewCo Capital Group sign referral partnership agreement to bring more financing options to the Company's Cubeler Business Development Platform.

- May 7, 2025, the Ontario Securities Commission (the "**OSC**") places a failure-to-file cease trade order ("**FFCTO**") on the Company's securities for having missed the deadline to file its year-end 2024 audited financial statements, MD&A and accompanying documents.

- October 7, 2025, after having filed its year-end 2024 audited financial statements, the Company files application with the OSC to have the FFCTO placed on its securities lifted.

- October 8, 2025, the OSC begins review of the Company's continuous disclosure materials as part of the process of reviewing the Company's application for the lifting of the FFCTO by the OSC.

- November 1, 2025, the Company signs framework agreement with Chinese real estate development company Chengdu Honglongyi Trading Ltd. (**CHTL**) to supply products and equipment for CHTL's projects through the Company's GoldRiver supply-chain product procurement platform.

Operating Highlights (Canada)

The Cubeler Business Development Platform (the "**Cubeler Platform**") is central to the Company's objective of becoming the global custodian of private SME data as the platform is the vehicle through which the SME data is being gathered. The Cubeler Platform operates on the basis of providing SME owners and executives with enough incentives to join and share their SMEs' financial and operational data with the platform, which the Company expects to eventually utilize to develop its Data Products. The Company's Canadian operations in 2025 remained focused on increasing membership on the Cubeler Platform to reach a critical mass of SME data that would allow the Company to launch and commercialize the first of its Data Products. The Company had planned to allocate between 50,000 and $75,000 to marketing and business development activities to increase membership on the Cubeler Platform, and another $25,000 on the commercialization of its Data Products in 2025, but the FFCTO placed on the Company's securities early in the second quarter of 2025, as a result of the Company's failure to comply with applicable securities laws by not filing its year-end 2024 financial statements and related disclosure materials within the prescribed deadline, prevented the Company from accessing the capital required to make those investments. The FFCTO had the single most important impact on the Company's operations in 2025. It caused the Company to struggle to cover basic overhead and operating expenses throughout the year and prevented any meaningful progress toward the commercialization of the Data Products in 2025. Although the Company was unable to commercially launch the first of its intended Data Products during the year, it took several steps worth noting towards increasing SME membership on the Cubeler Platform in 2025, including the following:

- Launch of revised version of Cubeler.com website to better present the benefits of joining the Cubeler Platform to entrepreneurs, SME owners and SME executives.

- Support on the Cubeler Platform for three new accounting software packages to allow SMEs using the software to share their data with the platform and take advantage of the platform's service offerings.

- Complete redesign of the Networking module of the Cubeler Platform to make it more intuitive and for members to be able to engage in discussions quicker.

- Introduction of several new news feeds to the Insights module of the Cubeler Platform to keep members better informed on economic news and events affecting their businesses.

- Addition of a new bookkeeper admin panel to the Cubeler Platform to eliminate new business registration data entry for accountants and bookkeepers and allow them to easily link hundreds of their business clients' accounting software systems to the Cubeler Platform in just a few minutes.

- Development of a mobile app version of the Cubeler Platform.

- Development of an AI-based application to map and standardize account names across different accounting software packages to allow support for virtually any accounting software system to quickly be added on the Cubeler Platform.

As the Company's Data Products were still at the development or conceptual stage and generated no revenue in 2025, Tenet's Canadian operations generated negative cash flows for both the quarter and the entire year. The Company's inability to access the capital markets because of the FFCTO for almost all of 2025 not only greatly impacted its ability to commercialize and generate revenue from its Data Products but also put the Company in a precarious financial position as it struggled to meet its financial obligations for the year.

Operating Highlights (China)

Throughout 2025, the Company had talked about resuming its supply-chain related activities to full capacity in China to help it get back on an annual revenue run rate of $100M+ as being one of its objectives for the year. The Company is pleased to report that that objective was achieved during the last quarter of the year when the Company generated almost $9M in revenue during the final month of the year. Following an introduction and some negotiating assistance from an unrelated company, the Company signed a framework agreement during the quarter with Chengdu Honglongyi Trading Ltd. (the "**CHTL Agreement**"), a prominent Chinese real estate development company. The CHTL Agreement, which helped generate over $8M of revenue in the final month of 2025, and on its own should allow Tenet to reach its objective of generating at least $100M in annual revenue, is for an estimated minimum value of $200M in 2026. While the CHTL Agreement could help Tenet generate over $200M in annual revenue in 2026, this is an estimated amount and not a guaranteed commitment and there can be no assurance that any additional future revenue will be realized under the CHTL Agreement beyond 2026. Whether the annual revenue realized from the CHTL Agreement is closer to the maximum potential value rather than the estimated minimum value will depend on the number of real estate development and construction projects for which CHTL uses the Company's GoldRiver platform as the main procurement platform.

Although demand for credit among Chinese SMEs continued to be strong in 2025, there was virtually no change to ASFC's loan portfolio. Only a single loan was originated in 2025 as most of ASFC's lending capital was already in circulation and earning interest revenue.

The transition of the Company's business model in China to emphasize data also meant a focus on specific industries, such as retail, manufacturing and construction, that are expected to be the main contributors to the

Company's first Data Products. As a result, little effort was made for increased activity on the Company's insurance brokerage, steel trading and clean energy platforms in 2025 and the subsidiaries managing those platforms combined to account for less than 1% of the Company's revenue for the year. Cubeler data analysis service fees in support of transactions conducted on GoldRiver accounted for approximately 7% of total revenue. So, in summary, with the push for renewed supply-chain business activity and the continued transition to a predominantly data-driven business model in China, supply-chain activity on the GoldRiver platform, ASFC loans and data analysis services from Cubeler have combined to account for over 98% of the Company's total revenue in 2025.

No new capital expenditure was required in relation to the CHTL Agreement, which accounted for virtually all the Company's revenue in the fourth quarter, and helped Tenet's Chinese operations generate a sufficient amount of revenue to meet its financial obligations for the quarter. While the Company expects the revenue generated by its Chinese operations to increase in future quarters and eventually lead to profits that would be available to it in Canada, the cash generated in China during the quarter was neither sufficient nor could have been repatriated to Canada in a timely manner to help meet the Company's short-term financial obligations. The transfer of funds between the Company and its Chinese subsidiaries must be conducted in compliance with certain prescribed conditions and follow specific Chinese regulations, which would not have allowed for the cash generated during the quarter to be transferred to the Company in Canada. For more on these conditions and regulations, please see the "**Conducting Business in Emerging Market Jurisdictions**" subsection of the Risks and Uncertainties section of this MD&A.

So, although the Company's Chinese operations provided reasons for optimism during the quarter when it comes to their ability to positively impact the Company's overall financial position in the future, their impact on the Company's financial position was limited to China at the end of 2025. This means that the Company was still very much dependent on its ability to access the Canadian capital markets to meets its financial obligations and continue to execute its business plan as of the end of 2025.

OPERATIONAL AND FINANCIAL OUTLOOK

The following section of the MD&A aims to provide a summary of the Company's operational and, in some cases, financial objectives for its upcoming fiscal year. The section constitutes forward-looking information within the meaning of applicable Canadian securities laws and is subject to a number of risks factors and is based on various assumptions, which the Company's management deemed to be reasonable at the time the assumptions were made. Given that the occurrence of many of these assumptions and risk factors are beyond the Company's control, actual results may vary materially from what is presented and discussed in this section. Please see "**Caution Regarding Forward-Looking Statements**" above for more information on forward-looking statements.

North American Operations

Some of the North American operational objectives that the Company had set out to achieve in 2025 but did not, are once again at the top of the Company's list of achievement targets in 2026 as they are deemed essential to the Company's long-term success. To those were added a few more items, bringing the complete list of Tenet's main North American objectives for 2026 to the following:

- The completion and launch of the mobile version of the Cubeler Platform for both iOS and Android operating systems.

- The achievement of industry specific and overall Cubeler Platform registered SME membership milestones.

- The commercialization of the Company's first Data Products in Canada.

- The implementation of SME member dedicated AI agents* on the Cubeler Platform for the exploration of business opportunities on behalf of SME platform members. The development of this feature was completed as of the date of this MD&A and was undergoing internal testing before implementation to the Cubeler Platform.

- Launch the Cubeler Platform in the U.S.

- Enhance functions of the Cubeler Platform's Networking module to allow for cross-border communications, interactions and business opportunity explorations.

- The development and launch of a proprietary small business accounting software to be offered free of charge to SMEs whishing to join the Cubeler Platform but that are not using accounting software to keep their financial books and are unwilling to pay for the use of accounting software to do so.

- Generate positive cash flows from operations on a consolidated basis by the end of Q3 2026.

- Generate positive net income on a consolidated basis by the end of Q4 2026.

* An AI agent is an autonomous software system that uses artificial intelligence to perceive its environment, make decisions, and take actions to achieve a specific goal. Unlike standard chatbots that only respond to prompts, agents can plan multi-step workflows, use external tools, and execute tasks with minimal human intervention. An AI agent goes through a continuous loop of reasoning to complete its assignments. The Company's AI agents were developed with Anthropic's Claude and Claude Code as well as Google's Gemini, large language model based generative artificial intelligence tools able to execute coding tasks with natural language prompts.

The achievement of the Company's objectives in 2026 will depend in large part on its ability to raise the funds required to continue to operate and execute its business plan by accessing the Canadian capital markets, which would first require that the FFCTO be lifted by the OSC. While the Company still believes that the identified objectives listed above were still achievable as of the date of this MD&A, that determination may change if the FFCTO remains in place for any significant period following the filing of the MD&A. As of the date of this MD&A, the FFCTO had already cost the Company almost two complete quarters in terms of business development progress in 2026, with each passing month for which the FFCTO remains in effect making it more difficult for the Company to achieve its objectives by the end of the year.

The Company intends to proceed with a private placement financing immediately following the lifting of the FFCTO by the OSC to raise the much-needed capital to help take care of some of its short-term financial obligations. The Company would then assess its longer-term financial needs to determine if additional capital raises would be required in 2026 to help the company achieve its objectives for the year. That assessment would take into consideration the almost 140M issued and outstanding common share purchase warrants of the Company, with a weighted average strike price of about $0.17, which if exercised, could generate over $23M in cash for the Company. The warrants in question have accelerated clauses such that if the Company's common shares trade at $0.30 or more for ten consecutive trading days, the warrant holders would have thirty (30) days to exercise the warrants, failing which the warrants would expire null and void. Therefore, the Company intends to first see whether any material number of the warrants get exercised following its intended private placement financing with the lifting of the FFCTO before determining whether any additional financings would be required in 2026.

With the development of the ie-Pulse platform, through which the Company's Data Products will be offered, completed in 2025, the amount of data available to the Company through the Cubeler Platform remains the only element that will determine the timing of the launch of the Company's first viable Data Product. The

Company expects to be able to continue to make enhancements to the Cubeler Platform, as well as invest in various business development and marketing initiatives following the lifting of the FFCTO by the OSC to help attract more SMEs to the Cubeler Platform and thus make a sufficient amount of data available on the platform to deliver the Company's first viable Data Product by the third quarter of 2026. Tenet estimates needing to spend approximately $285,000 in platform enhancement expenses, about $128,000 in business development initiatives and roughly $50,000 in marketing expenses over a period of eight weeks to twelve weeks following the lifting of the FFCTO before being able to sell its first Data Product subscription plans.

Given that the Company will not be in position to validate its forecasted demand for its Data Products until the launch of the products and that the Data Products are expected to contribute to Tenet's total 2026 revenue, the Company was unable to provide revenue guidance for 2026 as of the date of this MD&A. However, even with the exclusion of any Data Product related revenue, the Company expects its Chinese operations alone to allow it to be both cash flow positive and generate positive net income on a consolidated basis for the first time in the Company's history for the 2026 fiscal year.

Chinese Operations

With the Company's Chinese operations on pace to help it achieve its first ever positive net income year in fiscal 2026, signifying that the Company now has a solid foundation of relationships with SMEs and financial institutions in the country, the Company will look to accelerate the implementation of the data-focussed phase of its operations in China in 2026. This means that more emphasis will be placed on growing SME adherence to the Company's platforms, which will entail offering some of the same Cubeler Platform features available to SMEs in Canada, such as networking and AI-based business opportunities exploration, and the implementation of many of the business development strategies used by the Company in Canada, including the Company's bookkeeper partnership program. Depending on how successful these initiatives are at increasing memberships from SMEs operating in certain industrial sectors, such as retail, manufacturing and construction, they could conceivably allow the Company to have commercially viable Data Products with insights on these sectors of the Chinese economy by the end of 2026.

The emphasis on SME data acquisition by no means signifies that the Company will be neglecting its revenue-generating supply-chain activities in China in 2026. The Company's supply-chain related revenue for the first quarter of any year is typically affected by the Chinese New Year holiday and the annual construction holiday which both take place during the quarter. Activity in the sectors of construction and real estate development usually pick up in late March such that the second and third quarters are usually the best performing months for the Company in terms of supply-chain related revenue. For example, April 2026 alone produced revenue slightly in excess of $10M. As the summer months are typically the busiest months for real estate and construction projects in China, on which the CHTL Agreement is based, the Company is expecting revenue in excess of $30M for each of July and August, potentially allowing the Company to reach the target $100M revenue mark for 2026 by the end of the summer. The summer months are typically the busiest months for real estate and construction projects in China, so the Company was told by CHTL to expect orders in excess of $30M for each of July and August. The Company was also advised by CHTL to expect orders related to the CHTL Agreement to spike in October and November as the projects will typically give a final push to achieve year-end objectives. The CHTL Agreement is expected to account for almost of the Company's supply-chain related revenue in 2026. This exposes a significant portion of the Company's revenue to the Chinese construction and real estate development sectors and part of the expected revenue from the CHTL Agreement may not be realized should these sectors be adversely affected in 2026. While the agreement includes a minimum commitment clause, guaranteeing a portion of the Company's expected revenue, Tenet will be looking to mitigate the revenue concentration risk that having such a large portion of its revenue tied to represents for the Company. As of the date of this MD&A, the Company had already taken steps to reconnect with various e-commerce product suppliers the Company last worked with in 2022 to take part in 618, Singles' Day and Couples' Day shopping festivals in 2026. Participation in those three festivals in 2022 combined to account for approximately $30M of the Company's total revenue that year. So, reconnecting with those suppliers and their e-commerce clients could not only have a material impact on the Company's annual revenue but also help mitigate the risk of having a large portion of its supply-chain related revenue tied to a single agreement. Diversifying the Company's supply-chain activities may also help with the expected revenue and cash flow fluctuations related to the CHTL Agreement, which is linked to real estate development and construction projects. Those types of projects often include seasonal components such that they tend to peak in intensity during the summer months between June and September and slowdown between December and February during the Chinese holiday periods. The Company's participation in China's most popular e-commerce shopping festivals, particularly in the Singles' Day and Couples' Day festivals, which respectively take place annually in November and December, would help bring more stability to the Company's revenue and cash flows during the periods where a slowdown in revenue generated from the CHTL Agreement would be expected.

Whereas some of the Company's past revenue targets were based on products and services still under development, the revenue run rate for 2026 projected by the Company in this MD&A is based on the provision of services with a proven track record and based on contractual commitments.

OPERATIONAL RESULTS AND FINANCIAL PERFORMANCE REVIEW

The following provides insight on the Company's financial performance by illustrating and providing commentary on its key performance indicators and operating results.

Restatement of comparative figures

Subsequent to the filing of the audited consolidated financial statements for the fiscal year ended December 31, 2024, management determined that certain disclosures needed to be revised in the notes to the consolidated financial statements in order to fully comply with applicable disclosure requirements under IFRS Accounting Standards. As a result, the Company has amended the comparative figures of the year ended December 31, 2024. The nature of the amended disclosures is summarized in the Note 32 of the audited consolidated financial statements for the fiscal year ended December 31, 2025, and 2024.

These revisions relate solely to disclosure and presentation reclassification in the "Loans receivables" and "Related Party Transactions" sections below.

Selected Annual Information

The key performance indicators that the Company use to manage the business and evaluate the financial results and operating performance consist of: Revenues, Net Profit (loss), EBITDA (1) and Adjusted EBITDA (2).

The Company evaluates its financial performance by comparing the actual results for the period to prior period results. The tables below provide the summary of key performance indicators for the applicable reported periods:

	December 31, 2025	**December 31, 2024**	**Change %**
Revenues	$10,930,645	$2,843,770	284%
Net Profit (loss)	($10,504,650)	($59,261,822)	(82%)
EBITDA (1)	**($7,656,426)**	**($51,574,694)**	(85%)
Adjusted EBITDA (2)	**($7,870,452)**	**($45,629,381)**	(83%)

Revenues

Total revenue increased to $10.9 million for the year ended December 31, 2025 compared to $2.8 million in the same period last year. This represents year over year growth in the Company's Fintech Platform segment which represents approximately 87% of the total revenues of the year ended December 31, 2025. The increase is primarily due to the CHTL Agreement as further detailed in the Results of Operations section below.

Net Profit (loss)

Net loss was $10.5 million for the year ended December 31, 2025 compared to $59.3 million in 2024, which is a year to year decrease in net loss of $49.0 million. The dramatic change is primarily due to expected credit losses, the amortization of intangible assets and losses related to the impairment of intangible assets amounting to a combined $46.3 million in 2024, compared to amortization of intangible assets of $601,714, no impairment losses and expected credit losses of only $1.3 million in 2025, combined with the significant increase in revenue from 2024 to 2025 and the continued reduction in expenses in 2025. Higher non-operating expenses, net of revaluation gains, in 2024 compared to 2025 also contributed to the variance.

EBITDA

EBITDA was negative $7.7 million for the year ended December 31, 2025, which is an increase or improvement of $43.9 million compared to negative $51.6 million in the same period last year. The Company saw a 284% increase in revenue compared to the prior year along with a 67% reduction in total expenses compared to the prior year.

Adjusted EBITDA

Adjusted EBITDA was negative $7.9 million for the year ended December 31, 2025, which is an increase or improvement of $37.8 million compared to negative $45.6 million in the same period last year. The Company saw a 284% increase in revenue compared to the prior year along with a 67% reduction in total expenses compared to the prior year and slightly offset by decreased in impairment expenses during the current period compared to prior year.

The following table presents a reconciliation of adjusted EBITDA to net (loss) income, the most comparable IFRS financial measure, for each of the periods indicated:

Reconciliation of EBITDA to net profit	**December 31, 2025**	**December 31, 2024**	**Change %**
Net loss for the period	($10,504,650)	($59,261,822)	(82%)
Add:			
Income tax	$162,161	($1,854,940)	(109%)
Finance costs	$1,765,769	$1,940,595	(9%)
Depreciation of property and equipment	$73,834	$134,922	(45%)
Depreciation of right-of-use assets	$178,242	$355,991	(50%)
Amortization of intangible assets	$601,714	$6,984,993	(91%)
Amortization of financing issuance costs	$66,504	$125,567	(47%)
EBITDA (1)	**($7,656,426)**	**($51,574,694)**	(85%)
Add (less):			
Change in fair value of contingent consideration payable	$ –	($1,271,905)	(100%)
Change in fair value of debentures conversion options	$ –	($80,080)	(100%)
Impairment of goodwill	$ –	$ –	0%
Impairment of intangible assets	$ –	$6,926,632	(100%)
Loss on investment in associate company	$ –	$ –	0%

Impairment on investment in associate company	$ –	$266,085	(100%)
Loss on legal settlement	$ –	$ –	0%
Forgiveness of CEBA loan	$ –	($20,000)	(100%)
Loss on sublease	$ –	$158,203	(100%)
Gain on disposition of property and equipment	$253,645	($33,622)	(854%)
Gain on investment in controlled subsidiary	($467,671)	$ –	(100%)
Adjusted EBITDA (2)	**($7,870,452)**	**($45,629,381)**	(83%)

(1) EBITDA is a non-IFRS financial measure provided to assist readers in determining the Company's ability to generate cash-flows from operations and to cover finance charges. It is also widely used for business valuation purposes. This measure does not have a standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies.

EBITDA equals the results before income taxes, depreciation of property and equipment, depreciation of right-of-use assets, amortization of intangible assets, amortization of financing issuance costs and finance costs, as defined in Note 25.4 of the Audited Consolidated Financial Statements for the years ended December 31, 2025 and December 31, 2024.

(2) Adjusted EBITDA equals EBITDA as described above adjusted for change in fair value of contingent consideration payable, change in fair value of debentures conversion options, impairment of goodwill, impairment of intangible assets, gain on bargain purchase, loss on investment in associate company, impairment on investment in associate company, loss on legal settlement, forgiveness of CEBA loan, loss on sublease, gain on disposition of property and equipment and Gain on investment in controlled subsidiary.

The following table provides a summary of the key balance sheet components as at December 31, 2025 and December 31, 2024:

	December 31, 2025	**December 31, 2024**	**Change %**
Total assets	$30,286,932	$38,595,271	(22%)
Total liabilities	$31,341,425	$34,879,029	(10%)
Long-term liabilities	$1,840,972	$8,299,512	(78%)
Total equity	($1,054,493)	$3,716,242	(128%)
To Non-controlling interest	$12,898,402	$13,144,317	(2%)
To Owners of parent	($13,952,895)	($9,428,075)	48%

Total Assets

Total Assets decreased by $8.3 million for the year ended December 31, 2025, compared to the same period in 2024, which is mainly explained by the reduction of $7,733,174, recorded under "**other current assets**" in 2024. The amount originated from proceeds of previous financings and was reallocated and used by the Company for various working capital purpose in 2025. The Company terminated its primary lease in Canada, which had previously been recognized as a Right-of-Use asset ("**ROUA**"). Upon termination, the remaining carrying amount of the related ROUA and leasehold improvements was derecognized, resulting in a significant reduction in property and equipment.

Total Liabilities

Total Liabilities decreased by $3.5 million for the year ended December 31, 2025 compared to the same period in 2024, mainly explained by 1) a $1.4 million reduction in debentures, due to the conversion of debentures into shares during the period and the repayment of certain debentures that reached maturity, 2) a $1.7 million decrease in lease liabilities, resulting from the termination of the Company's primary lease in Canada, which was derecognized during the period, 3) repayments of short-term loans and the credit facility totaling $1.6 million, and 4) a $1.2 million increase in accounts payable, advances, and accrued liabilities, which partially offset the reductions above.

Results of Operations

Revenue for the year ended December 31, 2025

The Company generated $10,930,645 in revenue during the year ended December 31, 2025, compared to $2,843,770 in 2024.

The Fintech Platform segment generated $9,515,921 in revenue during the year ended December 31, 2025, compared to $1,633,082 in 2024. In general terms, the Fintech Platform segment would include revenue generated from supply-chain related services provided on the Company's GoldRiver, LinkSteel and Yunfleet platforms and revenue generated from non-supply-chain related services provided through the Company's other platforms. It should be noted that only the GoldRiver platform contributed to the supply-chain related revenue for the period as there were no activities on the LinkSteel and Yunfleet platforms.

- The supply-chain related service fees accounted for $8,702,533 or approximately 80% of Tenet's total revenue for the year ended December 31, 2025, compared to $643,389 or 23% of the Company's revenue in 2024. The increase in supply-chain revenue is a direct result of the implementation the CHTL Agreement that was signed on November 1, 2025. This CHTL Agreement stipulates an estimated procurement volume of RMB 1 billion to RMB 2 billion (approximately CAD$200 to CAD$400 million) through the Company's GoldRiver platform in 2026. The $200M minimum and $400M maximum values are estimated amounts for 2026 and not guaranteed commitments, which also provide no assurance that any additional future revenue will be realized under the CHTL Agreement beyond 2026. The CHTL Agreement is with a customer involved in large-scale real estate development and construction projects requiring large quantities of various products, equipment and materials that can be sourced from various suppliers through the Company's GoldRiver platform. 100% of the supply-chain revenue generated within the Fintech Platform segment is related to the CHTL Agreement, which represent a major customer concentration risk.
- The non-supply-chain related portion of the Fintech Platform segment accounted for $813,388 in combined revenue for the year ended December 31, 2025, compared to $989,693 in 2024. The reduction in revenues of approximately $176k is primarily explained by a $315k decrease from the Heartbeat Platform, driven by relatively low demand for the platform's services during 2024 and continuing into 2025, as well as from the i3060 clean energy platform, where the Company focused on R&D enhancements during the period, resulting in lower revenues compared to 2024. This decline was partially offset by a slight increase of $139k in service fees earned through the Cubeler Platform for access to specific industry data, as well as new IT support and development services provided to a significant related-party customer, Wuxi Dinghao Jiaye Information Technology Co., Ltd.

    1. .

The Financial Services segment generated $1,362,722 in revenue during the year ended December 31, 2025, compared to $1,167,818 in 2024. The Financial Services segment includes interest revenue on loans made to SMEs by ASFC and revenue in the form of loan management related services fees charged to financial institutions by ASCS .

- Interest revenue accounted for $1,281,116 in revenue for the year ended December 31, 2025, compared to $787,200 in 2024. The increase in interest revenue from 2024 to 2025 primarily reflects a year-end adjustment recorded on loans that matured during 2024 and 2025 but continued to accrue interest until full repayment of principal. . The Company had stopped accruing interest on a portion of these loans beginning in mid-2024 because they were deemed high-risk, which contributed to lower recognized interest income in that period. As a result, the 2025 year-end catch-up adjustment required to apply the effective interest rate method generated a significant increase in recognized revenue for the year. In addition, the Company originated a new loan during the third quarter of 2025 with a gross carrying amount of $245,000 to a new customer, bearing interest at 5% per annum. This new origination also contributed to the overall increase in interest revenue for the period.

- Revenue from loan management related services accounted for $81,605 in revenue for the year ended December 31, 2025, compared to $380,618 in 2024. The decline is primarily attributable to reduced activity from financial institutions using the Company's credit monitoring services, as well as the impact of the Company's deregistration of its ASCS subsidiary. The deregistration of ASCS followed a strategic decision to transfer all operating activities of ASCS to its parent company, ASDS, effective October 15, 2025. .

The Other segment generated $55,002 in revenue during the year ended December 31, 2025, compared to $42,871 in 2024. The other segment primarily attributable to rental income earned from a subleased space in Canada.

Total expenses before taxes

The following schedule summarizes the Company's total expenses before taxes:

	December 31, 2025 Twelve months	December 31, 2024 Twelve months
Cost of service and delivery (1)	$8,399,645	$434,519
Salaries and fringe benefits (2)	$4,168,477	$6,006,625
Board remuneration	$107,699	$150,000
Consulting fees (3)	$789,156	$3,050,289
Outsourced services, software and maintenance (4)	$340,081	$2,126,545
Professional fees (5)	$1,536,832	$1,535,246
Marketing, public relations and press releases (6)	$152,786	$466,690
Office supplies, software and hardware	$518,535	$563,081
Lease expenses	$360,179	$493,019
Insurance (7)	$493,203	$823,904
Finance costs	$1,765,769	$1,940,595
Expected credit loss (8)	$1,310,369	$32,394,805
Travel and entertainment	$94,030	$89,297
Stock exchange and transfer agent costs	$164,750	$172,104
Translation cost and others	$93,352	$60,520
Depreciation of property and equipment	$920,294	$7,601,473
Change in fair value of contingent consideration payable	$ –	($1,271,905)
Change in fair value of debentures conversion options	$ –	($80,080)
Forgiveness of CEBA loan	$ –	($20,000)
Loss on sublease	$ –	$158,203
(Gain) Loss on disposition of property and equipment	$253,645	($33,622)
(Gain) Loss on foreign exchange	$272,003	$106,507

Gain on investment in controlled subsidiary (9)	($467,671)	$ –
Total expenses before income tax	**$21,273,134**	**$63,960,532**

Expenses for the year ended December 31, 2025

(1) Cost of service and delivery amounted to $8,399,645 during the year ended December 31, 2025, compared to $434,519 in 2024. The increase in the cost of service is primarily explained by the revenue generated from the resumption of supply-chain activity as a direct result of the implementation of the CHTL Agreement signed on November 1, 2025. This framework agreement stipulates an estimated annual procurement volume of RMB 1 billion to RMB 2 billion (approximately CAD$200 to CAD$400 million) through the Company's GoldRiver platform. The costs associated with these revenues relate to the purchase of large quantities by the Company of various products, equipment, and materials sourced from multiple suppliers through the Company's GoldRiver platform and sold to the customer as mentioned in the section "**Results of Operations**" above. These expenditures are recorded under this line item.

(2) Salaries and fringe benefits for the year ended December 31, 2025 amounted for $4,168,477, compared to $6,006,625 in 2024. The decrease in salary expenses is attributed to a reduction in headcount from 2024 to 2025 in both Canada and China.

(3) Consulting fees for the year ended December 31, 2025 amounted for $789,156, compared to $3,050,289 in 2024. The decrease in consulting fees for the year ended December 31, 2025 is mostly attributed to a reduction in consulting and advisory services related to the development and commercialization strategy of the Company's ie-Pulse* product offering, to financing-related as well as business development-related consulting activities. The Company's inability to access the capital market for a large portion of 2025 due to the FFCTO also played a major role in the reduction of these expenses.

(4) Outsourced services, software and maintenance costs for the year ended December 31, 2025 amounted for $340,081, compared to $2,126,545 in 2024. These expenses are mostly research and maintenance costs paid to third-party providers (that are not capitalized by the Company) for the delivery of various modules and interfaces related to the Company's platforms in both China and Canada. Those expenses decreased during the year ended December 31, 2025, compared to 2024. This reduction was primarily driven by the Company's challenging economic conditions and the implementation of a cost-reduction plan, which included decreasing the use of external outsourced development services in both China and Canada. In 2025, a portion of these external costs was shifted to internal employees rather than external providers, which concluded in cost savings.

(5) Professional fees for the year ended December 31, 2025 remained relatively flat at $1,536,832, compared to $1,535,246 in 2024. The fees include, but are not limited to, overall legal, accounting, audit, and tax fees. Some cost savings were realized in 2025 on the legal front when the Company significantly reduced its use of external legal counsels compared to 2024, but the legal cost savings were offset by forex and service fees related to fund transfers from China to Canada between the Company and one of its subsidiaries in 2025. Audit fees were consistent with those incurred in the 2024 period. Professional fees related to the audit of the Company's financial statements for the year ended December 31, 2025 totalled approximately $455,000 compared to $542,605 ($509,000 was previously disclosed in 2024 period pre-foreign exchange impact) for the same period in 2024. The following table summarizes the breakdown of audit fees.

	FISCAL 2025	FISCAL 2024
Audit work on the Canadian components	$ 132,000	$ 83,250

Review of the component work in China	$	67,500	$	84,000
Review of income taxes provisions	$	38,000	$	36,750
Complex accounting matters and advisory fees	$	23,350	$	53,250
Review of the consolidation matrix, financial statements and MD&A	$	78,000	$	74,750
Work on opening balance sheets items and comparative figures	$	5,000	$	25,000
Audit work on the components in China - GT China	$	111,150	$	185,605
Total	**$**	**455,000**	**$**	**542,605**

(6) Marketing, public relations and press release expenses for the year ended December 31, 2025 amounted for $152,786, compared to $466,690 in 2024. The costs in this category are mostly related to promoting the Company's Cubeler Platform in Canada. This reduction was primarily due to temporary pause in the use of external marketing resources and campaigns during realignment of the Cubeler Platform.

(7) Insurance expenses for the year ended December 31, 2025 amounted for $493,203, compared to $823,904 in 2024 and relate to maintaining the Company's directors and officers (D&O) insurance coverage. The Company renewed its D&O insurance policy with a new supplier in the fourth quarter of 2024, resulting in the cost savings in 2025.

(8) Expected credit loss expenses for the year ended December 31, 2025 amounted for $1,310,369, compared to $32,394,805 in 2024. The reduction in expected credit loss expenses during 2025 compared to 2024 is mainly explained by management's decision during the second quarter of 2024 to take additional provisions on account receivables and deposits made for transaction on platforms due to the increased risk of recoverability of the amounts owed to the Company. Following the second quarter of 2024, the Company continued to take additional provisions and decided to completely write off all balances of the deposits made for transaction on platforms as at December 31, 2024. During the year ended December 31, 2025, the Company recorded additional impairment losses on loans receivable. This resulted from a rise in the credit risk of the underlying borrowers, which triggered a change in staging and consequently increased the impairment loss, particularly within the Product Type – Credit & Supply Chain Finance Credit, please refer to the section "**Loans Receivable**" for more information.

(9) Gain on investment in controlled subsidiary for the year ended December 31, 2025 amounted for $467,671 compared to $Nil in 2024. On April 3, 2025, the Company transferred 12.59% of its 51% interest in Wechain (Nanjing) Technology Service Co., Ltd. ("**WECHAIN**") at no consideration, resulting in the loss of control and deconsolidation of the subsidiary. Because WECHAIN had negative net assets, its removal from consolidation generated a $370,439 gain.. On October 15, 2025, the Company completed the deregistration of its ASCS subsidiary following a strategic decision to transfer all operating activities of ASCS to its parent company, ASDS. The transaction resulted in a gain of $92,162.

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* No clients were using ie-Pulse and the platform was not yet generating any revenue as of the date of this MD&A.

Net Results and EBITDA

The Company incurred a net loss of $10,504,650 for the year ended December 31, 2025 compared to a net loss of $59,261,822 in 2024 and a negative EBITDA of $7,656,426 for the year ended December 31, 2025 compared to a negative EBITDA of $51,574,694 in 2024. This dramatic change in both net loss and EBITDA primarily reflects the expected credit loss provisions and impairment decisions taken by the Company in 2024 resulting in significant expenses that year, combined with the revenue uplift generated in late Q4-2025 from the implementation of the CHTL Agreement, as discussed in the section Results of Operations above.

Other expenses included in total comprehensive loss

The Company reported, in other comprehensive loss, a currency translation adjustment gain of $13,137 for the year ended December 31, 2025 (compared to a gain of $823,906 in 2024), which reflected the variation of the Chinese Renminbi against the Canadian Dollar during the year and also the reversal of the portion attributable to the deconsolidation of WECHAIN and the deregistration of ASCS. This adjustment represents a theoretical gain or loss that would only be realized in the event of a material transaction involving the underlying assets to which the gain or loss is attributed, in this case, if the Company's subsidiaries were sold or otherwise disposed of.

Summary of Quarterly Results

	December 31st, 2025 Three months	**December 31st, 2024 Three months**	**September 30th, 2025 Three months**	**September 30th, 2024 Three months**
Revenues	$10,080,564	$1,158,610	$237,350	$205,582
Expenses (1)	$11,266,390	$16,862,543	$3,855,274	$24,897,807
Net Profit (loss)	($1,347,987)	($15,703,933)	($3,617,924)	($24,692,225)
Net profit (loss) attributable to:				
Non-controlling interest	$74,455	$325,606	($142,510)	($631,971)
Owners of the parent	($1,422,442)	($16,029,539)	($3,475,414)	($24,060,254)
Earnings per Share (2)	($0.033)	($0.093)	($0.011)	($0.139)

	June 30th, 2025 Three months	**June 30th, 2024 Three months**	**March 31st, 2025 Three months**	**March 31st, 2024 Three months**
Revenues	$433,570	$713,943	$179,161	$765,635
Expenses (1)	$2,263,371	$14,165,490	$3,888,099	$6,179,752
Net Profit (Loss)	($1,829,801)	($13,451,547)	($3,708,938)	($5,414,117)
Net profit (loss) attributable to:				
Non-controlling interest	($96,333)	($776,318)	($120,788)	($225,011)
Owners of the parent	($1,733,468)	($12,675,229)	($3,588,150)	($5,189,106)
Earnings per Share (2)	($0.005)	($0.088)	($0.021)	($0.036)

Note (1): Including income tax expenses.

Note (2): Earnings per share is calculated using the net profit (loss) and the weighted average number of outstanding shares. Basic and diluted earnings (loss) per share are equivalent.

LIQUIDITY, CASH MANAGEMENT AND CAPITAL RESOURCES

The level of revenue and cash flows from operating activities currently being generated by the Company is not presently sufficient to meet its working capital requirements and investing activities. Until that happens, the Company will continue to require financing to help meet its financial obligations. As of June 24, 2026, the combined cash available to manage the Company's operations in China and Canada, and meet its obligations amounted to approximately $2,500,000 (of which $3,432 was restricted, please refer to the "Restricted Cash" section below).

As it began the transition phase of its Chinese operations to a predominantly data-driven revenue model, the Company was faced with several questions related to operating as a data aggregator with international ties in the country, particularly in light of recently passed regulations in China related data privacy. Without a clear estimate as to the capital that would be required to answer those questions and position one of the Company's subsidiaries to begin assuming the data aggregator role, the Company thought it would be prudent to reserve a certain amount of capital that would allow it to cover any costs associated with this critical aspect of its overall business plan. To that end, the Company decided to set aside approximately $7.5M stemming from a series of private placement financings closed in the fall of 2023 (please see Note 8 of the Audited Consolidated Financial Statements for the years ended December 31, 2025, and 2024) that has been recorded under "**Other Current Assets**" in Tenet's financial statements since the third quarter of 2023. Finally, after several months of consultation, the Company received the answers to its questions and determined that no additional capital would be required for it to be able to operate as financial and economic data aggregator in China (please see "**Quarterly Operating Highlights – Chinese Operations**" section above). This meant that the Company could safely allocate the entire $7,733,174, recorded under Other Current Assets as of December 31, 2024, to its North American operations. As of the date of this MD&A, $7,733,174 had been used by the Company for working capital purposes in North America. Please refer to the Related Party Transactions section regarding the funds held in a bank account in China belonging to Mr. Liang Qiu, a director and executive officer of the Company.

Tenet used part of the capital allocated to North America towards the commercialization of its Data Products, which was still in the works as of the date of this MD&A and, therefore, had yet to contribute to the Company's revenues. The Company expects the commercialization of its Data Products along with the revenue, and eventual profits, generated by the Company's Chinese subsidiaries to eventually allow the Company to meet its financial obligations and grow its operations. However, there are legal and practical restrictions related to the Company's Chinese subsidiaries' ability to transfer funds to the Company in Canada, which could lead to cash flow problems and prevent the Company from meeting its financial obligations despite having profitable subsidiaries in China. More details on the transfer of funds restrictions between the Company and its Chinese subsidiaries can be found in the "**Risks and Uncertainties**" section of this MD&A under the subheading "**Conducting Business in Emerging Market Jurisdictions**".

Until the Company is able to generate a sufficient amount of revenue, whether from its Canadian or Chinese operations, to meet its financial obligations, the Company will continue to assess its capital needs and undertake whatever initiative it deems necessary to ensure that it continues to meet its financial obligations. The Company will require additional capital to allow it to continue as a going concern for the next 12 months. There can be no assurances that such capital will be available, either on terms favourable to the Company or at all.

Financing Activities

On March 14, 2025, the Company sold 72,983,340 units of common shares and warrants of the Company (a "**Unit**") for gross proceeds of $3,649,167. Each Unit sold was comprised of one common share and one common share purchase warrant allowing its holder to purchase one common share of the Company at $0.15 for a period of 24 months from the date of issuance. A total of $220,000 from the gross proceeds of the private placement financing was subscribed to by two related parties of the Company. Please refer to the "**Related Party Transactions**" section below for more on this financing activity.

Re-allocation of capital from proceeds of previous financings

During the second quarter and third quarter of the year 2025, the Company respectively re-allocated approximately $1.1 million and $6.6 million to its Canadian operations from the proceeds of previous financings out of a total of $7.7 million that had previously been reserved for the Company's data transition in China and was presented under other current assets as detailed in Note 8 of the Audited Consolidated Financial Statements for the years ended December 31, 2025, and 2024. The funds were held in a bank account in China owned by a Director and officer of the Company, which was under the control of the Company's holding subsidiary. Please refer to the Related Party Transactions section below for more information.

Common Shares

The Company is authorized to issue an unlimited number of common shares without par value. As of June 24, 2026, the following common shares and rights to acquire common shares were issued and outstanding:

Class of Security	Number Issued and Outstanding
Common shares	380,340,867
Stock options (1)	768,791
Restricted shares	0
Common share purchase warrants ("CSPW") (2)	137,988,340
Weighted average strike price per CSPW	*$0.17 per CSPW*

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(1) The issued and outstanding stock options have exercise prices ranging from $0.85 to $11.50 and expiry dates ranging from July 7, 2026 to February 1, 2028.

(2) The issued and outstanding CSPW have strike prices ranging from $0.15 to $0.20 and expiry dates ranging from September 1, 2027 to March 14, 2027. The issued and outstanding CSPW have accelerated expiry clauses. If the Company's common shares trade at a price of $0.30 or higher for 10 consecutive trading days, the CSPW holders will have 30 days to exercise the warrants, failing which the warrants will automatically expire at the end of the 30-day period.

RELATED PARTY TRANSACTIONS

The Company's related party transactions do not include, unless otherwise stated, special terms and conditions. Outstanding balances are usually settled in cash.

The Company's key management personnel are Johnson Joseph, CEO, Maxime Couturier, CFO, Liang Qiu, Chinese Operations CEO, Mayco Quiroz, COO, Jean Leblond, Board Member, Yves C. Renaud, Board Member, Bin Xu, Director of Finance Tenet China, Mr. Zhuo, Mr. Chen and George Krucik, Board Member.

Mr. Kelong Chen and Mr. Changsheng Zhuo, both related parties of the Company by virtue of their involvement in ASFC, were also involved in related party transactions with the Company for the year ended December 31, 2025. Mr. Chen is a related party to the Company by virtue of the fact that he: is a director of ASFC; holds shares in ASFC on behalf of the Company through a nominee shareholder agreement; is a significant shareholder and a director of Jiudong Ltd, who is a 49% minority shareholder in ASFC; and acts as a guarantor in connection with ASFC's lending activities, as described under the section "**Credit & supply chain finance credit guaranteed**". Mr. Zhuo is a related party to the Company by virtue of the fact that he: is the CEO of ASFC; is a director of ASFC; holds shares in ASFC on behalf of the Company through a nominee shareholder agreement; is a significant shareholder and a director of Jiudong Ltd, who is a 49% minority shareholder in ASFC; and acts as a guarantor in connection with ASFC's lending activities, as described under the section "Credit & supply chain finance credit guaranteed".

The table below summarize the related party transactions that occurred during the years 2025 and 2024 and the amounts owed to related parties by the Company as of the end of each year:

	2025 December 31	2024 December 31 Restated
Advances paid to a Director, no interest	$ -	$ 1,809
Other current assets, no interest (1)	$ -	$ 7,733,174
Total amounts owed to the Company by related parties	$ -	$ 7,734,983
Advances received from a company owned by a Director, no interest (2)	$ 1,217,740	$ 720,983
Debentures, with interest (3)	$ 2,777,513	$ 2,407,008
Debentures, interest payable (3)	$ 463,463	$ 181,463
Trade accounts payable and accruals to Directors and KMP (4)	$ 1,424,185	$ 1,327,489
Total amount owed to related parties by the Company	**$ 5,882,901**	**$ 4,636,943**
Salaries and fringe benefits (5)	$ 1,607,279	$ 1,656,269
Total amount paid to related parties by the Company	**$ 1,607,279**	**$ 1,656,269**
Revenues (5)	$ 531,849	$ -
Total amount received by the Company paid by related parties	**$ 531,849**	**$ -**

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(1) In September 2023, the Company transferred approximately $9.4M to a bank account in China belonging to Mr. Liang Qiu, a director and executive officer of the Company. The funds were transferred to Mr. Qiu's bank account in anticipation that the funds would be used by Mr. Qiu, as Legal Representative, to contribute the registered capital to establish a new data science subsidiary for the Company in China to provide economic and industrial data aggregation and data analysis services. Mr. Qiu transferred control of the bank account in question to a subsidiary of the Company while the funds were in his account. During the fourth quarter of 2023, the previously estimated amount required to establish the Company's data science subsidiary in China was revised downward and approximately $1.7M from the bank account was sent to the Company's Canadian bank account, leaving a balance of approximately $7.7M in the account, which was recorded under "Other current assets" in the Audited Consolidated Financial Statements for the years ended December 31, 2025, and 2024 (refer to Note 8). During the first quarter of 2025, it was determined that the Company would not need to create a new data science subsidiary in order to provide its intended economic and industrial data aggregation and data analysis services. Therefore, the approximately $7.7M still in Mr. Qiu's bank account at the time was transferred to the Company's Canadian bank account between May 2025 and August 2025, reducing the balance reported by the Company under "Other current assets" to $0 as of December 31, 2025.

(2) From time to time, the Company's subsidiaries in China require active funding to support their operations. If the Company was to send funds to these subsidiaries from Canada, the funds would have to either be received by the subsidiaries in the form of registered capital or loans, both of which would come with certain complexities. As foreign owned entities, the amount of capital the Company's Chinese subsidiaries are allowed to borrow from foreign companies, including from the Company, is

limited, while increasing their registered capital would be a time-consuming process that would involve working with multiple government authorities. So, rather than sending urgently needed funds from the Head Office in Canada to the Chinese subsidiaries, the Company entered into a series of loan agreements with a Chinese based technology consulting company called Dinghao Jiaye Technology Inc. ("DJ Tech"), which is controlled by the CEO of the Company's Chinese Operations, Mr. Liang Qiu. Over the course of the 2025 fiscal year, DJ Tech made loans totaling $496,757 to the Company's ASH subsidiary in China, representing six loan agreements. Each of the loans were for original six-month terms, are interest free and can be renewed by mutual agreement of the parties for additional six-month terms up to maximum periods of 36 months. The balance of the net advances received from a Company owned by a Director at no interest as at December 31, 2025 amounted to $1,217,740 (December 31, 2024 - $720,983) and bears no interest given the fact that only licensed lenders are allowed to charge interest on loans granted to corporative borrowers as per Chinese regulations. The advances received from a company owned by a Director is recorded in accounts payable, advances and accrued liabilities as described in Note 13 of the Audited Consolidated Financial Statements for the years ended December 31, 2025, and 2024.

(3) As at December 31, 2025, debentures totalling $2,777,513 (December 31, 2024 - $2,407,008) were held by two related parties in their capacities as officers and directors of the Company (Liang Qiu and Johnson Joseph). These debentures include $463,463 of interest payable ($181,463 – December 31, 2024) which is recorded in accounts payable, advances and accrued liabilities as described in Note 13 of the Audited Consolidated Financial Statements for the years ended December 31, 2025, and 2024.

(4) As at December 31, 2025, $1,424,185 ($1,327,489 - December 31, 2024) payable key management personnel ("**KMP**"), as detailed above and named each individuals, was recorded in accounts payable, advances and accrued liabilities in Note 13 of the Company's Consolidated Financial Statements for the years ended December 31, 2025 and 2024. These salaries, benefits and board of directors' fees payables are recurring in nature and not new transactions,

(5) Salaries, fringe benefits, and board of directors' fees paid to KMP, as detailed above and named each individual, amounted to $1,607,279 during fiscal 2025, compared to $1,656,269 in fiscal 2024. These salaries, benefits and board of directors' fees payables are recurring in nature and not new transactions,

(6) During the year ended December 31, 2025, revenue from a related-party customer amounted to $531,849 compared to $Nil for the same period in 2024 and was related to custom platform development services provided to DJ Tech, which is controlled by the CEO of the Company's Chinese Operations, Mr. Liang Qiu.

In March 2025, Mr. Chen and Mr. Zhuo collectively subscribed to $220,000 of the Company's private placement financing of common shares and warrants for total gross proceeds of $3,649,167. Their participation in the private placement represented a related party transaction, which the Company measured at fair value. As at December 31, 2025, an amount of $136,545 ($91,344 - December 31, 2024) was payable to each of them related to their roles as director (Mr. Chen), and director and officer (Mr. Zhuo) of ASFC. These amounts were recorded in accounts payable, advances and accrued liabilities in Note 13 of the Company's Consolidated Financial Statements for the year ended December 31, 2025 and in the line "Trade accounts payable and accruals to Directors and KMP" included in the table above for related party disclosure.

Mr. Chen holds a 35% equity interest in Jiudong and is a reporting insider of the Company. Mr. Chen serves as Chairman of the Board of Directors of ASFC but plays no role and has no involvement or decision making authority in the day to day management of ASFC. At Jiudong, he is a member of the Board of Directors and a shareholder, but he similarly does not take part in the management decisions or daily operations of Jiudong.

Although Mr. Chen has significant ownership in Jiudong and board roles in both entities, his lack of operational involvement limits his direct influence over loan approvals or matters related to the guarantee arrangement. The approval mechanism led by the Company's Financial Controller, Bin Xu, ensures that a substantial portion of the decision-making authority remains with the Company. Mr. Chen is also personally party to the guarantee agreement between ASFC and Jiudong. Although Mr. Chen has no direct implication in ASFC's lending decision making process, his involvement with both Jiudong and ASFC can give rise to potential conflicts of interests which may have adverse effects for the Company and its shareholders

Mr. Zhuo holds a 15% equity interest in Jiudong and is a reporting insider of the Company. Mr. Zhuo serves as ASFC's CEO and oversees ASFC's daily operations. He is responsible for the communication and the execution of ASFC's strategic objectives throughout the organization. While Mr. Zhuo exerts influence over certain operational decisions (e.g., loan extensions, deferrals, or restructurings), where such decisions involve loans guaranteed by Jiudong, the decisions must also be approved by the ASFC Financial Controller to help mitigate potential conflicts of interest. Mr. Zhuo is also a member of the Board of Directors of Jiudong, is a minority shareholder of the company, and just like Mr. Chen, he is also personally party to the guarantee agreement between ASFC and Jiudong. Although Mr. Zhuo does not participate in Jiudong's management decisions or daily operations, his involvement with both Jiudong and ASFC can give rise to potential conflicts of interests which may have adverse effects for the Company and its shareholders.

Mr. Zhou holds a 10% equity interest in Jiudong and is a reporting insider of the Company. He has no role in ASFC's Board of Directors or management and does not participate in ASFC's operational activities. Mr. Zhou serves as both a member of the Board of Directors and the Chief Executive Officer of Jiudong, and he is responsible for the company's day-to-day operations and management decisions, including those related to the guarantee arrangement. Just like Mr. Chen and Mr. Zhuo, Mr. Zhou is personally party to the guarantee agreement between ASFC and Jiudong. Although Mr. Zhou has no involvement in ASFC, his leadership role at Jiudong may influence how Jiudong evaluates and administers guarantees provided to ASFC, which could give rise to potential conflicts of interests with adverse effects for the Company and its shareholders.

SEGMENT REPORTING AND ACCOUNTING POLICIES

The Company presents and discloses segmental information, as disclosed in Note 27 of the Audited Consolidated Financial Statements for the years ended December 31, 2025, and December 31, 2024, based on information that is regularly reviewed by the chief operating decision maker who has been identified as the Company's senior management team, which makes strategic and operational decisions.

The principal IFRS accounting policies set out in Note 3 and Note 4 of the Audited Consolidated Financial Statements for the years ended December 31, 2025 and December 31, 2024, have been consistently applied to all periods presented in such financial statements.

For the year ended December 31, 2025, the Company classified its financial instruments as described in Note 4.11 of the Audited Consolidated Financial Statements for the years ended December 31 2025, and 2024. For the year ended December 31, 2025, the Company was exposed to various risks as described in Note 27.3 of the Audited Consolidated Financial Statements for the years ended December 31, 2025, and December 31, 2024.

Segment reporting revenues

The Company operates several technology platforms in China. Each platform is connected to the Cubeler Platform. The Cubeler Platform is the main engine behind all the other platforms. That's the platform where the credit criteria and credit rules from the Company's financial institution partners are stored, and where the transactional, financial and accounting data on the Company's SME clients is stored and analyzed to see if it matches the credit criteria of the partnering financial institutions. Each of the other platforms helps facilitate a specific type of B2B transaction. For example, the GoldRiver platform is a product procurement and purchase order platform for various supply chain related products. By using the GoldRiver platform, clients who qualify for credit from the Company's financial institution partners can have their orders placed on GoldRiver financed. Clients may also request logistics, warehousing or other services through GoldRiver. The Company earns fees for the services thus provided through Cubeler and the other platforms. The Cubeler Platform is also used by the Company's lending subsidiary, ASFC, to qualify SMEs for loans and by the Company's subsidiary, Asia Synergy Credit Solutions ("**ASCS**"), to provide credit monitoring services to some of the Company's financial institution partners. The Company also has partnerships with third-party service providers to provide shipping, logistics and warehousing services related to the orders placed on GoldRiver. Clients can submit a list of products and materials and the platform matches their request with a list of product and material suppliers and products and materials to choose from. The GoldRiver platform also determines the clients' credit worthiness, through its link to the Cubeler Platform, to determine if a particular order from a particular client qualifies for financing from one or more of the Company's financial institution partners. After placing an order, the client can either have the order shipped to its premises, distributed to one or more third-parties or warehoused for a period of time and shipped over time. The Company typically charges both clients and distributors a service fee representing a percentage of the value of the orders, but in some cases and depending on its agreement with the distributors, the Company may act as a reseller of the products and materials, in which case the Company would receive payment for the order from the financing financial institution, would be invoiced for the order by the supplier and would then send payment to the supplier. In addition to the fees directly related to the value of the order charged by the Company, the Company also charges service fees for the value-added services related to the order, such as shipping and warehousing, provided by the Company's third-party service providers.

More specifically, the new CHTL Agreement supply chain services revenues relate to raw materials sold to supply chain participants through its GoldRiver platform. Revenue from the sale of raw materials is recognized upon delivery of the specified units in accordance with each customer's individual purchase order, at the point in time when control including the transfer of risks and rewards passes to the customer. For further information regarding the related accounting policies, please refer to Note 4.7 of the Consolidated Financial Statements for the year ended December 31, 2025.

The LinkSteel platform operates almost exactly as the GoldRiver platform except for the fact that LinkSteel is a subset of GoldRiver specifically for the procurement of steel products and materials. The GoldRiver platform is owned and operated by the Company's Asia Synergy Technologies Ltd. subsidiary, and the LinkSteel platform is owned and operated by the Company's Jiangsu Steel Chain Technology Ltd subsidiary.

The Company's Huike subsidiary exclusively provides information technology and consulting services to insurance brokers via a SaaS Platform Access and customer offline contract-based services.

The Company classifies all revenue generated through Cubeler and its other platforms as "**Fintech Platform**" revenue. Whereas all interest earned on loans made by ASFC and fees earned by ASCS for the credit monitoring services provided to financial institutions are classified as "**Financial Services**" revenue.

Debentures

From January 1, 2025 to May 29, 2026, Convertible debentures having a nominal value of $2,675,000 and an amortized costs of $2,263,297 were converted into 12,000,000 common shares of the Company.

- During the first quarter of 2025, convertible debentures having a nominal value of $375,000 were converted into common shares of the Company. At the date of conversion, these debentures had an amortized cost totalling $236,765. The Company issued 2,500,000 common shares to the debenture holders and recorded $260,640 in share capital which included the reclassification of the equity component of convertible debentures initially recorded at inception totalling $23,875.
- During the first quarter of 2025, convertible debentures having a nominal value of $2,250,000 were converted into common shares of the Company. At the date of conversion, these debentures had an amortized cost totalling $1,757,257. The Company issued 9,000,000 common shares to the debenture holders and recorded $1,953,853 in share capital which included the reclassification of the equity component of convertible debentures initially recorded at inception totalling $196,596.
- On January 3, 2025, $50,000 of convertible debentures were converted into common shares of the Company. At the date of conversion, these debentures had an amortized cost totalling $48,804. The Company issued 500,000 common shares to the debenture holders and recorded $48,804 in share capital.

On January 31, 2025, convertible debentures with nominal value of $170,000 expired. $30,000 out of the remaining value was repaid from the proceeds of the private placement closed on November 29, 2024 and a total of $90,000 was repaid during the twelve-month period ended December 31, 2025, resulting in the remaining value of $50,000 as at December 31, 2025. The Company was in negotiations with the holders as of the date of this MD&A to arrange a repayment date for the remaining balance. Interest expense has been accrued in accordance with the original terms of the convertible debentures for the year ended December 31, 2025.

As at December 31, 2025, of the total amount closed through the combined private placements of August 1, 2023, August 18, 2023 and September 8, 2023, the Company had funds from convertible debentures previously recorded in other current assets amounting to $Nil (December 31, 2024 - $7,733,174) as the funds were finally allocated to the Company's North American operations during the fiscal year ending December 31, 2025. Please refer to the Related Party Transactions section for more details.

As at December 31, 2025, the Company had debentures outstanding amounting of $5,588,424 (December 31, 2024 - $6,976,475) as described in Note 15 of the Audited Consolidated Financial Statements for the years ended December 31, 2025, and December 31, 2024.

Bonds

On May 30, 2020, the Company placed 400 units of secured corporate bonds at $1,000 per unit for gross proceeds of $400,000, redeemable on June 10, 2023. During the year ended December 31, 2025, the Company was in the process of negotiating an extension with certain bondholders until the residual balance of the secured corporate bonds could be repaid in full. While the Company expects to be able to extend the maturity date of these bonds, there can be no assurances that it will be able to do so. Following discussions with bondholders during the second half of the year 2025, the Company successfully negotiated a monthly repayment schedule with certain bondholders to ensure full repayment by the end of 2025. Between September 1, 2025 and December 31, 2025, the Company was able to repay a total of $157,500 to bondholders based on the repayment schedule. As of the date of this MD&A, the outstanding balance of the secured corporate bonds was $172,500. Although the Company was not able to repay the full amount by the end of 2025, it obtained an extension to its repayment schedule into 2026, allowing it to complete the repayment in full.

Promissory notes payable

On March 13, 2025, a cumulative amount of $1,238,500 worth of promissory notes had been repaid from the proceeds of the private placement closed by the Company on March 13, 2025. There was no promissory note balance outstanding to be repaid by the Company as of the date of this MD&A.

Short-term loan payable

Between January 1, 2025 and up to December 31, 2025, the Company entered into a short-term loan agreement for the principal amount of $300,000, with an annual interest rate of 10% and an original maturity date of February 14, 2026. Prior to the original maturity date, the maturity date of the loan was extended to August 14, 2026, as the Company was in no position to repay the loan by the original maturity date. The balance outstanding of the short-term loan as of the date of this MD&A was still $300,000.

Restricted cash

As at December 31, 2025, some of the Company's subsidiaries had bank accounts in China that were classified as restricted cash ("**Restricted Cash**") due to legal proceedings and asset preservation measures initiated by the court in accordance with the Civil Procedure Law of the People's Republic of China. The nature of these legal proceedings was primarily related to labor disputes involving former employees of certain subsidiaries in China, as well as supplier disputes concerning unpaid balances for services provided in prior periods.

As at December 31, 2025, the Company had a Restricted Cash balance totaling $3,432 (December 31, 2024 - $3,840), which represents the collective amount of cash restricted in some of its subsidiaries' bank accounts in China. This amount is legally restricted and cannot be utilized by the Company or its subsidiaries for operational or other purposes until the legal proceedings are concluded or the court lifts the restricted order. The total restrictive quota was set to an amount of up to $1.5 million. The Company was actively defending its position in the litigation, as of the date of this MD&A, and working towards resolving the matter to regain access to the Restricted Cash as soon as possible. It should be noted that the described restrictions only affect the Company's Chinese operating subsidiaries and do not affect any of the bank accounts of the Company's Chinese holdings such as ASL, ASH and Aorong.

The outcome of the litigation and the timeline for the release of the Restricted Cash is unpredictable. As of the date of this MD&A, the Company was actively monitoring the situation and evaluating potential strategies to restore access to the affected bank accounts.

Fair Value Disclosure

Equity investments, bonds, debentures, conversion option and contingent consideration payable are level 3 under the fair value hierarchy.

The fair value of the debentures and the bonds is estimated using a discounted cash flow approach with specific parameters including implied discounted rate between 19% and 32% taking into consideration base rate and spread from the Federal Reserve Economic Data and adding additional premium to consider the burn rate profile of the Company and the transaction cost. The fair value of conversion options is determined using the Black & Scholes model including implied discounted rate between 19% and 32% taking into consideration base rate and spread from the Federal Reserve Economic Data and adding additional premium to consider the burn rate profile of the Company and the transaction cost.

Regarding the equity investments, in the absence of observable market data and based on the analysis of the unobservable inputs specific to Wuxi Xincheng Venture Capital Partnership ("**AVC**"), particularly the immateriality of the attributable loss, the positive net asset value, the ongoing investment activities, the absence of impairment indicators, and management's assertion regarding the portfolio value, it is concluded that the carrying amount of CAD $980,000 (i.e. RMB 5 million), determined under the cost method, represents a reasonable approximation of the fair value of the investment in AVC as of December 31, 2025. Therefore, no adjustment to the carrying amount is deemed necessary.

Valuation processes are overseen by the Company’s finance team in conjunction with external auditors’ opinions. Fair value measurements are reviewed quarterly and approved by senior management. Sensitivity analysis is performed in accordance with an internal model based on scenarios analysis (i.e. a decrease or increase of 5% of the interest rate) at the measurement date and on a recurring basis, and accounts for any significant impact. The valuation methodology is consistent with prior periods and complies with IFRS 13 guidelines. Changes in assumptions or inputs are documented and assessed for material impact. As at the reporting date, no significant impact was identified.

Based on a sensitivity analysis, a 5% change in interest rates would result in an impact of approximately $63,824 as of December 31, 2025.

Credit Risk

Collateralized loans and other financial assets

The Company’s exposure to credit risk arises primarily from trade receivables and contract assets recognized under IFRS 15. The Company applies the simplified approach under IFRS 9, recognizing lifetime expected credit losses (**ECL**) on trade receivables and contract assets at each reporting date and the general approach for loans receivable and applies the general approach for its loans receivable portfolio in ASFC. The Company maintains a general provisioning policy whereby balances outstanding for more than 180 days are considered indicators of no reasonable expectation of recovery. In addition, further indicators of credit impairment such as initiation of legal action, evidence of financial distress of counterparties, or significant delays in payment are considered in determining whether additional impairment is required.

The Company’s impairment model incorporates:

- Provision Matrix: Aging of receivables (current, 30–90 days, 91–180 days, and >180 days overdue).
- Forward-Looking Information: Adjustments to historical default rates based on macroeconomic conditions, industry trends, and customer-specific risk factors.
- Qualitative Indicators: Legal letters issued, deterioration in counterparties’ financial condition, and other observable events indicating heightened credit risk.

This methodology ensures that impairment provisions reflect both historical experience and forward-looking expectations, consistent with IFRS 9 requirements.

As at December 31, 2025, the Company continued to actively monitor the situation and assess any indicators of changes in recoverability for credit-impaired financial assets. Based on its evaluation, management determined that certain loans for the "**Credit & Supply Chain Finance Credit**" portfolio were experiencing additional credit risk as they needed to migrate to stage 3. The default was reached based on the credit impaired definition and that certain loans were overdue for more than 90 days. The Company adjusted its ECL measurement during the period as it became more evident that the days-past-due was reflective of the default conclusion. The Company was previously using the assumption of rebutted the presumption in paragraph 5.5.11 of IFRS 9 that a financial asset has a significant increase in credit risk when it is more than 30 days past due, and the presumption of default when it is more than 90 days past due, for its portfolio of credit-based loans, only. After a review of assumptions during the last quarter of the year 2025, the Company concluded that the borrower-specific evidence demonstrating that days-past-due alone did not appropriately reflect the borrower’s creditworthiness was no longer valid based new evidence incorporated into its ECL model. This change in measurement was incorporated on a prospective basis and do not impact prior period. Please refer to the Note 6 – Loans Receivable and Allowance for Credit Losses of the Audited Consolidated Financial Statements for the years ended December 31, 2025, and December 31, 2024.

Specific to asset-Backed Loans

In the fiscal year ended December 31, 2025, the Company continues to monitor macroeconomic conditions and any resulting impacts on the Company's credit risk. Specific to ASFC, the asset-backed loans are secured by collateral provided by borrowers at initial recognition, primarily in the form of second-hand vehicles (auto collateral is conservatively valued at 65% of fair market value) and residential properties (typically maintaining a value above the outstanding loan balance). Collateral values are derived from transactional data sourced from regulatory reporting systems in China. Credit enhancement structures for non-asset-backed loans remained unchanged. These loans are fully guaranteed by specific shareholders or other financial third parties, with no historical defaults or guarantor repayments recorded. Certain asset-backed loans, particularly those secured by residential properties, have not been assigned a loss allowance due to their over-collateralized nature and high recovery potential. Nonetheless, the Company applies a minimum 1% ECL to these exposures as a prudential measure. During the fiscal year ended December 31, 2025 no significant changes were observed in the quality of that collateral or credit enhancements as a result of deterioration or changes in the collateral policies of the entity'.

The Company's determination to base collateral realization on 100% of the fair market value ("**FMV**") of the residential property despite the subordinate position of its mortgage is supported by a structured and conservative valuation and risk assessment framework.

Prior to loan approval, the Company's credit department conducts a comprehensive due diligence process, which includes:

- Obtaining and verifying the borrower's credit report and property title documents to identify all existing senior mortgages;
- Assessing the FMV of the property using major local real estate transaction platforms; and
- Validating the FMV through internal review by the Company's personnel.

Importantly, the loan-to-value ("**LTV**") ratio is not calculated on the full FMV of the property. Instead, it is determined solely on the residual value, defined as the FMV less the outstanding balances of all prior-ranking mortgages. The Company then limits loan amounts to only 25%–50% of this residual value. This approach creates a substantial safety buffer of 50%–75%, designed to absorb potential fluctuations in property values and realization costs.

As a result, even in a disposal scenario where senior lienholders are repaid first, the net proceeds available to the Company are highly likely to fully cover its credit exposure. Accordingly, the assumption of 100% FMV for collateral realization is conservative, as the lending decision is ultimately based on a deeply discounted, seniority-adjusted collateral value.

Loans receivable

ASFC subsidiary provides loans that are either guaranteed by a related party, collateral assets or a combination of both. The loans secured with collateral are either secured by second-hand vehicles or by the residential property of the borrower. Loans not guaranteed by collateral assets are guaranteed by a related party.

<u>Loans guaranteed by second-hand vehicles:</u> The second-hand vehicles are valued by the company's credit department before approving a loan. The loan value at inception typically represents between 40% to 80% of the collateral value. The second-hand vehicles' collateral values are evaluated at the beginning of the loan and periodically during the life of the loan, based on an industry-recognized used car guide validated by company personnel, their knowledge, experience and the inspection process before approval of the loan.

<u>Loans guaranteed by second rank mortgage on residential property:</u> Before approving a loan, the Company's credit department will assess the value of any other mortgages taken out on the residential property and put it as collateral by the prospective borrower. The loan value at inception typically represents between 25% and

50% of the collateral value exceeding the first-rank mortgage taken by the borrower. The value of the residential property is evaluated at the beginning of the loan and periodically during the life of the loan based on a residential broker site, which is validated by the Company's personnel, their knowledge, experience and inspection process before approval of the loan.

Credit & Supply Chain Finance Credit: Through its ASFC subsidiary, the Company makes loans to Chinese small and medium enterprises ("**SME**") operating primarily in the technology and retail sectors. Before approving a loan, the Company performs an initial credit evaluation of the borrower. The credit evaluation includes the review of the borrower company's credit profile, operating performance, financial statements, tax payments and receipt records, shareholders' structure and their individual credit rating. Based on this initial evaluation, the Company will then proceed to sign a loan agreement with the SME borrowers. To mitigate the default risk in the case of any overdue situation incurred regarding these credit loans, a letter of guarantee must also be signed before the loan is finally granted to SME borrowers. Accordingly, a guarantor must agree to provide a full guarantee to cover any overdue principal and interest on behalf of the borrowers. The Company will also perform ongoing monitoring of SME borrowers through visits, phone calls and follow-up on business model developments. 100% of the credit and supply chain finance credit are guaranteed by an entity that is also a non-controlling shareholder of ASFC.

The Company has established a robust process aligned with the requirements of IFRS 7.35G. The ECL models explicitly integrate forward-looking macroeconomic data to reflect reasonable and supportable information that is available without undue cost or effort. Specifically, ASFC utilizes two key external indicators. Firstly, the general bankruptcy rate for SMEs in mainland China is monitored and incorporated as a primary driver to adjust the probability of default ("**PD**") and the baseline credit loss percentages applied to the SME loan portfolio. This ensures the loss rates dynamically respond to the prevailing economic stress within this key borrower segment. Secondly, to accurately assess the loss given default ("**LGD**"), ASFC systematically integrate data on the market price fluctuations of collateral. This includes tracking the average price of pre-owned automobiles in Jiangsu Province and Shanghai for the auto-collateralized loans and monitoring residential property market prices in Wuxi City for relevant real estate collateral. These indicators are used to determine the fair value of collateral at each reporting period, directly influencing the calculation of post-collateral recovery estimates and ensuring the ECL allowance reflects current and forecasted market conditions. The Company's loan portfolio constitutes a geographically concentrated market presence. Specifically, all auto-collateralized loans are exclusively secured by pre-owned automobiles located within the jurisdictions of Jiangsu Province (primarily within Wuxi City) and Shanghai. Furthermore, all residential property collateralized loans are secured solely by condominium units located within Wuxi City, Jiangsu Province.

During the fiscal year ended December 31, 2025, the Company experienced an increase in credit risk for the Credit & Supply Chain Finance Credit ("**CSCFC**") portfolio which was mainly reflected below in the table as migration from lower stages to stage 3 credit impaired and the Company recorded an additional ECL provision of $964,054 in the audited consolidated statement of comprehensive profit and loss for the years ended December 31, 2025, and Restated December 31, 2024 (December 31, 2024 - $186,721).

The following table presents the gross carrying amount of loans receivable as at December 31, 2025 according to credit quality and ECL impairment stages. The comparative figures of 2024 were restated, please refer to the section above "Restatement of comparative figures" for more information.

Gross Carrying Amount	Stage 1	Stage 2	Stage 3	Total
Gross Carrying Amount - 2024				
Auto	$ -	$ -	$ 950,479	$ 950,479
Residential Property	$ 35,078	$ -	$ 139,988	$ 175,066
Credit & Supply Chain Finance Credit	$ 3,132,980	$ 9,481,045	$ 5,251,369	$ 17,865,394
Total Gross Carrying Amount	**$3,168,058**	**$ 9,481,045**	**$ 6,341,835**	**$18,990,938**
Gross Carrying Amount - Variance				
Auto	$ -	$ -	$ 94,083	$ 94,083
Residential Property (1)	$ (35,078)	$ 14,056	$ (92,020)	$ (113,042)
Credit & Supply Chain Finance Credit (2)	$ (688,466)	$(9,280,608)	$10,850,900	$ 881,826
Total Gross Carrying Amount	**$ (723,544)**	**$(9,266,552)**	**$10,852,963**	**$ 862,867**
Gross Carrying Amount - 2025				
Auto	$ -	$ -	$ 1,044,561	$ 1,044,561
Residential Property	$ -	$ 14,056	$ 47,968	$ 62,024
Credit & Supply Chain Finance Credit	$ 2,444,515	$ 200,437	$ 16,102,268	$ 18,747,220
Total Gross Carrying Amount	**$2,444,515**	**$ 214,492**	**$ 17,194,798**	**$19,853,805**

ECL provision - Loans Receivable	Stage 1	Stage 2	Stage 3	Total
As at December 31, 2024				
Auto	$ -	$ -	$ 740,075	$ 740,075
Residential Property	$ 4	$ -	$ 1,400	$ 1,403
Credit & Supply Chain Finance Credit	$ 3,573	$ -	$ -	$ 3,573
ECL - As at December 31, 2024	**$ 3,577**	**$ -**	**$ 741,475**	**$ 745,052**
ECL variance				
Auto (3)	$ -	$ -	$ 169,821	$ 169,821
Residential Property	$ (4)	$ 42	$ (920)	$ (882)
Credit & Supply Chain Finance Credit (4)	$ (3,084)	$ 1,002	$ 966,136	$ 964,054
ECL variance	**$ (3,088)**	**$ 1,044**	**$ 1,135,037**	**$ 1,132,993**
As at December 31, 2025				
Auto	$ -	$ -	$ 909,896	$ 909,896
Residential Property	$ -	$ 42	$ 480	$ 522
Credit & Supply Chain Finance Credit	$ 489	$ 1,002	$ 966,136	$ 967,627
ECL - As at December 31, 2025	**$ 489**	**$ 1,044**	**$ 1,876,512**	**$ 1,878,045**

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(1) The reduction in Gross Carrying Amount of $113,042 in the principal balance of the Residential Property portfolio between December 31, 2024 and 2025 was primarily due to the repayment of four loans that reached maturity in 2025, with borrowers settling the outstanding principal and interest before the end of the year.

(2) The increase in Gross Carrying Amount of $881,826 in the principal balance of the CSCFC loans between December 31, 2024 and 2025 was mainly explained by **1)** one new loan contracted during the last quarter of the year 2025 to a new borrower for approximately $250,000 CAD, and **2)** The Company recorded a year-end adjustment for all loans that matured during the year but continued to accrue interest until the principal was fully repaid. All such loans were classified as Stage 3 as of December 31, 2025.

(3) The increase in ECL provision of $169,821 is mainly due to the reduction in collateral value over time, as the second-hand auto value decreases each quarter going respectively from December 31, 2024 to 2025 from 40% to 22%.

(4) The increase in ECL provision of $964,054 is mainly attributable to the rise in credit-impaired loans, as twenty-eight CSCFC exposures migrated from Stage 1 or Stage 2 to higher stages as of December 31, 2025. These exposures became in default during the period due to increased credit risk from specific borrowers and more evident overdue days indicating default.

The Company evaluates the guarantor's financial capacity and liquidity using a combination of qualitative and quantitative information. This includes a review of unaudited financial information, annual tax-filing records, bank statements, and confirmation of the guarantor's ongoing business relationships with selected clients and partners. These procedures are performed on a recurring basis, with financial information and bank statements reviewed quarterly and other supporting documentation reviewed annually. The most recent annual review was completed for the year ended December 31, 2025. Based on the information available at that date, management did not identify any material deterioration in the guarantor's liquidity position or overall financial condition. The Company also maintains regular communication with the guarantor's management to remain informed of any significant developments.

Certain loan exposures experienced a significant increase in credit risk and are supported by guarantees provided by Jiudong a 49% non-controlling shareholder of ASFC, covering principal and interest amounts on loans that experienced deterioration in the borrowers' creditworthiness. The Company assessed whether these guarantees provide substantive credit support in measuring ECLs by evaluating the legal enforceability of the arrangements, the extent of coverage, Jiudong's financial capacity and liquidity, and its demonstrated willingness and economic incentive to perform. Based on this assessment, the Company concluded that the guarantees constitute substantive credit enhancement. The guarantees do not affect the probability of default of the borrowers but are reflected in the loss given default through expected recoveries. These expected recoveries were incorporated into the measurement of lifetime ECLs. As a result, ECLs are reduced relative to an unsecured basis and remain sensitive to changes in the guarantor's creditworthiness. The Company monitors both borrower and guarantor credit risk on an ongoing basis.

The Company would like to point out that the guarantee was never officially triggered up to the date of this MD&A, but rather that discussions were held with the Guarantor on the possibility that the guarantee might be triggered if collection continued to be delayed. The request to initiate discussions between ASFC and the Guarantor was made by the Company. The Company believes that borrowers should be given every opportunity to repay their loans. However, given the lack of movement on the collection of interest the Company requested that the discussions be held and for a resolution in the shortest possible delay. This involved a series of phone conversations and meetings between the Guarantor and the borrowers. In all cases, the Guarantor explained to the borrowers the far-reaching credit implications and the impact on the borrowers' businesses going forward if the Guarantor ended up having to refund the loans on their behalf. Out of the total amount recovered of $325,673 during the first quarter of 2026, $231,946 was recovered from 11 borrowers solely through actions undertaken by ASFC without any involvement of the Guarantor, and $93,727 was recovered from 3 borrowers with assistance from the Guarantor. The Company does not believe that it will need the cooperation of the Guarantor to recover outstanding interest payments in the future because most borrowers have now agreed to repayment plans with ASFC. However, the Issuer cannot guarantee that there won't be instances in the future where the Guarantor's assistance and cooperation would be required should the borrowers fail to honour the repayment schedules for both principal and interest, thereby breaching their repayment plan agreements.

As described in the "Corporate Structure" section above, the Company established its ASFC subsidiary to demonstrate to other Chinese financial services institutions that the Company's data-driven credit analytics could be effectively applied to support lending to SMEs. ASFC was therefore structured from inception to ensure that the Company holds and exercises control over the subsidiary.

While the Guarantor has provided assistance to ASFC in the collection of certain outstanding receivables, such involvement does not affect the Company's assessment of control. The ability or inability of ASFC to collect receivables from third-party borrowers has no bearing on the Company's substantive rights, exposure to variable returns, or decision-making authority over ASFC. Similarly, any support the Guarantor may provide in the collection process does not confer substantive rights or decision-making power to the Guarantor.

Accordingly, the Guarantor's role is not determinative in the control assessment. The Company continues to conclude that it has the power to direct the relevant activities of ASFC and therefore maintains control for consolidation purposes.

Prepayments to third party subcontractors

Sometimes when an ASST client places an order on the GoldRiver platform that requires value-added services such as warehousing, the client will be required to pre-pay an amount representing a percentage of the total value of the order, including the cost of warehousing. From the prepayment received for the order by ASST, ASST will send a portion of the received amount to the third-party subcontractor who is expected to provide the warehousing service associated with the order. For example, assume the total value of an order is $100 and ASST receives $10 as the prepayment for the order. ASST would then send $4 as prepayment to the third-party subcontractor for the associated order and ASST would keep the remaining $6. While ASST would record the entire $10 received from the client under "**Contract liabilities with third-party customers, no interest**" until the order is fully completed, the $4 prepayment sent to the third-party subcontractor would be recorded under "**Prepayments to third party subcontractors**". Once all transactions related to the order have been performed, meaning the products have been delivered and inspected, the order is considered to have been fully completed and the warehousing service has been provided, ASST would then invoice the client for the $100 value of the order and record the $100 as revenue. However, if for whatever reason the order is not fully completed, ASST would then have to request that the prepayment made to the third-party subcontractor be returned.

During the 2023 fiscal year, the Company made prepayments to a subcontractor in connection with the setup of the ASST supply chain ecosystem for a total amount of CAD $1.6 million. These prepayments were funded entirely by cash received from the Company's underlying customer and were intended to be recovered through the subcontractors' future delivery of goods and services over the contract term. Although the Company did not deploy its own cash to fund these activities thereby reducing the potential net financial impact to the Company this does not eliminate the credit risk associated with the subcontractors' ability to refund the Company and then ultimately the underlying SMEs from which the cash originated.

The Company no longer expects to recover the prepayments to subcontractor amounts through the performance of services. As of the date of this MD&A, recovery was expected to occur in cash, and the prepayments therefore meet the definition of financial assets subject to the credit risk disclosure requirements of IFRS 7. In substance, the Company is exposed to the subcontractors' ability to refund the outstanding balance. Consistent with IFRS 7.31 and 35A–35B, the Company evaluates the credit risk associated with these prepayments by considering historical settlement patterns, internal credit risk assessments, and forward looking information. Management concluded that credit risk remained low, supported by active negotiations and the subcontractors' demonstrated willingness to settle the balance.

The Company assesses expected credit losses on these prepayments in accordance with IFRS 9, taking into account the probability of default, expected timing of recovery, and relevant forward looking information.

Although the outstanding balance has aged beyond 365 days, management determined that the risk of default remained limited, given the quality of discussions with subcontractor and the expectation of full cash recovery.

As at the date of this MD&A, the outstanding prepayment balance was more than 365 days past due. The Company monitors this exposure using aging information, internal credit-risk ratings, and direct communication with subcontractor. Despite the extended aging, management concluded that the exposure has not experienced a significant increase in credit risk that would indicate a heightened probability of default, due to the subcontractors' continued engagement and progress toward settlement.

The Company's maximum exposure to credit risk, before considering credit enhancements, is CAD $1.6 million, without considering the reversal of the underlying contract liability associated with the prepayments made for the ASST supply-chain ecosystem. When considering both the financial asset and the related financial liability, the net impact to the Company is Nil.

As of December 31, 2025, the Company was expecting the transaction to occur via refund of the prepayment by the latest June 30, 2026. During the period ended December 31, 2025, the Company obtained a guarantee agreement that provides credit enhancement in the event the subcontractor fails to refund the outstanding balance by June 30, 2026. The guarantee was evaluated as strong and enforceable based on due diligence performed by the Company, including an assessment of the guarantor's financial capacity and the legal enforceability of the arrangement.

The Company confirms that the execution of these transactions was conditional on services or merchandise transactions being carried out on the supply-chain infrastructure and on transaction volumes beginning to flow through the ecosystem. As the infrastructure for this specific transaction with ASST had not yet been implemented, the negotiation with the third parties involved in the arrangements resulted in the execution being converted into a formal refund of the prepayment from the third-party suppliers/subcontractors to the Company's ASST subsidiary. ASST would then negotiate the repayment of the corresponding contract liability with the downstream customer. These refunds form part of the formal refund request initiated in Q2 2025, with execution planned to be completed before Q2 2026.

For each prepayment made to suppliers/subcontractors, a corresponding contract liability was recorded to reflect the obligation owed to the downstream customer. This liability is presented under "**Contract liabilities with third-party customers**" in Note 13 of the Audited Consolidated Financial Statements for the years ended December 31, 2025, and December 31, 2024.

The guarantee was assessed as strong and enforceable based on due diligence performed by the Issuer, including an evaluation of the guarantor's financial capacity and the legal enforceability of the guarantee arrangement. The Issuer's due diligence supported its conclusion that the guarantor has sufficient financial capacity and liquidity to fully satisfy the prepayment balances if required. This conclusion formed part of the key inputs used in measuring expected credit losses (ECLs), supporting the assessment that the recoverable portion of the gross carrying amount is solid and unconditional due to the quality and enforceability of the credit enhancement.

The guarantee is expected to cover 100% of the outstanding amount, and its effect has been incorporated into the Company's ECL measurement. The presence of this credit enhancement significantly reduces the Company's exposure to credit loss and supports the conclusion that the expected credit loss remains Nil as of the date of this MD&A.

Determination of Control Over an Investee Subject to Nominee Shareholder Arrangements

Management exercised significant judgement in concluding that the Company controls ASFC. The Company determined that it has power over ASFC's relevant activities, exposure to variable returns, and the ability to use its power to affect those returns, as required by IFRS 10. The key judgements and assumptions supporting this conclusion are:

- Nominee Shareholder Structure: The Company indirectly holds 51% of ASFC's registered capital through nominee shareholder agreements and the contractual obligations they impose on the Company's nominee shareholders. Management judged these agreements to provide substantive rights, enabling the Company to direct ASFC's relevant activities.

- Power Over Relevant Activities: Under ASFC's articles of association, the board of shareholders is the company's organ of authority. The board of shareholders has the power to appoint and remove the company's directors, and to determine the company's board of directors, which in turn determine the company's operating principles and investment plans, which management identified as ASFC's relevant activities. Prior to the creation of ASFC, the Company entered into nominee shareholder agreements with four nominee shareholders such that the nominee shareholders would hold shares in ASFC on behalf of the Company and exercise their voting rights as instructed by the Company. The Company therefore sent its registered capital contribution to create ASFC, representing 51% of the total registered capital of ASFC, to the nominee shareholders so that the registered capital may be contributed by the nominee shareholders on behalf of the Company. It is therefore the nominee shareholders, not the Company, who are identified as the registered contributors of ASFC's registered capital in ASFC's articles of association, which gives them the voting rights associated with the registered capital contribution. Because voting rights are proportional to capital contributions, the Company's 51% interest, as recognized in the nominee shareholder agreements, provides the Company with indirect majority decision-making authority of ASFC's board of shareholders through the nominee shareholder agreements. While the nominee shareholders are the legally registered shareholders of ASFC, the nominee shareholder agreements identify the Company as the actual contributor of the registered capital of ASFC. Article 11 of the nominee shareholder agreements states that the Company may terminate the nominee shareholder agreement and restore its actual shareholding status at any time. Given that the board of shareholders has the power to appoint and remove the company's directors, who in turn have the power to appoint and remove members of the company's management, and that the Company can unilaterally terminate its agreement with its nominee shareholders at any time, the Company therefore, through the nominee shareholder agreements, has the power to remove any member of ASFC's management team regardless of whether the member is a nominee shareholder or not. This reaffirms the Company control over ASFC's board of shareholders, its board of directors, its executive management and ultimately over ASFC's relevant activities.

- Ability to Affect Returns: By directing ASFC's relevant activities through its nominee shareholders, the Company can influence ASFC's financial performance and therefore the returns associated with its ownership interest.

- Exposure to Variable Returns: The Company is exposed to both upside and downside variability from ASFC's performance. Management noted that loss of control would result in a material deconsolidation impact, demonstrating significant exposure to variable returns.

- Consistency of Judgements: Management confirmed that no changes occurred in the judgements or assumptions used to assess control during the reporting period.

Please refer to the section critical accounting estimates, judgments and assumptions under the Note 5.2.4 of the Company's consolidated financial statements for the year ended December 31, 2025. There have been no changes in the judgments applied in determining control over entities subject to nominee shareholder arrangements as of December 31, 2025.

Off-Balance-Sheet Arrangements

The Company has not entered into any off-balance sheet financing arrangements.

LEGAL PROCEEDINGS

The following summarizes the legal proceedings involving the Company as of May 29, 2026:

A class action lawsuit was filed on October 25, 2023 in the United States District Court for the Eastern District of New York against the Company and its Chief Executive Officer and Chief Financial Officer, which alleged four counts of violations of the securities laws of the United States (the "**Lawsuit**"). The Company took provisions amounting to USD$1,200,000 for legal settlement regarding the Lawsuit recorded in accounts payable, advances and accrued liabilities.

On October 8, 2025, a hearing between plaintiffs' counsel and the Company's counsel was held before judge Joseph A. Marutollo at the United States Court of the Eastern District of New York. Both parties presented their views as to why the original settlement agreement between them was not respected. Judge Marutollo concluded that it would be in the best interest of both parties if they could reach terms on a new settlement agreement rather than litigating and spending money on attorneys' fees for over a year, just to re-enter settlement discussion at a later point. Judge Marutollo therefore ordered the parties to appear for a settlement conference in person along with counsel. The settlement conference was set for December 11, 2025. If the parties are unable to reach a new settlement agreement and the case goes back to litigation, the Company would have to pay up to USD$3,000,000 in damages sought by plaintiffs if it was to ultimately lose the case.

On September 26, 2025, the Company received notice from plaintiffs purporting to terminate the MOU settling the case and returning to the litigation posture because the Company had failed to meet its financial obligations under the MOU. As at the date of this MD&A, the Company had not made any payments related to the settlement agreement. The ability of the Company to make any payments in respect of the settlement agreement is contingent on the Company raising sufficient funds through additional financing. In the event the Company is unable to raise additional financing, the Company will be unable to meet its payment obligations and in that event there is substantial risk that the settlement agreement may be terminated and the Company and other defendants will again be subject to litigation under the original action.

The USD$1,200,000 provisions taken by the Company to settle the Lawsuit were still fully recognized in the consolidated statements of financial position as at December 31, 2025.

On March 6, 2026, the Company announced that the Lawsuit had been voluntarily dismissed by the plaintiffs without prejudice pursuant to a stipulation of voluntary dismissal agreed to by the parties and filed with the Court on February 24, 2026. The Court administratively closed the case. The Company did not pay any compensation to the plaintiffs, nor does it have any obligations, financial or otherwise, owed to the plaintiffs in connection with the Lawsuit.

Based on this new information the Company reversed its provision for legal settlement regarding the Lawsuit that was previously recorded in accounts payable, advances and accrued liabilities within the consolidated statements of financial position as at March 31, 2026 for an amount of USD$1,200,000.

USE OF ARTIFICIAL INTELLIGENCE

The Company has been using artificial intelligence (AI) in its Chinese operations since 2018. Part of the services provided by the Company in China include facilitating transactions, including matching lending financial institutions with SMEs for loans and other forms of credit. In this capacity, a proprietary AI application developed by the Company is used to help determine the likelihood of loan or credit default by SMEs based on transactional and financial data collected from the Company's platforms and the SMEs' accounting software systems. This use of AI to help lenders make commercial credit decisions has resulted in a credit default rate, excluding the COVID-19 pandemic years, of less than 2% for credit extended based on the system. In addition, the Company provides post-lending monitoring services whereby AI is integrated to camera and surveillance systems to track the movement of goods, inventory levels, and foot traffic in warehouses and factories to alert lenders if there are any indications that the businesses of the SMEs that they've extended credit to might be significantly declining.

The Company is becoming increasingly more active in implementing AI in its North American operations. More specifically, the SMEs registered on the Cubeler Platform use a variety of accounting software packages, which creates challenges when it comes time to making sure all the data gathered through the platform is allocated to the right accounts in order to create the macroeconomic data indexes produced for the Data Products. For example, the Company needs to ensure that the sales caption in one accounting software is categorized the same way in another.

The Company's Chief Analytics Officer was also looking at various possible aspects and combinations of utilization of AI that could provide the best potential inferences of publicly-traded companies' EPS using data coming from private companies operating in the same industrial sectors to develop more data-derived products in the future.

The AI technology used by the Company in China was developed by the Company and is proprietary to the Company. The Company also expects to develop and own the AI applications for its future data-derived products.

In the event that the AI applications used in the Company's Chinese operations failed to work as intended, the consequences would likely be an increase in the credit default rates of the loans and credit extended to SMEs caused by the system that depends on the applications. If the AI applications used in the Company's North American operations failed to work as intended, the ie-Pulse macroeconomic data index series, which are meant to provide a daily picture of economic activity, would provide a false picture of economic activity. This could in turn lead the Company's clients, who would depend on the data to make certain business and economic decisions, to make decisions based on inaccurate information, possibly leading to economic losses. Both instances of AI application failure described above could lead to significant loses of clients for the Company, thereby materially affecting the Company's revenue and operations.

As of the date of this MD&A, the Company was in the process of amending its corporate governance policies to include clear and comprehensive policies, procedures and controls related to accountability, risk management and oversight, in respect of the use of AI in the Company's business operations and product offerings. The Company had not yet developed any contingency plans in case of failures or inaccuracies resulting from AI as of the date of this MD&A. As of the date of this MD&A, there had been no incidents where the AI used in the Company's operations had raised any regulatory, ethical or legal issues.

RISKS AND UNCERTAINTIES

Risk factors that may adversely affect or prevent the Company from carrying out all or portions of its business strategy include the following:

Liquidity and Capital Resources

The Company will require financing in order to meet its long-term business objectives and there can be no assurances that such financing sources will be available as, and when, needed. Historically, capital requirements have been primarily funded through the sale of common shares. Factors that could affect the availability of financing include, but are not limited to, evidence of continued demand for the Company's services, the Chinese geopolitical climate, the Company's ability to expand its services beyond China, the charges filed by the AMF against Mr. Joseph, the state of international debt and equity markets, and investor perceptions and expectations of the fintech space. There can be no assurance that any financing will be available, whether in the amount required, at any time, for any period, or on terms satisfactory to the Company or at all.

Holding Company with Significant Operations in China

As a holding company that is currently dependent on the operations of its subsidiaries in China, Tenet is subject to risks that could cause the value of its common shares to significantly decline. Chinese laws and regulations governing its current business operations are sometimes vague and uncertain, and they present legal and operational risks which may result in material changes in the operations of the Company's Chinese subsidiaries or a significant depreciation in the value of its common shares. The Chinese government adopted a series of regulatory actions and issued statements to regulate business operations in China in recent years, including cracking down on illegal activities in the securities market, adopting new measures to extend the scope of cybersecurity reviews, and expanding the efforts in anti-monopoly enforcement. Nevertheless, to the Company's knowledge, neither it nor any of its Chinese subsidiaries have been involved in any investigations on cybersecurity review initiated by any Chinese regulatory authority, nor have any of them received any inquiry, notice or sanction from the Chinese government.

Regulatory Permissions

To operate its business as currently conducted in China, each of the Company's subsidiaries in China are required to obtain a business license from local authorities. Each such Chinese subsidiary has obtained a valid business license, and no application for any such license has been denied or revoked. If any of the business licenses of the Company's subsidiaries are revoked, this would hinder the ability to operate the business, which could materially and adversely affect the business, financial condition, and results of operations.

Repatriation of Profits or Transfer of Funds from China to Canada

As of the date of this MD&A, all the Company's operating subsidiaries are located in China, except Cubeler Inc. (Canada), Tenoris3 Inc. (Canada), Cubeler U.S. Inc. (United States) and Asia Synergy Ltd. (Hong Kong). Accordingly, the repatriation of any profits generated by the Company, which the Company might want to repatriate from China to Canada, or the transfer of any funds that the Company might want to transfer to its Chinese subsidiaries, is subject to the rules and regulations established by the Chinese government that restrict the flow of funds between China and foreign jurisdictions, including the transfer of funds between Chinese subsidiaries and their foreign parent companies. The Company may, from time to time, facilitate the transfer of funds from its Chinese subsidiaries to Canada through transactions involving the purchase and sale of USDC (U.S. Dollar Coin). In such cases the subsidiaries would first send the funds to the personal bank account of a senior executive or director of the Company and the senior executive or director would then purchase the USDC in a peer-to-peer transaction, in compliance with Chinese regulations. The senior executive or director would then convert the USDC to Canadian dollars and send the funds by wire transfer to the Company's Canadian bank account. While it is not illegal for individuals to hold and trade cryptocurrencies such as USDC in China, unlike cash held in a bank account, cryptocurrency holdings are not legally protected. Any losses resulting from holding cryptocurrencies, whether due to fraud or anything else, are entirely the responsibility of the individuals holding the cryptocurrencies. This fund transfer method does not allow the Company to implement the control mechanisms that would ensure the safeguard of the funds throughout the transfer process. Instead, the process relies mostly on process design, timing, and post-transaction safeguards rather than preventive controls, which carries a significant level of risk. There is no opportunity for the segregation of duty as it mainly depends on a single individual in whose bank account the funds must first transition before they can be transferred to the Company. The Company is also unable to monitor the process in real-time while the funds transition through bank and digital assert accounts not directly under its control. Using USDC transactions to transfer funds from its Chinese subsidiaries to Canada therefore carries the risk that part or all the funds may be lost during the process. To help mitigate the risk of loss, the Company's policy when it comes to the transfer of funds using USDC is to conduct a series of small transactions over a period of several days or months. While this strategy has worked for the Company in the past with the successful transfer of a total of approximately $9.4M between October 2023 and August 2025 without incurring any losses during the transfers, there can be no assurance that such transfers will be successful in the future. The potential loss to the Company in the event of the failure of such a transfer in the future could be substantial and have a material impact on the Company's operations and financial results. Although the Company has taken steps to comply with regulations established by the Chinese government to be able to transfer funds from its subsidiaries to Canada, there can be no assurances that the Company will remain in compliance with those rules and regulations in the future. The Company may therefore not be able to repatriate profits or transfer funds from its Chinese holding or operating subsidiaries to its head office in Canada, which would adversely impact the Company in the future. In the event that the Company is unable to repatriate funds from China, the Company may experience delays in deploying capital to intended purposes which would adversely affect the Company's operations, revenue and profits. In that event, the Company may have a need for interim or bridge financing, with no assurances it would be able to raise such capital either on favorable terms or at all. Such failure to repatriate funds or a failure to raise additional funds if required would have a material negative impact on the Company.

Operations in Foreign Jurisdictions and Possible Exposure to Corruption, Bribery or Civil Unrest

The Company operates in a foreign jurisdiction (China) where the laws governing corporations differ from the laws of Canada. Chinese laws require each of the Company's subsidiaries located therein to have a legal representative to which certain roles, powers and responsibilities are ascribed. The legal representative's functions and powers are prescribed by state laws, regulations and the articles of association of the entity for which he or she is the legal representative. The legal representative is the person authorized to represent the entity in all legal matters between the government and such entity and to sign legally binding contracts on behalf of such entity. Unlike Canadian laws, which limit liability for individuals involved in corporations and limited liability or registered business entities, Chinese laws make no distinction between the liability of a legal representative versus the liability of the entity he or she represents. The legal representative is responsible for any offence, whether corporate, criminal, civil or other, committed by the entity and must bear any fine, punishment or consequences resulting from the offence.

Companies in China need the signed consent of a majority (over 50%) of its shareholders in order to remove a legal representative. If a company wants to change its legal representative, it first needs to provide written notice to that effect to the legal representative. The company must then go to the China Industry and Commerce Bureau with written proof of majority shareholder consent to make the change and submit the appointment document of the new legal representative. Similarly, the removal of any officer or director of a company requires the consent of the company's shareholders. Such consent must formally be given by a majority (over 50%) of shareholders with a signed resolution of the shareholders at a general meeting of the shareholders. The company must then submit a copy of the resolution along with the required supporting documents (application form, copy of business license, ID card of the individual being removed and copy of amendment of article of association reflecting the change) to the China Industry and Commerce Bureau.

Given the onerous responsibilities and risks associated with the position of legal representative for companies operating in China, the Company may have difficulty in the future to find individuals willing to act as its subsidiary's legal representatives. There can be no assurances that the Company will always have legal representatives for its subsidiaries. Since every company must have a legal representative under Chinese laws, not being able to have a legal representative may force the Company to suspend temporarily or permanently some of its operations in China, which would adversely affect the Company's operations, revenue and profits.

Certain individuals in China may perceive the Company as a potential bribery target. As such, the Company may be approached by local individuals in China, whether businessmen, government officials or others, to offer the Company certain favors that would advance the Company's business interests in exchange for cash, other forms of compensation, or threaten to hinder the Company's progress unless compensated in cash or by other means, all of which would be contrary to Chinese laws and/or Canadian law. The Company's employees or other agents may, without its knowledge and despite its efforts, engage in prohibited conduct under the Company's policies and procedures and anti-bribery laws for which the Company may be held responsible. The Company's policies mandate compliance with these anti-corruption and anti-bribery laws. However, there can be no assurance that the Company's internal control policies and procedures will always protect it from recklessness, fraudulent behavior, dishonesty or other inappropriate acts committed by its affiliates, employees, contractors or agents. If the Company's employees or other agents are found to have engaged in such practices, the Company could suffer severe penalties and other consequences that may have a material adverse effect on its business, financial condition and results of operations.

As a Canadian entity operating in China, the Company is exposed to the state of relations between China and Canada. There are political and/or cultural tensions between these two countries that may impact international commerce. For example, clients may decide to no longer buy the Company's services and partners may decide to cut ties with the Company, all of which would negatively impact the Company's operations, revenue and profits.

Bankruptcy, Dissolution or Liquidation of Chinese Subsidiaries

The Chinese Enterprise Bankruptcy Law provides that an enterprise may be liquidated if the enterprise fails to settle its debts as and when they fall due and if the enterprise's assets are, or are demonstrably, insufficient to clear such debts. Our Chinese subsidiaries hold certain assets that are important to our business operations. If any of our Chinese subsidiaries undergo a voluntary or involuntary liquidation proceeding, unrelated third-party creditors may claim rights to some or all of these assets, thereby hindering our ability to operate our business, which could materially and adversely affect our business, financial condition, and results of operations.

Uncertainties Regarding the Growth and Sustained Profitability of E-Commerce in China

The continued growth in our revenue and profit substantially depends upon the widespread acceptance and use of the Internet as a medium for commerce by businesses in China and elsewhere. In particular, rapid growth in the use of and interest in the Internet and other online services is still a relatively recent phenomenon in China, and we cannot assure you that this acceptance and use will continue to develop or that a sufficiently broad base of customers will adopt, and continue to use, the Internet as a medium of commerce in China. A decline in the popularity of purchasing on the Internet in general, or any failure by us to adapt our platform and improve the experience of our customers in response to trends and consumer requirements, will adversely affect our revenues and business prospects. Moreover, concerns about fraud, privacy, lack of trust and other problems may discourage businesses from adopting the Internet as a medium of commerce. In addition, if a well-publicized breach of Internet security or privacy were to occur, general Internet usage could decline, which could reduce the use of our services and impede our growth. As a result, growth in our customer base depends on attracting customers who have historically used traditional channels of commerce to conduct the types of transactions facilitated by our platform. For our Company to be successful, these customers must accept and adopt new ways of conducting business and exchanging information.

Illegality of Digital Asset Transactions in China

In 2013, financial regulators in China, including the People's Bank of China (the "PBOC") banned banks and payment companies from providing bitcoin related services. In 2017, the PBOC, Ministry of Industry and Information Technology, State Administration for Industry and Commerce, China Banking Regulatory Commission, China Securities Regulatory Commission and China Insurance Regulatory Commission issued "Announcement on Preventing Token Fundraising Risks", prohibiting all organizations and individuals from engaging in initial coin offering transactions. On May 21, 2021, the Financial Stability and Development Committee of the State Council in China called for the need to resolutely control financial risks and crack down on bitcoin mining and trading activities. On June 21, 2021, the PBOC was reported to have held interviews with certain financial institutions in China, and stressed that banks and other financial institutions in China shall strictly implement the "Guarding Against Bitcoin Risks" and the "Announcement on Preventing Token Fundraising Risks" and other regulatory requirements, diligently fulfill their customer identification obligations, and shall not provide account opening, registration, trading, clearing, settlement and other services related to blockchain and cryptocurrency business. On September 24, 2021, all digital asset transactions were banned in China. Ten Chinese government agencies, including the central bank and banking, securities and foreign exchange regulators, reportedly have vowed to work together to root out "illegal" cryptocurrency activity with the PBOC reportedly stating that it was illegal to facilitate cryptocurrency trading and that it planned to severely punish anyone doing so, including those working for overseas platforms from within China. While we are not engaged in digital asset transactions, the crackdown on such transactions may result in volatility in the fintech sector and may result in increased scrutiny of any financial platforms or financial transactions, which could have a material adverse effect on our business, prospects or operations.

Increases in Labor Costs in China

China's economy has experienced increases in labor costs in recent years. China's overall economy and the average wage in China are expected to continue to grow. We expect that our labor costs, including wages and employee benefits, will continue to increase. Unless we are able to pass on these increased labor costs to our customers by increasing prices for our products or services, our profitability and results of operations may be materially and adversely affected.

Regulation and Censorship of Information Distribution Over the Internet in China

China has recently enacted laws and regulations governing Internet access and the distribution of products, services, news, information, audio-video programs and other content through the Internet. The Chinese government has prohibited the distribution of information through the Internet that it deems to be in violation of Chinese laws and regulations. If any of the content on our online platform were deemed to violate any content restrictions by the Chinese government, we would not be able to continue to display such content and could become subject to penalties, including confiscation of income, fines, suspension of business and revocation of required licenses, which could materially and adversely affect our business, financial condition and results of operations. We may also be subject to potential liability for any unlawful actions or for content we distribute that is deemed inappropriate. It may be difficult to determine the type of content that may result in liability to us, and if we are found to be liable, we may be prevented from operating our website in China.

Oversight of the China Securities Regulatory Commission (the "CSRC") and Other Chinese Government Agencies over Foreign Investment in China-Based Issuers

Although we are incorporated and based in Canada, with operations in China, Chinese authorities may consider us to be a China-based company. In 2021, the General Office of the Communist Party of China Central Committee and the General Office of the State Council jointly issued a document to prevent illegal activities in the securities market and to promote the high-quality development of their capital markets, which, among other things, requires the relevant governmental authorities to strengthen cross-border oversight of law-enforcement and judicial cooperation, to enhance supervision over China-based companies listed overseas, and to establish and improve the system of extraterritorial application of Chinese securities laws. Since this document is relatively new, uncertainties still exist in relation to how soon legislative or administrative regulation-making bodies will respond and what existing or new laws or regulations or detailed implementations and interpretations will be modified or promulgated, if any, and the potential that any impact such modified or new laws and regulations will have on our future business operations. Therefore, the CSRC and other Chinese government agencies may exert more oversight and control over foreign investment in China-based issuers or perceived China-based issuers, especially those in the technology field such as us.

Additional compliance procedures may be required in connection with our business operations, and, if required, we cannot predict whether we will be able to obtain the approval of any compliance requirements. As a result, we face uncertainty about future actions by the Chinese government that could cause the value of our common shares to significantly decline.

Failure to Make Adequate Contributions to Various Mandatory Social Security Plans as Required by Chinese Regulations

Under the Chinese Social Insurance Law and the Administrative Measures on Housing fund, we are required to participate in various government sponsored employee benefit plans, including certain social insurance, housing funds and other welfare-oriented payment obligations, and contribute to the plans in amounts equal to certain percentages of salaries, including bonuses and allowances, of our employees up to a maximum amount specified by the local government from time to time at locations where we operate our businesses. The requirement of employee benefit plans has not been implemented consistently by the local governments in China given the different levels of economic development in different locations. If the local governments deem our contribution to be not sufficient, we may be subject to late contribution fees or fines in relation to any underpaid employee benefits, our financial condition and results of operations may be adversely affected. As the interpretation of implementation of labor-related laws and regulations are still involving, we cannot assure you that our practice in this regard will not be violate any labor-related laws and regulations regarding including those relating to the obligations to make social insurance payments and contribute to the housing funds and other welfare-oriented payments. If we are deemed to have violated relevant labor laws and regulations, we could be required to provide additional compensation to our employees and be subject to penalties, and our business, financial condition and results of operations will be adversely affected.

Chinese Labor Contract Law

Pursuant to the Chinese labor contract law, employers are subject to stricter requirements in terms of signing labor contracts, minimum wages, paying remuneration, determining the term of employees' probation, and unilaterally terminating labor contracts. In the event that we decide to terminate some of our employees or otherwise change our employment or labor practices, the Chinese labor contract Law and its implementation rules may limit our ability to effect those changes in a desirable or cost-effective manner, which could adversely affect our business and results of operations. As the interpretation and implementation of labor-related laws and regulations are still evolving, we cannot assure you that our employment practices do not and will not violate labor-related laws and regulations in China, which may subject us to labor disputes or government investigations and potentially penalties. If we are deemed to have violated relevant labor laws and regulations, we could be required to provide additional compensation to our employees and our business, financial condition and results of operations could be materially and adversely affected.

Uncertainties Under the Chinese Enterprise Income Tax Law (the "EIT Law")

Under the Chinese EIT Law and its implementation rules, the profits of a foreign invested enterprise generated through operations, which are distributed to its immediate holding company outside China, will be subject to a withholding tax rate of 10%. Pursuant to the Arrangement between the Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and Tax Evasion on Income (or the "Double Tax Avoidance Arrangement"), a withholding tax rate of 10% may be lowered to 5% if the Chinese enterprise is at least 25% held by a Hong Kong enterprise for at least 12 consecutive months prior to distribution of the dividends and is determined by the relevant Chinese tax authority to have satisfied other conditions and requirements under the Double Tax Avoidance Arrangement and other applicable Chinese laws. However, based on the Circular on Certain Issues with Respect to the Enforcement of Dividend Provisions in Tax Treaties, or the "SAT Circular 81," which became effective in 2009, if the relevant Chinese tax authorities determine, in their discretion, that a company benefits from such reduced income tax rate due to a structure or arrangement that is primarily tax-driven, such Chinese tax authorities may adjust the preferential tax treatment. According to Circular on Several Issues regarding the "Beneficial Owner" in Tax Treaties, which became effective in 2018, when determining an applicant's status as the "beneficial owner" regarding tax treatments in connection with dividends, interests, or royalties in the tax treaties, several factors will be taken into account. Such factors include whether the business operated by the applicant constitutes actual business activities, and whether the counterparty country or region to the tax treaties does not levy any tax, grant tax exemption on relevant incomes, or levy tax at an extremely low rate. This circular further requires any applicant who intends to be proved of being the "beneficial owner" to file relevant documents with the relevant tax authorities. We own majority stakes in our Chinese subsidiaries through our Hong Kong subsidiary. However, we cannot assure you that our determination regarding our qualification to enjoy the preferential tax treatment will not be challenged by the relevant Chinese tax authority, or we will be able to complete the necessary filings with the relevant Chinese tax authority and enjoy the preferential withholding tax rate of 5% under the Double Tax Avoidance Arrangement with respect to dividends to be paid by our Chinese subsidiaries to our Hong Kong subsidiary, in which case we would be subject to the higher withdrawing tax rate of 10% on dividends received.

Chinese Governmental Control of Currency Conversion

The Chinese government imposes control on the convertibility of its currency, the Renminbi, into foreign currencies and, in certain cases, the remittance of currency out of China. We receive a majority of our revenues in Renminbi, which currently is not a freely convertible currency. Restrictions that the Chinese government imposes on currency conversion may limit our ability to use revenues generated in Renminbi to fund our expenditures denominated in foreign currencies or our business activities outside China. Under China's existing foreign exchange regulations, Renminbi may be freely converted into foreign currency for payments relating to current account transactions, which include, among other things, dividend payments and payments for the import of goods and services, by complying with certain procedural requirements. To date, our Chinese subsidiaries have been able to pay a management fee in foreign currencies to Tenet without prior approval from China's State Administration of Foreign Exchange ("SAFE"), by complying with such procedural requirements. Our Chinese subsidiaries may also retain foreign currency in their respective bank accounts for use in payment of international current account transactions. We cannot assure you, however, that the Chinese government will not, at its discretion, take measures in the future to restrict access to foreign currencies for current account transactions. Conversion of Renminbi into or from foreign currencies such as the Canadian dollar for payments relating to capital account transactions, including investments and loans, generally requires the approval of SAFE and other relevant Chinese governmental authorities. Restrictions on the convertibility of the Renminbi for capital account transactions could affect the ability of our Chinese subsidiaries to make investments overseas or to obtain foreign currency through debt or equity financing, including by means of loans or capital contributions from us. If we fail to receive any such required approvals, our ability to use our revenues and to capitalize our Chinese operations may be impeded, which could adversely affect our liquidity and our ability to fund and expand our business.

Substantial Doubt re Ability of our Chinese Operating Subsidiaries to Continue as Going Concern

While we generated a profit for the first time in our history in the third quarter of 2021, substantial doubt remains as to our ability to continue as a going concern. Moreover, even if we achieve sustained profitability, Chinese government restrictions surrounding the transfer of funds outside of the country, as discussed above under "**Repatriation of Profits or Transfer of Funds from China to Canada**", could restrict our ability to have timely access to profits or cash flows generated by our subsidiaries to meet our financial obligations outside of China and could threaten our ability to continue as a going concern.

Unauthorized Use of the Chops of our Chinese Subsidiaries

In China, a company chop or seal serves as the legal representation of the company towards third parties even when unaccompanied by a signature. Each legally registered company in China is required to maintain a company chop, which must be registered with the local public security bureau. In addition to this mandatory company chop, companies may have several other chops which can be used for specific purposes. The chops of our Chinese subsidiaries are generally held securely by personnel designated or approved by us in accordance with our internal control procedures. To the extent those chops are not kept safe, are stolen or are used by unauthorized persons or for unauthorized purposes, the corporate governance of these entities could be severely and adversely compromised and those corporate entities may be bound to abide by the terms of any documents so chopped, even if they were chopped by an individual who lacked the requisite power and authority to do so. If any of our authorized personnel obtains, misuses or misappropriates our chops for any reason, we could experience disruptions in our operations. We may also have to take corporate or legal action, which could require significant time and resources to resolve while distracting management from our operations. Any of the foregoing could adversely affect our business and results of operations. Please see "Chops" below for more information.

Difficulties for Overseas Regulators Conducting Investigations or Collecting Evidence within China

Shareholder claims or regulatory investigations that are common in Canada or the United States generally are difficult to pursue as a matter of law or practicality in China. For example, in China, there are significant legal and other obstacles to providing information needed for regulatory investigations or litigations initiated outside China. Although the authorities in China may establish a regulatory cooperation mechanism with the securities regulatory authorities of another country or region to implement cross-border supervision and administration, such cooperation with the securities regulatory authorities in Canada or the United States may not be efficient in the absence of mutual and practical cooperation mechanism. Furthermore, according to Article 177 of the Chinese Securities Law, no overseas securities regulator is allowed to directly conduct investigation or evidence collection or other similar activities within the Chinese territory. No entity or individual may provide documents or information related to securities business activities to overseas entities without prior consent of the competent Chinese securities regulatory authority. While detailed interpretation of or implementation rules under Article 177 have yet to be promulgated, the inability for an overseas securities regulator to conduct investigation or evidence collection activities directly within China may further increase the difficulties shareholders face in protecting their interests.

Service of Legal Process

We are a Canadian company and conduct substantially most of our operations in China, and substantially most of our assets are located in China. Certain of our officers and directors reside in China. As a result, it may be difficult or impossible for you to effect service of process upon us or those persons inside mainland China. It may also be difficult or impossible for you to enforce in U.S. or Canadian court judgments obtained in U.S. or Canadian courts against us and our officers and directors. In addition, there is uncertainty as to whether the courts of China would recognize or enforce judgments of U.S. or Canadian courts against us or such persons predicated upon the civil liability provisions of the securities laws of the United States, Canada or any other state. If you are unable to bring a U.S. or Canadian claim or collect on a U.S. or Canadian judgment, you may have to rely on legal claims and remedies available in China or other overseas jurisdictions where we maintain assets. The claims and remedies available in these jurisdictions are often significantly different from those available in the United States and Canada and difficult to pursue. The recognition and enforcement of foreign judgments are provided for under the Chinese Civil Procedures Law. Chinese courts may recognize and enforce foreign judgments in accordance with the requirements of the Chinese Civil Procedures Law based either on treaties between China and the country where the judgment is made or on principles of reciprocity between jurisdictions. China does not have any treaties or other forms of written arrangement with the United States that provide for the reciprocal recognition and enforcement of foreign judgments. In addition, according to the Chinese Civil Procedures Law, the Chinese courts will not enforce a foreign judgment against us or our directors and officers if they decide that the judgment violates the basic principles of Chinese laws or national sovereignty, security, or public interest. As a result, it is uncertain whether and on what basis a Chinese court would enforce a judgment rendered by a court in the United States or Canada.

Risks relating to auditor oversight

The Company operates in a foreign jurisdiction (China) where the laws governing corporations differ from the laws of Canada. Even though the Company is audited annually by independent auditors, the Canadian Public Accountability Board's (CPAB) inspection activity of reporting issuers with foreign operations is often limited to engagement files accessible only in Canada as it currently has no legal means to compel access to work completed by component auditors that are located in China. Without access to component auditor working papers in foreign jurisdictions, CPAB is restricted in fulfilling its mandate. CPAB inspects selected high-risk sections of public accounting firm audit engagement files and evaluates the quality management systems of those firms. Investors should be concerned when foreign laws and regulations impede or reduce the level of auditor oversight that they have come to expect in Canada. Certain countries, including China, continue to prevent CPAB from inspecting the audit work of Canadian public companies conducted in their jurisdictions. CPAB has Memorandums of Understanding (MOUs) with audit regulators in nine countries, however, even with the MOU agreements currently in place, CPAB has no legal authority to compel cooperation from foreign audit regulators or component auditors.

Guarantee Arrangement Risks

The Company benefits from a guarantee provided by its non-controlling shareholder in ASFC subsidiary in respect of certain obligations arising from its loan portfolio in case of default from the borrowers. As credit conditions evolve, including potential deterioration in the performance of the underlying loans, the likelihood that the Company will need to rely on the guarantee may increase.

An increased reliance on the guarantee may expose the Company to heightened counterparty risk and may adversely affect liquidity and financial condition if recoveries under the guarantee are delayed, contested, or otherwise insufficient to cover realized losses. In addition, the guarantee does not eliminate the Company's exposure to credit risk but rather transfers a portion of such risk to the Guarantor, whose financial capacity may be affected by similar macroeconomic or sector-specific factors impacting the Company's borrowers.

In assessing the financial capacity of the Guarantor, the Company may rely, in part, on financial information that has not been independently audited. Such information may not have been prepared in accordance with IFRS or may lack the rigor and internal controls associated with audited financial statements. As a result, there can be no assurance that such information accurately reflects the Guarantor's financial condition, results of operations, or ability to perform its obligations under the guarantee. Any misstatement, omission, or delay in receiving updated financial information could impair the Company's ability to effectively monitor counterparty risk and may result in an overestimation of the Guarantor's financial capacity.

The Company is exposed to the risk that the Guarantor may not have sufficient financial resources to satisfy its obligations under the guarantee, particularly in circumstances where the Guarantor is subject to financial stress, liquidity constraints, or adverse changes in its business environment. Furthermore, even if the Guarantor has the financial capacity to perform, there is a risk that it may fail or be unwilling to fulfill its obligations in a timely manner, whether due to operational challenges, disputes regarding the scope or enforceability of the guarantee, or other factors. Any failure by the Guarantor to perform its obligations when required could have a material adverse effect on the Company's financial position, results of operations, and cash flows.

Certain relationships between the Company and the Guarantor, including overlapping management, ownership, or other affiliations, may give rise to actual or perceived conflicts of interest. These relationships may influence decision-making processes relating to the administration of the guarantee, enforcement actions, or the assessment of the Guarantor's financial condition. Such conflicts could result in less rigorous monitoring of the Guarantor's performance or delayed enforcement of rights under the guarantee. To mitigate these risks, the Company has implemented governance measures, including:

- oversight by independent members of the board of directors;
- segregation of duties between personnel responsible for credit assessment and those involved in managing the relationship with the Guarantor; and
- periodic review of the Guarantor's financial condition and compliance with guarantee terms.

However, there can be no assurance that these measures will be effective in identifying or addressing all conflicts of interest on a timely basis.

Nominee Shareholder Agreement Risks

As stated in the "Corporate Structure" section of this MD&A, the Company owns its 51% stake in its ASFC subsidiary through a series of nominee shareholder agreements ("**NSAs**). NSAs are functionally equivalent to a variable interest entity (VIE) structure, commonly used by foreign issuers operating in the PRC to facilitate foreign investment. The ownership structure was recommended to the Company at the time of the creation of ASFC because ASFC would be operating in the micro loan industry, which was believed to have foreign ownership restrictions and was subject to strict regulatory guidelines that could be challenging for foreign entities to navigate. The Company's NSAs allow it, as the beneficial owner of the shares in ASFC, to retain all economic rights, such as dividends, capital gains, and voting rights associated with the shares despite not appearing on the government register as the registered shareholder of the shares. While there are advantages to holding shares through the NSAs, there are also certain risks associated with such structures. Owning equity in a company through a nominee shareholder agreement may not be as effective as direct ownership of the shares. If the nominee shareholders were to breach their contractual obligations or act in a manner inconsistent with the interests of the Company, the Company's ability to control ASFC could be materially and adversely affected. Furthermore, while the Company believes that the NSAs would be enforceable, this had not been tested as of the date of this MD&A and therefore there could be no certainty that the NSAs would be enforceable under Chinese law. If Chinese courts or regulatory authorities were to determine that the NSAs do not comply with applicable laws or regulations, the Company may be required to restructure ASFC's operations or could lose the ability to consolidate the financial results of ASFC. The nominee shareholders who hold legal title to the Company's equity interests in ASFC may have potential conflicts of interest with the Company. While such shareholders have entered into agreements intended to ensure that they act solely on behalf of the Company and its interests, there can be no assurance that such individuals will not breach these agreements or that the Company will be able to effectively enforce its contractual rights. The following provides more details on each of the specific risks associated with the Company's NSAs.

The Company's ASFC Chinese financial services subsidiary was created by the Company, and strategic minority partner Jiudong, to serve the Company's purposes of providing an example to other Chinese financial services companies that the Company's data analysis services could be used to safely make loans to SMEs. It was therefore very important that the Company be able to control ASFC's relevant activities, while at the same time respecting China's prevailing regulations at the time of the creation of ASFC, which limited direct foreign ownership of Chinese financial services companies. Following consultations with its Chinese counsel, the Company and Jiudong implemented a nominee shareholder ownership structure for ASFC that would allow the Company to both control ASFC and respect the prevailing Chinese regulations. The Company therefore indirectly owns its 51% stake in ASFC through a total of four nominee shareholder agreements between its Chinese holding subsidiary Wuxi Aorong Ltd. and four separate entities. Two of the nominee shareholder agreements are with two individual shareholders of Jiudong, one with a company belonging to a shareholder of Jiudong and the fourth one with Jiudong itself.

According to ASFC's articles of association, the shareholders of the company are its organ of authority. The shareholders have the power to determine the company's operating principles and investment plans. Given that ASFC's operating principles and investment plans, as a financial service provider, have a direct impact on its revenue and profits, they would qualify as ASFC's relevant activities under IFRS 10. In other words, the shareholders ultimately have decision-making authority over ASFC's relevant activities. ASFC's articles of association go on to say that the shareholders' right to vote is in proportion to their contributed the capital. Given that the nominee shareholder agreements recognize that the Company is the actual contributor of 51% of ASFC's registered capital and that the nominee shareholders have a contractual obligation to act according to the Company's directions, the Company, through the nominee shareholder agreements, therefore has decision-making authority over ASFC's relevant activities.

The Company's ability to direct the relevant activities of ASFC, through the nominee shareholders, also means that it is able to affect ASFC's financial performance, and by the same token, the return on investment to which it is entitled as a shareholder of ASFC. The Company's collective substantive rights over ASFC satisfy all three major elements of IFRS 10 to conclude that the Company, through its nominee shareholders, has effective control over ASFC. The Company confirms that there were no changes to the judgments or assumptions in determining that it controls ASFC during the reporting period, and no transfers of funds from ASFC to the Company had occurred as of the date of this MD&A.

The Company estimates that if control over ASFC were lost, the potential consequences and accounting impacts would include an approximate $19 million net loss in the consolidated financial statements due to the deconsolidation of ASFC's net assets, primarily consisting of loans receivable and cash balances. In addition, the Company would lose approximately $1 million in annual revenues generated by this subsidiary. The total revenue impact would represent approximately 12% of total revenues for FY2025, compared to 28% in FY2024.

Structure Legality Risk

The PRC government may determine that the NSAs are not in compliance with applicable PRC laws, rules and regulations. Our contractual arrangements with the nominee shareholders are intended to provide us with effective control and the ability to receive substantially all of the economic benefits and absorb substantially all of the risks arising from ASFC's operations.

Although our PRC counsel has advised that the NSAs are valid and enforceable under current PRC law, there can be no assurance that PRC regulatory authorities or courts will reach the same conclusion. If the NSAs are determined to be in breach of existing or future PRC laws or regulations, the relevant regulatory authorities would have broad discretion in dealing with such breach, including:

- imposing economic penalties;
- discontinuing or restricting the operations of ASFC or its management;
- imposing conditions or requirements in respect of the NSAs with which ASFC or its management may not be able to comply;
- requiring us to restructure our ownership structure or operations;
- taking other regulatory or enforcement actions that could adversely affect our business; and
- revoking business licenses or certificates of ASFC's management, and/or voiding the NSAs.

Any of these actions could materially and adversely affect our ability to manage, operate and derive financial benefits from ASFC, and could cause the value of our securities to decline significantly or become worthless. In addition, changes in PRC laws or their interpretation may further increase the risk that the NSAs could be deemed non-compliant.

Contract Enforceability Risk

Our ability to control ASFC and obtain economic benefits from it depends on the enforceability of the NSAs under PRC law. If ASFC or its nominee shareholders fail to perform their obligations, we may need to incur substantial costs and resources to enforce such arrangements and rely on legal remedies available under PRC law.

The NSAs are governed by PRC law and provide that disputes will be submitted to arbitration before the Shanghai International Arbitration Center. However, arbitral awards may be difficult to enforce in the PRC, particularly where regulatory considerations or public policy are involved. We cannot be sure that remedies such as specific performance, injunctive relief or damages would be effective in ensuring compliance or recovering losses.

Uncertainties in the PRC legal system, including in the interpretation and enforcement of laws, regulations and policies, may further limit our ability to enforce the NSAs and protect our interests.

Lack of Ownership Risk

We do have direct equity ownership of ASFC through our NSAs, and our control over ASFC is based solely on contractual arrangements. Investors in our securities are not purchasing equity interests in ASFC but rather interests in us (Tenet) that relies on such contractual arrangements.

We conduct ASFC's business in the PRC and generate substantially all of our ASFC-related revenues through the NSAs. However, these arrangements may not be as effective as direct ownership in providing us with control over ASFC. If we are unable to effectively control ASFC, or if the NSAs are terminated or found unenforceable, our ability to achieve our business objectives and grow our revenues could be materially and adversely affected.

Government Intervention Risk

ASFC operates in a sector where the PRC government may restrict foreign investment and may therefore intervene or influence ASFC's operations at any time. Such intervention may relate to the interpretation or enforcement of laws and regulations applicable to our NSAs corporate structure and contractual arrangements.

Any such governmental action could result in a material change in our operations, require us to restructure our corporate arrangements, or otherwise adversely affect the value of our securities.

Tax Risk

ASFC generates revenues through payments received under the NSAs. If the PRC tax authorities determine that these arrangements were not entered into on an arm's length basis, they may adjust our income and expenses for PRC tax purposes.

Such adjustments could result in increased tax liabilities, penalties or other adverse financial consequences. The PRC tax authorities may also conduct transfer pricing reviews of the contractual arrangements, which could further increase our tax exposure.

Conflicts of Interest

The principal nominee shareholders of ASFC, including Mr. Changsheng Zhuo and Mr. Kelong Chen, who are also senior management and directors of ASFC, may have interests that differ from those of the Company. Conflicts of interest may arise that require shareholder or board action to resolve.

We do not have arrangements in place to specifically address such conflicts, nor do we maintain independent governance mechanisms to resolve them. There can be no assurance that these individuals will act in our best interests or that any conflicts will be resolved in our favor. If they fail to do so, or if they breach the NSAs, our business, financial condition and results of operations could be materially and adversely affected.

In addition to being shareholders of the Issuer, Mr. Changsheng Zhuo and Mr. Kelong Chen are also shareholders of Jiudong, the guarantor of the loans, and therefore may have conflicts of interest between their role at ASFC, their ownership of shares of the Issuer, and their ownership of the guarantor. Despite these potential conflicts of interest, the Company does not believe that the roles played by Mr. Chen and Mr. Zhuo in the guarantee provided by Jiudong on ASFC's loans would be sufficient to influence the Company's share price to their potential benefit. ASFC accounts for a limited portion of the Company's activities and cannot, on its own, drive or distort the Company's share price. The Company's market valuation reflects the overall financial condition, growth prospects, risk profile, and operational performance of the Company as a whole. Whether or not some ASFC loans are guaranteed would not have a significant enough impact, nor the scale or market visibility, required to influence the Company's share price movements and therefore confer any meaningful benefit to individual shareholders, including Mr. Chen or Mr. Zhuo."

With respect to the assessment of the guarantee, the Issuer does not rely on Mr. Zhuo or Mr. Chen in their personal capacities. The validity and enforceability of the guarantee are evaluated based on:

- The contractual terms of the guarantee, which are legally binding and enforceable; and
- The recurring liquidity and short-term financial position of the guarantor, assessed through periodic review of its financial statements.

Accordingly, the Company's reliance is on objective contractual rights and financial information, not on the judgment or discretion of the two individuals.

In addition, resolving such conflicts may require legal proceedings, which could be costly, time-consuming and uncertain.

Licensing Dependency

ASFC operates in China through licenses, approvals and permits held by ASFC and its management. We do not directly hold these licenses and permits.

There is no assurance that ASFC will be able to renew or maintain these licenses and permits on commercially reasonable terms, or at all. The NSAs may not be effective in providing us with control over the application for or maintenance of such licenses. If ASFC fails to comply with applicable regulatory requirements, loses required licenses or permits, or becomes unable to perform its obligations, our operations, reputation and business could be materially and adversely affected.

Accounting / Consolidation Risk

We consolidate the financial results of ASFC in our consolidated financial statements as we are considered its primary beneficiary due to the contractual arrangements of the NSAs. In 2024, we derived approximately $790,000 of our revenues from ASFC through these arrangements.

If the NSAs are found to be unenforceable, or if we are otherwise deemed not to have effective control over ASFC, we may no longer be able to consolidate its financial results. This would materially affect our financial statements, and substantially all of our revenues and assets derived from ASFC could be excluded, which could have a material adverse effect on the value of our securities.

Additional Structural and Legal Uncertainty

There are substantial uncertainties regarding the interpretation and application of PRC laws and regulations, including those governing ASFC's business and the enforcement of our contractual arrangements through the NSAs. These laws and regulations are evolving and may be subject to change or differing interpretations, including potential retroactive application.

If we are found to be in violation of applicable PRC laws or regulations related to the NSAs, we may be subject to sanctions or other regulatory actions in the PRC, which could materially and adversely affect our business.

Summary of Risk Factors Related to Nominee Shareholder Agreement Structure
In summary, the risks and uncertainties related to our NSA structure include:

- limited ability of our shareholders to influence ASFC governance;
- potential divergence of interests between ASFC and our company;
- reliance on contractual arrangements rather than equity ownership;
- regulatory risks and uncertainties associated with the NSA structure;
- limitations of contractual arrangements in providing control;
- potential failure by ASFC or its nominee shareholders to perform their obligations;
- potential loss of access to licenses, approvals and assets held by ASFC;
- conflicts of interest involving nominee shareholders and management; and
- potential scrutiny of the contractual arrangements by PRC tax authorities.

The materialization of any of these risks and uncertainties, including if the nominee shareholder structure related to ASFC was deemed not to comply with Chinese regulations, or if the regulations change or are interpreted differently in the future, may cause the Company to lose its contractual rights over ASFC, which may cause an investment in the Company's securities to suffer significant economic losses or even become worthless.

New Data-derived Product Offering Risk in China

The Company recently put a lot of effort into positioning its operations in China to put more emphasis on data and on the development of certain new data-derived products. Although the Company has carefully reviewed China's data privacy regulations and obtained professional advice related to these regulations, there can be no assurance that the Company's intended data-driven product offerings in China will comply with all applicable Chinese data privacy regulations or that the Company will be successful in commercializing these new data-derived products. If the Company is unable to sell and distribute its new data-derived products in China, whether due to regulatory matters or for any other reason, the Company would be deprived of an important source of new revenue, which could materially and adversely affect the business, financial condition, and results of the Company.

Data-driven Business Model Risk

It is important to note that, despite having generated significant revenue from its Chinese operations in the past, the Company is still a development stage company given that it is considered to be a data-driven company with an unproven product offering. While the Company has conducted extensive market research to assess the potential demand for its ie-Pulse product offering, there are no guarantees that the commercialization of the ie-Pulse product offering will be successful. Given the Company's positioning as a data centric company and the critical role that ie-Pulse and future data-derived products are expected to have on its revenue, the Company's overall business, financial condition and operating results could be materially and adversely affected if it is unable to successfully commercialize ie-Pulse or its future data-derived products.

Mobile app version of the Cubeler platform

Before an app can be published on the App Store in China, the app publisher first needs to submit an application through the official Ministry of Industry and Information Technology ("**MIIT**") filing system to obtain an Internet Content Provider (ICP) license. The submitted application must include the complete app technical specifications, the publisher's business license and legal entity documentation, the legal representative and network security officer ID information, relevant app screenshots and functionality descriptions. The application and review process typically takes 2 to 4 weeks to complete. Depending on features and functionalities, some apps may require additional licenses before initial publication or prior to the release of any subsequent version. In the Company's case, the Company will be going through the application and app publishing process of the Chinese version of the Cubeler mobile app (the "**Cubeler App**") through its ASDS subsidiary. The initial version of the Cubeler App will offer limited functionalities of the Cubeler platform and will not include instant messaging (IM) capabilities. Apps that offer IM capabilities must also obtain a Value-Added Telecommunications Business (VATB) license before publication. The Company plans to add the IM feature to the Cubeler App at a later date, at which point the Company will resubmit the Cubeler App with the new feature to obtain the VATB license before the release of the upgraded version. The application and review process to obtain the VATB license can take anywhere between 1 to 3 months to complete. In the meantime, initial users of the Cubeler App will be able to communicate through the Networking feature of the app by posting messages where only registered members will be able to read and respond to them.

The Company will also ensure that the Cubeler App meets the following general requirements for all apps to be published in China:

- **Privacy Policy and User Agreement: Must clearly state data usage and permissions**

This requirement will be met by having users accept appropriate terms of use and privacy policy agreements on the login and registration screens of the Cubeler App.

- **Content Security Review Mechanism: Includes sensitive word filtering and public opinion monitoring**

The Cubeler App will not offer news content to its users, nor will anonymous users be able to use the app. All Cubeler App users will be business users whose identities will be verified and cross-checked with their affiliated businesses' registration documents. Any content inputted or uploaded to the app by users will be filtered by an AI based sensitive word filter system.

- **Data Localization and Log Retention: All user data must be stored within mainland China**

The Cubeler App will store all user collected data locally on servers located in China. Once the Company has met all the requirements and obtained the necessary licenses for the Cubeler App, it will create an account on the App Store and submit the Cubeler App and accompanying documents to the App Store for review and approval. The App Store review and approval process in China typically takes 1 to 4 weeks. Once approved, the Company will be notified that the Cubeler App is available for download on the App Store. The Company would like to point out that several of its employees in China have gone through the app publishing process in the past and are therefore very familiar with the process.

The Cubeler mobile app was still in development as of the date of this MD&A. A beta version was released on the App Store in Canada in Q1 2026 with a full release planned by the end of Q2 2026.

The Company plans to allow communications between users in China and users outside of China through the mobile app's networking feature by posting messages in the "**International Business Opportunities**" section of the Cubeler platform where registered members outside of China will be able to read and respond to the messages supported by a built-in translation feature. The Chinese government requirements for the "Content Security Review Mechanism" will be addressed as described above.

The Company's regulatory assessment in connection with cross-border data transmission or communication features of the platform consisted in consulting with its legal counsel in China on the subject. Through those consultations, it was determined that the Company could proceed with the intended features as long as the above-mentioned requirements above were met and the cross-border data transfer rules mentioned below were respected.

The Cubeler App is intended for use only by business owners and business executives. It is not an app destined for the general population. Although Google Play is not accessible to the general public in China, business owners, particularly those involved in trade outside of China, can apply to obtain a VPN from a Chinese telecom service provider that allows them to access Google Play and download apps for business purposes. But understanding that this process may not be known to some of the Company's target clientele, the Company also plans to make the app available in China on some of China's most popular third-party app stores and the app stores of some of the largest Android device manufacturers, such as Baidu, Huawei, Xiaomi, Samsung and Tencent.

Given that the process to have the app published on Google Play and Android app stores is relatively simple, the Company was also expecting it to be available for download on Google Play in North America and on some of the most popular Android app stores in China by the end of Q2 2026.

Conducting Business in Emerging Market Jurisdictions

Through its various subsidiaries, the Company operates in several industrial sectors in China and is therefore subject to each of the regulatory requirements applicable to these industrial sectors. These regulatory requirements include those of a general nature applicable to all the Company's subsidiaries such as the requirement to maintain valid business licences, operate within their approved business scopes, complete periodical filings with regulatory authorities, and obtain sector-specific permits where applicable. But there are also regulatory requirements more specific to foreign ownership and certain sectors of economic activity, which could pose certain risks to the Company's operations in China. Although the Company services businesses operating in various industries through different technology platforms, the common denominator of the Company's operations in China is the gathering, aggregation and analysis of industrial and economic data. The Company gathers and analyses SME data to enable partnering financial institutions to assess SME creditworthiness more efficiently and to provide customized financing solutions via proprietary platforms. The Company's operations are therefore particularly sensitive to Chinese regulations specific to data processing and data security.

Although it was determined that no specific permit or license is required on the part of the Company to operate in the space, the Company's operations in China are subject to a complex regulatory regime governing data processing, network security. Depending on the level of system integration with its financial institution partners, the Company's business model may also trigger obligations under financial data governance rules, such as the *People's Bank of China's ("**PBoC**") Guidelines on Financial Data Security* and the *National Financial Regulatory Administration*'s supervisory measures on data sharing and third-party risk management by financial institutions. As of the date of this MD&A, an assessment of the Company's business model, validated by local government authorities, determined there was no integration between the Company's platforms and the systems of its financial institution partners, which meant that the Company did not have to ensure that its data management policies align with financial regulators' standards on data classification and outsourcing.

As the operator of a network-based data processing platform, the Company is required to establish internal data protection governance mechanisms (including a data protection officer and incident response system), implement technical safeguards such as encryption, access control, and anonymization, conduct regular cybersecurity and compliance audits, and report data security incidents to local Cyberspace Administration of China ("**CAC**") and industry regulators within the prescribed timeframe.

The Company collects, aggregates and analyses Enterprise Operational Data (**EOD**), which includes business registration details, trial balance accounting data, financial statements, transaction records, supplier and client lists, and credit information. Under the Chinese data classification and hierarchical protection system, data is classified and graded according to its importance to national security, economic interests, and individuals' rights. The most sensitive data that may have a grave impact on national security, the lifeline of the economy, and people's livelihoods is classified as "**core data**". "**Important data**" ranks below "core data" but is still regarded as a high-risk category, whereas "general data" is regarded as common and relatively low risk data. In 2025, it was established that the EOD collected, and expected to be collected in the future, by the Company did not constitute "important data" but rather constituted "general data" under the applicable laws and regulations, which meant that the Company would not need to create a new data science subsidiary specifically to deal with the data. The determination was based on the fact that the data primarily concerns individual SMEs' operational and financial information without direct relevance to national security, critical industries, or large-scale datasets. However, this assessment should be treated with caution. The regulatory authorities, including the CAC, have yet to release an exhaustive definition or quantitative threshold for "important data", and enforcement practice has shown a tendency toward expansive interpretation in sectors deemed sensitive or economically significant. Therefore, it cannot be ruled out that, in the future, regulators may adopt a stricter view - particularly if the Company's aggregated datasets reach a certain scale or are used in ways that affect regional economic stability or financial market integrity. In such eventuality, the Company may have to redesign its data architecture, which may have a material impact in the way the Company operates in China or may prevent the Company form operating at all under its current business model.

The regulatory requirements in China regarding the flow of funds between Chinese operating subsidiaries and their foreign parent companies are also of important relevance to the Company. Under Chinese regulations, foreign-invested enterprise ("**FIE**"), such as the Company's subsidiaries, can legally send money to their foreign parent companies through several established, regulated channels and processes.

While there are several ways Chinese FIEs to send profits to their foreign parent companies, it is highly recommended that Tenet use only the following two ways to achieve its profit repatriation objectives based on Tenet's ownership structure and business model in China:

1. Dividend Distribution
Tenet would be entitled to receive dividend payments from the net profits of a subsidiary after the close of the subsidiary's financial year under the conditions below and by following the identified steps.

- **Requirements:**
  - **Annual Audit:** The subsidiary must complete its annual statutory audit, usually between January and April, to verify net profits.
  - **Offset Losses:** The subsidiary's previous years' accumulated losses must be fully covered. Dividends can only be distributed out of accumulated profits.
  - **Statutory Reserve Fund:** 10% of after-tax profits must be allocated to a reserve fund until it reaches 50% of the subsidiary's registered capital, which means that not all the subsidiary's profits may be eligible for repatriation.
  - **Capital Contribution:** All the subsidiary's registered capital must be fully injected.

- **Steps**
  1. **Annual Audit:** The first step in the dividend payment process would be to complete the subsidiary's annual audit. The annual audit involves producing a statutory annual audit report, a corporate income tax (CIT) reconciliation report, and reporting to relevant government bureaus. Relevant procedures and key considerations vary slightly by region and entity type. The tax authorities will also confirm the maximum profit amount that can be repatriated based on the net profit indicated in the financial reports. The annual audit process can only be used to repatriate the profits acquired in the past accounting year. To remit past years' profits, or postpone profit repatriation to next year, due to cashflow concerns, an additional special audit report would be required. This audit verifies the company's financial performance and confirms its official net profit.
  2. **Profit Distribution Board Resolution:** The subsidiary's board of directors needs to draft and pass a resolution to formally approve the distribution of the subsidiary's profits to its shareholders, which in this case would be Tenet, specifying the amount to be distributed. For accumulated profit in past years, the resolution would need to have been adopted prior to the special audit.

3. **Tax Clearance:** The subsidiary must ensure that all applicable Chinese taxes, primarily the Corporate Income Tax (CIT), are fully paid. The standard CIT rate is 25%.

4. **Allocation to Statutory Reserves:** Chinese law requires companies to allocate at least 10% of their after-tax profits to a statutory reserve fund until this fund reaches 50% of the company's registered capital. These funds cannot be distributed as dividends.

5. **Withholding Tax Payment:** The subsidiary must ensure to withhold the applicable tax and complete the required filing with the tax bureaus in charge within seven days that the tax obligation arises. Although it is possible to pay all withholding tax at once during the annual CIT reconciliation process, this would not be recommended considering the compliance risks that this might pose.

6. **Bank Application:** The final step in the process would be for the subsidiary to take all the required documentation, including the audit report, tax receipts, and board resolution, to the subsidiary's bank to submit an application to process the foreign exchange and execute the dividend payment transfer to the foreign parent company.

The overall regulatory framework governing outbound dividend payments has remained materially stable in recent years, with no substantive changes to the basic remittance mechanism. Before distributing dividends, the FIE must confirm that it has sufficient distributable dividends based on an annual statutory audit, after offsetting accumulated losses and allocating the required statutory reserve in accordance with the applicable laws. The dividend distribution must be duly approved by the board of directors or shareholders pursuant to the company's articles of association.

For tax purposes, the FIE is required to withhold and remit enterprise income tax on the dividend, generally at a rate of 10%. Upon completion of the tax filing and payment, and after obtaining the relevant tax payment certificate, the FIE may apply to its bank to remit the dividends overseas by submitting supporting documents, such as the board resolution, audited financial statements, dividend calculation schedule, and tax certificate.

As dividend payments fall under current account transactions, no ODI filing or capital account registration is required. There is no quota or cap on outbound dividend payments under applicable laws, provided that the company has sufficient lawful distributable dividends and has fulfilled the required procedures.

In terms of timing, in practice, if the audit has already been completed and documentation is in order, the entire dividend remittance process can usually be completed within approximately two to three weeks, subject to the specific circumstances of the company and the bank's review process.

2. Intercompany Payments (Service Fees & Royalties)

It is also recommended that Tenet utilizes the fact that it has licensed technology to its subsidiaries as a means to legally repatriate funds from its subsidiaries to Canada. Remitting money for services or intellectual property provided by the parent company is another common, more flexible, way than annual dividend payments for FIEs to send funds to their foreign parents. Such payments can either be in the form of service fees or royalties. Both types of payment involve the same following steps.

1. **Contract registration with local tax bureau:** The first step in the process involves the registration of the service or royalty contract with the subsidiary's local tax bureau. The contract must be genuinely beneficial to the FIE and meet the "arm's length" principle (priced as if between independent parties).

2. **Withholding Tax Payment:** Services rendered outside China are exempt from CIT, while services rendered of deemed to be rendered in China will be subject to CIT at 25%, calculated on the deemed profit rate of 15% to 50%. The subsidiary should specify the offshore services that it received in the relevant service agreements, and be prepared to clarify the nature of the services in case the tax bureau decides to investigate. The subsidiary needs to complete applicable withholding value-added tax (VAT) and withholding CIT filings, respectively, within the mandated period.

3. **Bank Application:** The final step in the process would be for the subsidiary to take all the required documentation – such as service/royalty contract, invoice from service provider or any other documents that can prove the authenticity and rationality of the transaction – to the subsidiary's bank to submit an application to process the foreign exchange and execute the service fee or royalty payment transfer to the foreign parent company. In practice, the bank will usually examine the rationality and the authenticity of the transaction, following guidance issued by the SAFE (State Administration of Foreign Exchange).

Under Chinese laws, a local company may pay intercompany management fees or royalty fees to its overseas affiliate as current account service or royalty payments, subject to compliance with applicable corporate, tax, and foreign exchange regulations and the bank's authenticity review requirements. The regulatory framework governing such outbound payments has remained materially stable in recent years.

First, the parties must enter into a valid written agreement clearly setting out the scope of services or licensed rights, pricing, payment terms, etc. The services rendered or intellectual property licensed must be genuine and commercially reasonable. Payments for services or royalties can usually be remitted quarterly or semi-annually. In practice, both the tax authorities and the bank will review the authenticity and substance of the transaction to ensure that the fees are not disguised profit distributions or improper capital transfers.

From a tax perspective, cross-border management fees generally fall within the scope of VAT on cross-border services, which is typically withheld and remitted by the local payer at a rate of 6% (plus surcharges). In addition, enterprise income tax withholding at a standard rate of 10% generally applies to service fees and royalties paid to non-resident enterprises. The local payer is responsible for completing the relevant tax filings and obtaining the tax payment certificates prior to remittance.

For foreign exchange and payment purposes, the bank will typically require supporting documents, including the agreement, invoice, tax payment certificates, and supporting evidence of services rendered or IP use. There is no quota or cap on outbound management fee or royalty payments under applicable law, provided that the transaction is genuine, commercially reasonable, and compliant with tax and foreign exchange requirements.

ASFC, officially registered in China as Yixing Yadong Science and Technology Micro-Credit Co., Ltd., was given approval by the Financial Affairs Office of The People's Government (FAOPG) of Jiangsu Province on May 2, 2018 to begin its commercial lending operations in Jiangsu province. The approval, still valid and in effect as of the date of this MD&A, allows ASFC to make small business loans, finance the leasing of equipment, make venture investments to medium, small and micro enterprises in the science and technology industry, provide guarantees for financing purposes, business agency services for financial institutions. In addition to these services, ASFC may engage in any other businesses authorized by the FAOPG of any other province where ASFC applies to operate. As of the date of this MD&A, ASFC had not applied to operate in any other province and was only servicing businesses either based in Jiangsu province or with at least one office location in the province. ASFC does not require any other licenses or authorizations for its intended operations. Other than the $20M originally contributed at the creation of ASFC, no additional funding was used by ASFC to originate loans, and that the same restrictions applicable to raising funds by its Chinese subsidiaries.

Reliance on a small number of major suppliers and customers in China

In 2025, approximately 80% of the Company's total revenues were generated from one customer (Chengdu Honglongyi Trading Co., Ltd.), and 100% of product purchases were sourced from two suppliers. On the supplier side, 95% of the goods/services were sourced from Xizang Jiamao Trading Co., Ltd. and 5% from Wuxi Manding Technology Co., Ltd. This reliance on so few customers and suppliers represents a significant risk to the Company's revenues. While the Company plans to take initiatives to diversify its customer and supplier base to help mitigate this risk in the future, there can be no guaranties that the Company will be successful, which means that losing one or more customer(s) or supplier(s) could have a significantly negative impact on the Company's revenue in the future.

The relationships with most of the Company's customers and suppliers were established through standard, arm's length business development activities conducted by the Company's operational team in Mainland China. The sources of these relationships vary according to the Company's diverse service offerings:

- **Fintech & Supply Chain Platform**: Customers and suppliers are typically registered counterparties on the Company's proprietary platforms (e.g., GoldRiver, LinkSteel), engaging in bundled supply chain services or raw material trading.
- **SaaS & IT Services**: Clients for software and technology services are acquired through direct sales and marketing efforts.
- **Financial Services**: Borrowers for the lending business (ASFC) are sourced through a combination of the platform's user base and referrals from partner institutions. Certain facilitation service clients (e.g., ASCS) may involve independent operational teams.

All these relationships are governed by commercial agreements negotiated on market terms and are conducted in the ordinary course of the Company's business.

The Company has determined whether any of these suppliers and customers qualify as related parties. In addition, the Company maintains an internal tracker, updated on a quarterly basis, to monitor all related party transactions by entity. None of the Company's suppliers were related parties in 2025 and only 6% of the Company's revenues recognized in 2025 were generated from related parties.

Management has determined that the Company is exposed to a significant concentration of credit risk due to its reliance on one customer. Should this customer substantially change its dealing with the Company, management is of the opinion that revenues and any financial assets would be significantly impacted and continued viable operations would be doubtful. On December 31, 2025, amounts due from this customer totaled approximately $3M representing 92% of total accounts receivable, net of expected credit losses. As of the date of this MD&A 100% of these accounts receivable were collected.

Level of understanding of carrying on business operations in China of the independent board members and, reliance on non-independent board members, related risks and plans to address such reliance

Mr. Yves Renaud, who is an independent board member of the Company and also chairs the Company's audit committee, has a good understanding of how business is conducted in China having traveled to China in the past with members of the Company's Canadian management team. While none of the independent board members of the Company are fluent in Chinese, all of the Company's board meetings are conducted in English and all relevant documents, such as partnership agreements, major contracts or business proposals, originally written in Chinese, that require the board members' attention are translated to English using existing software or translation services. The Company understands that the fact that its independent board members rely, to a certain extent, on the Company's management for their understanding of the Company's operations in China, limits their ability to be truly independent. The Company is planning to address this reliance by adding at least one more independent board member to its board of directors that is fluent in Chinse, travels to China regularly and has extensive experience conducting business in China.

Related Parties

Dealing with related parties also poses certain risks to the Company and its shareholders. Following is a copy of the Company's related party policy, which provides the guidelines under which the Company identifies, evaluates and approves related party transactions to help mitigate their potential risks to the Company:

1 OBJECTIVE OF THE POLICY

1.1 This Related Party Transaction Policy (the "**Policy**") is established by Peak Fintech Group Inc. (the "**Corporation**") as part of the Corporation's corporate governance practices. The purpose of this Policy is to provide guidelines and procedures by which the Corporation is to conduct transactions with related parties. The Corporation's board of directors (the "**Board**") recognizes that transactions with related parties may cause prejudice to the Corporation and its shareholders and that adequate safeguards for the protection of the interests of the Corporation and its shareholders is of the utmost importance.

2 DEFINITIONS

2.1 All capitalized terms in this Policy shall have the meanings ascribed to them below:

"**Board**" shall have the meaning ascribed to it in paragraph 1.1;

"**Chairman**" shall mean the chairman of the Board;

"**Close Family Member**" shall mean a spouse, a child, a parent, a blood relative living at the same civic address, or a life partner living at the same civic address;

"**Corporation**" shall have the meaning ascribed to it in paragraph 1.1;

"**Director**" shall mean a current member, whether independent or not, of the Board;

"**Executive Officer**" shall mean any named officer of the Corporation whose title begins with Chief, for example, the Chief Executive Officer, the Chief Executive Officer of China, the Chief Financial Officer, the Chief Operating Officer, the Chief Technology Officer and the Chief Analytics Officer, and any President or General Manager of a subsidiary of the Corporation;

"**Exempt Transaction**" shall mean a transaction involving the indemnification, the advancement of expenses or the reimbursement of reasonable business expenses of a Related Party made pursuant to the Corporation's articles or by-laws; a transaction entered into between the Corporation and a Subsidiary for the compensation of Executive Officers; or a transaction offered to all shareholders of the Corporation in which all shareholders of the Corporation receive the same benefits as Related Parties on a pro rata basis;

"**Material Transaction**" shall mean a transaction entered into by the Corporation that is not an Exempt Transaction whereby the Corporation stands to either spend or receive at least CAD$100,000 over the course of a 12-month period or less;

"**Policy**" shall have the meaning ascribed to in paragraph 1.1;

"**Related Party**" shall mean:

a) a Director or an Executive Officer;
b) a Close Family Member of a Director or an Executive Officer;
c) an individual known to directly or indirectly own 10% or more of the outstanding voting shares of the Corporation;
d) an entity of which a majority of the outstanding voting shares are controlled by any person described in a), b) or c) above; and
e) an entity of which any person described in a), b) or c) above is either a director, an executive officer or the beneficiary owner of an equity interest of 10% or greater.

"**Related Party Transaction**" shall mean a Material Transaction with a Related Party; and

"**Subsidiary**" shall mean a legal entity in which the Corporation controls a majority of the voting shares.

3 IDENTIFYING AND REPORTING RELATED PARTY TRANSACTIONS

3.1 Identifying and reporting Related Party Transactions is the responsibility of every Director and Executive Officer who has become aware that a proposed transaction may potentially constitute a Related Party Transaction. Any such potential transaction must be reported to the Chairman before the transaction can be entered into by the Corporation. The Chairman shall promptly arrange for the Board to meet to discuss the transaction and determine if the proposed transaction meets the criteria set out in this Policy to qualify as a Related Party Transaction.

3.2 All the relevant facts related to the transaction will be presented to the Board during the meeting. Based on the information presented, the Board will decide whether the contemplated transaction qualifies as a Related Party Transaction. The Committee (or the Chair) shall approve only those Related Party Transactions that are in, or are not inconsistent with, the best interests of the Company and its stockholders, as the Committee (or the Chair) determines in good faith.

4 REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

4.1 If a proposed transaction is deemed to be a Related Party Transaction by the Board, the Board will conduct a thorough review of the proposed Related Party Transaction before voting on whether or not to approve the proposed Related Party Transaction.

4.2 No Director shall participate in a vote to consider the approval of any Related Party Transaction with respect to which such Director is the Related Party to the Related Party Transaction.

4.3 The Board may approve a Related Party Transaction only if the Board determines in good faith that, in all circumstances and after considering all available facts presented to the Board, the Related Party Transaction is in the best interests of the Corporation and its shareholders.

4.4 If it is not practicable for the Board to approve a Related Party Transaction in advance, the Corporation and the Related Party may enter into the Related Party Transaction on the express condition that the Related Party Transaction is subject to and will be effective only upon the ratification thereof by the Board.

4.5 If the Corporation becomes aware of a Related Party Transaction that has not been approved under this Policy, the Related Party Transaction shall be reviewed and, if appropriate, ratified by the Board in accordance with the procedures set forth in this Policy. If the Board determines not to ratify a Related Party Transaction that has been entered into without approval, the Board may require the Corporation to take such action in relation to the Related Party Transaction as it deems necessary or desirable in the circumstances, including immediate discontinuance or rescission of the Related Party Transaction or require that amendments be made to the Related Party Transaction to make it acceptable for ratification by the Board.

5 DISCLOSURE OF RELATED PARTY TRANSACTIONS

All Related Party Transactions that are required to be disclosed in the Company's public filings shall so be disclosed in accordance with applicable Canadian securities laws and regulations.

Specific sector volatility risks

The Company is exposed to the risks associated with operating in, or having exposure to, customers in certain industries in accordance with items 1.2 and 1.4(g) of Form 51-102F1.

A number of the Company's customers operate in industries that are exposed to commodity price fluctuations and broader economic cycles. Continued volatility in commodity prices, including steel, energy or other industrial commodities, or deterioration in economic conditions, may adversely affect the ability of these customers to meet their financial obligations to the Company. While the Company's customer base is diversified across industries, adverse conditions in one or more materially exposed sectors may still affect overall loan performance, credit losses, liquidity and profitability.

The Company's assessment of credit risk incorporates the potential for deterioration in economic conditions affecting specific sectors. Certain SME customers with exposure to the steel commodity sector have experienced liquidity constraints and operating challenges due to external volatility. Although not all of the Company's customers operate in these sectors, continued instability or prolonged downturns in the steel or other commodity markets could increase credit losses, require larger allowances for expected credit loss, and adversely affect the Company's net income and capital.

The Company is exposed to risks associated with operating in the construction and real estate industries in China through one of its major customers. Key construction-industry risk factors in China include the following:

- Prolonged property-market downturn reducing new project starts and developer liquidity
- Local-government funding constraints limiting infrastructure spending and delaying public projects
- High leverage across the sector increasing refinancing and liquidity risk
- Slow receivables collection and persistent working-capital pressure

- Volatile material prices and supply-chain disruptions affecting cost control
- Frequent regulatory changes in safety, quality, and environmental standards raising compliance costs
- Execution risks including safety incidents, quality failures, and schedule overruns
- Coordination challenges in industrialized/modern construction methods
- Macroeconomic cyclicality amplifying demand uncertainty

Rising environmental and decarbonization requirements increasing capex and operating costs.

CORPORATE LAW AND GOVERNANCE IN CHINA

Legal Representatives

The laws of the People's Republic of China ("**PRC**" or "**China**") require that each of the Company's Chinese subsidiaries have a legal representative to whom certain roles, powers and responsibilities are ascribed. The legal representative's functions and powers are prescribed by state laws, regulations and the articles of association of the pertinent entity. The legal representative is the person authorized to represent the company in all legal matters between the government and the company and to sign legally binding contracts on behalf of the company. Unlike Canadian law, which limits liability for individuals involved in corporations and limited liability or registered business entities, Chinese law makes no liability distinction between the legal representative and the company. The legal representative is responsible for any offense, whether corporate, criminal, civil or other, committed by the company and must bear any fine, punishment or consequences resulting from the offence. The legal representative may be held personally accountable for actions carried out by the applicable Chinese company. The legal representative is exposed to personal risks for acts and omissions, either individually or by the company and its employees. Such risks include civil, administrative, or criminal liability. The following persons are the legal representatives of the Company's Chinese subsidiaries:

No.	Subsidiary Name	Legal Representative
1.	Asia Synergy Holdings Ltd.	Liang Qiu
2.	Asia Synergy Technologies Ltd.	Bin Xu
3.	Asia Synergy Supply-chain Technologies Ltd	Bin Xu
4.	Zhejiang Xinjiupin Oil & Gas Management Co., Ltd	Bin Xu
5.	Asia Synergy Data Solutions Ltd.	Bin Xu
6.	Asia Synergy Supply Chain Ltd.	Bin Xu
7.	Beijing Xinxiangtaike Technology Service Co., Ltd.	Zhangxuan Wu
8.	Wuxi Aorong Ltd.	Liang Qiu
9.	Asia Synergy Financial Capital Ltd	Kelong Chen
10.	Huike Internet Technology Co., Ltd.	Zhangxuan Wu
11.	Kailifeng New Energy Technology Co., Ltd.	Liang Qiu
12.	Shanghai Xinhuizhi Supply Chain Management Ltd.	Bin Xu
13.	Jiangsu Supairui IOT Technology Co., Ltd.	Yifei Zhang
14.	Wuxi Suyetong Supply Chain Management Co. Ltd.	Yifei Zhang
15.	Jiangsu Steel Chain Technology Co., Ltd.	Bin Xu

The articles of the subsidiaries do not provide for any variation to the role, powers and responsibilities of the legal representative, other than those as typically provided under Chinese law. The legal representative represents the company and is responsible for performing duties and powers on behalf of the company in accordance with applicable Chinese laws and the company's articles of association ("**AoA**"). Most company registration or change filing-related formalities require the wet signature of the legal representative, however the legal representative also is typically provided a personal seal which serves as a formal signature for some other authorities or bank formalities. The legal representative's name is recorded on the company's business license, which is publicized online.

There are certain procedures to be followed to legally remove a legal representative, directors and officers of an entity under Chinese law. If the chairman of the board or executive director of the company concurrently serve as the legal representative according to the company's AoA, the shareholders of the company are entitled to re-appoint a new chairman of the board or executive director to replace the prior legal representative by shareholder resolution. If the general manager concurrently serves as the legal representative according to a company's AoA, the board or executive director is entitled to re-appoint a new general manager to replace the prior legal representative by resolution. Upon appointment, the newly appointed person will automatically serve as the legal representative pursuant to the AoA. In addition, the company shall prepare application documents related to the change of legal representative and submit them to the local company registration authority where the company is domiciled. Local company registration authorities will then issue a new business license, which contains the name of new the legal representative.

To mitigate against the risk that Tenet may have difficulty terminating the legal representatives of each of its other Chinese subsidiaries (see list of legal representatives set out above for a list of the subsidiaries and their respective legal representatives), each of the legal representatives has signed and affixed the Company Chop of the subsidiary of which they are a legal representative to an undated termination letter removing him or her (as the case may be) as the legal representative, and from any other position they hold, of such subsidiary, which letters are being kept with Wildeboer Dellelce LLP, Tenet's Canadian corporate and securities legal counsel, at its offices in Toronto, Canada. The termination letters contain a clause on assumption of liability and indemnification of the applicable subsidiary against any and all loss, liability or expense arising out of the use of the various chops of the applicable subsidiary following the date of the termination letter.

Supervisors

According to Chinese laws, a limited liability entity shall have a board of supervisors, which shall comprise not less than three members, or one to two supervisors instead of establishing a board of supervisors, if it has relatively fewer shareholders or a relatively smaller scale. Each of the above-mentioned entities has one supervisor.

Minute Books, Corporate Seals and Corporate Records

The locations of the minute books, corporate seals and corporate records of each entity are as follows:

No.	Entity	Minute Books	Corporate Seals	Corporate Records
1.	Asia Synergy Holdings Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)
2.	Asia Synergy Technologies Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)

No.	Entity	Minute Books	Corporate Seals	Corporate Records
3.	Asia Synergy Supply- chain Technologies Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)
4.	Zhejiang Xinjiupin-Oil & Gas Management Co.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)
5.	Asia Synergy Data Solutions Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)
6.	Asia Synergy Supply Chain Ltd.	Asia Synergy Supply Chain Ltd.	Asia Synergy Supply Chain Ltd.	Asia Synergy Supply Chain Ltd.
7.	Beijing Xinxiangtaike Technology Service Co., Ltd.	Beijing Xinxiangtaike Technology Service Co., Ltd.	Beijing Xinxiangtaike Technology Service Co., Ltd.	Beijing Xinxiangtaike Technology Service Co., Ltd.
8.	Wuxi Aorong Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)
9.	Asia Synergy Financial Capital Ltd.	Asia Synergy Financial Capital Ltd.	Asia Synergy Financial Capital Ltd.	Asia Synergy Financial Capital Ltd.
10.	Huike Internet Technology Co., Ltd.	Huike Internet Technology Co., Ltd.	Huike Internet Technology Co., Ltd.	Huike Internet Technology Co., Ltd.
11.	Kailifeng New Energy Technology Co., Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)
12.	Shanghai Xinhuizhi Supply Chain Management Co., Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)
13.	Jiangsu Supairui IOT Technology Co., Ltd.	Jiangsu Supairui IOT Technology Co., Ltd.	Jiangsu Supairui IOT Technology Co., Ltd.	Jiangsu Supairui IOT Technology Co., Ltd.
14.	Wuxi Suyetong Supply Chain Management Co., Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)

No.	Entity	Minute Books	Corporate Seals	Corporate Records
15.	Jiangsu Steel Chain Technology Co., Ltd.	Jiangsu Steel Chain Technology Co., Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Jiangsu Steel Chain Technology Co., Ltd.

Chops

Under current PRC laws and also as a PRC traditional practice, chops are used very frequently and in a large scale, both in daily life and in official occasions. Chops serve as the symbol of the authenticity and credibility of a person or a company in many ways, especially in business operations. In general, as to a company established and existing under PRC laws, certain chops are required in its business operation, although the signature of the legal representative or the authorized representative of a company will also be acceptable in many cases. Stamping a seal by chops on a document will be deemed as a promise to perform the rights or obligations provided in the document, which means from the legal perspective that a company shall be responsible for its behaviors or promises as its chops are stamped on the document.

Each of the above entities has a Company Chop, Finance Chop, Invoice Chop, Legal Representative Chop and Contract Chop, except that Asia Synergy Credit Solutions Ltd. and Tianjin Wodatong Technology Co., Ltd. have no Contract Chop. The specified purposes of the types of chops are detailed below:

1. **Company Chop**. The Company Chop is used by an authorized person at the company and is required for the daily operations of the entity. It is required when any important document is signed and is also used to provide legal authority when opening a bank account. All letters, official documents, contracts, and introduction letters issued in the name of the company, certificates, or other company materials can use the official chop, which will legally bind the company. Under Chinese laws, the use of the Company Chop alone or the signature of the parties to the contract alone is sufficient to bind a Chinese entity.

2. **Financial Chop**. The Financial Chop is used for opening a bank account, issuing checks, authenticating financial documents, such as tax filings and compliance documents, and for most bank-related transactions by the financial controller / officer of the company.

3. **Invoice Chop**. The Invoice Chop is used by the company to issue invoices to its customers in China.

4. **Legal Representative Chop**. The Legal Representative Chop is evidence of the Legal Representative's signature and may be used in place of a signature, or alongside the Legal Representative's actual signature.

5. **Contract Chop**. The Contract Chop is used by the company to sign contracts with its employees or execute agreements between salespeople and clients. It grants less authority than the Company Chop.

No.	Entity	Company Chop	Finance Chop	Invoice Chop	Legal Representative Chop	Contract Chop
1.	Asia Synergy Holdings Ltd.	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Director of Finance, Tenet China (Mr. Bin XU)	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")
2.	Asia Synergy Technologies Ltd.	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Director of Finance, Tenet China (Mr. Bin XU)	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")
3.	Asia Synergy Supply-chain Technologies Ltd.	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Director of Finance, Tenet China (Mr. Bin XU)	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")
4.	Zhejiang Xinjiupin-Oil & Gas Management Co.Ltd.	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Director of Finance, Tenet China (Mr. Bin XU)	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")
5.	Asia Synergy Data Solutions Ltd.	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Director of Finance, Tenet China (Mr. Bin XU)	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")
6.	Asia Synergy Supply Chain Ltd.	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Chief Accountant (Ms. Ming XU)	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")	Under 3rd party independent custody of Jiangsu Shenque Law Firm ("Shenque")

No.	Entity	Company Chop	Finance Chop	Invoice Chop	Legal Representative Chop	Contract Chop
7.	Beijing Xinxiangtaike Technology Service Co., Ltd.	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)	Legal Representative (Mr. Zhangxuan WU)	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)
8.	Wuxi Aorong Ltd.	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)	Director of Finance, Tenet China (Mr. Bin XU)	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)
9.	Asia Synergy Financial Capital Ltd.	HR Manager (Ms. Ruiyun WU)	HR Manager (Ms. Ruiyun WU)	HR Manager (Ms. Ruiyun WU)	HR Manager (Ms. Ruiyun WU)	HR Manager (Ms. Ruiyun WU)
10.	Huike Internet Technology Co., Ltd.	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)	Legal Representative (Mr. Zhangxuan WU)	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)
11.	Kailifeng New Energy Technology Co., Ltd.	HR Manager (Ms. Huan XIONG)	HR Manager (Ms. Huan XIONG)	Director of Finance, Tenet China (Mr. Bin XU)	HR Manager (Ms. Huan XIONG)	HR Manager (Ms. Huan XIONG)
12.	Shanghai Xinhuizhi Supply Chain Management Co., Ltd.	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)	HR Manager (Ms. Huan XIONG)	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)	N/A
13.	Jiangsu Supairui IOT Technology Co., Ltd.	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)	HR Manager (Ms. Huan XIONG)	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)

No.	Entity	Company Chop	Finance Chop	Invoice Chop	Legal Representative Chop	Contract Chop
14.	Wuxi Suyetong Supply Chain Management Co., Ltd.	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)	HR Manager (Ms. Huan XIONG)	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)
15.	Jiangsu Steel Chain Technology Co., Ltd.	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)	Chief Accountant (Ms. Min DENG)	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)	Under 3rd party independent custody of Jiangsu Shenque Law Firm (“Shenque”)

Pursuant to a Retainer Agreement for Special Legal Services between Shanghai Xinfei Shiye Co., Ltd. (also known as “**Asia Synergy Holdings Ltd**.”) (the “**Contracting Subsidiary**”), a subsidiary of the Company, and its Chinese counsel, MHP, dated effective December 12, 2023 (the “**Custodian Agreement**”), the Contracting Subsidiary appointed MHP as its custodian and the custodian of its selected affiliates in China to hold and safeguard the Chops, and to affix such Chops to purchase orders, contracts, agreements, constating documents or any other agreements pursuant to directions from the Contracting Subsidiary. On November 28, 2025, the Company announced that MHP had been replaced as a party to the Custodian Agreement by Jiangsu Shenque Law Firm. Access to the Chops is controlled by the custodian in accordance with the Custodian Agreement and the Custodian Agreement may only be amended by the Contracting Subsidiary and the custodian. It should be noted that as a financial services company, the Company’s Asia Synergy Financial Capital (“ASFC”) could not be included in the Custodian Agreement because Chinese financial regulations mandate that financial services companies must keep their chops on premise. The Company’s Kailifeng New Energy Technology (“KNET”) subsidiary was also omitted from the Custodian Agreement because the Company ceased being a majority shareholder in KNET in July 2024.

Tenet has provided an undertaking to the Ontario Securities Commission that in the event that the Custodian Agreement is terminated or in the event that the Contracting Subsidiary appoints a new custodian, the Company will issue a press release forthwith and file a material change report in accordance with applicable securities laws. The undertaking given by the Company to the OSC also requires the appointment of an internationally reputable custodian for the safekeeping of the Company chops and legal representative chops for all the Chinese subsidiaries listed in the table below. With the OSC being of the opinion that Jiangsu Shenque Law Firm did not meet the definition of an “internationally reputable custodian”, the Company was, as of the date of this MD&A, searching for a new custodian to ensure compliance with the undertaking given to the OSC as soon as practical. An agreement with a new custodian would likely once again have to exclude certain Chinese subsidiaries if there is a regulatory reason that prevents the appointment of a custodian for the safeguard of the chops of that subsidiary.

Each of the Company’s China entities maintains logs to evidence use of each chop. The locations of such logs were as follows as of the date of this MD&A:

No.	Entity	Locations of Logs of Use of Chops
1.	Asia Synergy Holdings Ltd.	**For all chops other than invoice chop:** Jiangsu Shenque Law Firm ("Shenque") Address: Room 3200, Tower A, Times International, 32F Canal East Road, Wuxi, Jiangsu, 214000, China **For invoice chop:** Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.) Address: Suite 6-2708, Hengda Fortune Center B Building,Economic Development District, Wuxi, China
2.	Asia Synergy Technologies Ltd.	**For all chops other than invoice chop:** Jiangsu Shenque Law Firm ("Shenque") Address: Room 3200, Tower A, Times International, 32F Canal East Road, Wuxi, Jiangsu, 214000, China **For invoice chop:** Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.) Address: Suite 6-2708, Hengda Fortune Center B Building,Economic Development District, Wuxi, China
3.	Asia Synergy Supply-chain Technologies Ltd.	**For all chops other than invoice chop:** Jiangsu Shenque Law Firm ("Shenque") Address: Room 3200, Tower A, Times International, 32F Canal East Road, Wuxi, Jiangsu, 214000, China **For invoice chop:** Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.) Address: Suite 6-2708, Hengda Fortune Center B Building,Economic Development District, Wuxi, China
4.	Zhejiang Xinjiupin-Oil & Gas Management Co.	**For all chops other than invoice chop:** Jiangsu Shenque Law Firm ("Shenque") Address: Room 3200, Tower A, Times International, 32F Canal East Road, Wuxi, Jiangsu, 214000, China **For invoice chop:** Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.) Address: Suite 6-2708, Hengda Fortune Center B Building,Economic Development District, Wuxi, China

No.	Entity	Locations of Logs of Use of Chops
5.	Asia Synergy Data Solutions Ltd.	**For all chops other than invoice chop:** Jiangsu Shenque Law Firm ("Shenque") Address: Room 3200, Tower A, Times International, 32F Canal East Road, Wuxi, Jiangsu, 214000, China **For invoice chop:** Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.) Address: Suite 6-2708, Hengda Fortune Center B Building,Economic Development District, Wuxi, China
6.	Asia Synergy Supply Chain Ltd.	**For all chops other than invoice chop:** Jiangsu Shenque Law Firm ("Shenque") Address: Room 3200, Tower A, Times International, 32F Canal East Road, Wuxi, Jiangsu, 214000, China **For invoice chop:** Address: Oriental Plaza, 777 Changjiang Road, Building 19, Suite 1106, Jiangyin City, Wuxi, China
7.	Beijing Xinxiangtaike Technology Service Co., Ltd.	**For all chops other than invoice chop:** Jiangsu Shenque Law Firm ("Shenque") Address: Room 3200, Tower A, Times International, 32F Canal East Road, Wuxi, Jiangsu, 214000, China **For invoice chop:** Address: Suite 2144, 2nd Floor, Building No.3, Block No. 18, Keyuan Road, Beijing Economic-Technological Development Area, Daxing District, Beijing, China
8.	Wuxi Aorong Ltd.	**For all chops other than invoice chop:** Jiangsu Shenque Law Firm ("Shenque") Address: Room 3200, Tower A, Times International, 32F Canal East Road, Wuxi, Jiangsu, 214000, China **For invoice chop:** Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.) Address: Suite 6-2708, Hengda Fortune Center B Building,Economic Development District, Wuxi, China
9.	Asia Synergy Financial Capital Ltd.	**For all chops:** **Asia Synergy Financial Capital Ltd.** Address: Suite 6-2708, Hengda Fortune Center B Building,Economic Development District, Wuxi, China

No.	Entity	Locations of Logs of Use of Chops
10.	Huike Internet Technology Co., Ltd.	**For all chops other than invoice chop:** Jiangsu Shenque Law Firm ("Shenque") Address: Room 3200, Tower A, Times International, 32F Canal East Road, Wuxi, Jiangsu, 214000, China **For invoice chop:** **Huike Internet Technology Co., Ltd.** Address: Suite 2144, 2nd Floor, Building No.3, Block No. 18, Keyuan Road, Beijing Economic- Technological Development Area, Daxing District, Beijing, China
11.	Kailifeng New Energy Technology Co., Ltd.	**For all chops:** Share Service Center of Finance Address: Suite 6-2708, Hengda Fortune Center B Building,Economic Development District, Wuxi, China
12.	Shanghai Xinhuizhi Supply Chain Management Co., Ltd.	**For all chops other than invoice chop:** Jiangsu Shenque Law Firm ("Shenque") Address: Room 3200, Tower A, Times International, 32F Canal East Road, Wuxi, Jiangsu, 214000, China **For invoice chop:** Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.) Address: Suite 6-2708, Hengda Fortune Center B Building,Economic Development District, Wuxi, China
13.	Jiangsu Supairui IOT Technology Co., Ltd.	**For all chops other than invoice chop:** Jiangsu Shenque Law Firm ("Shenque") Address: Room 3200, Tower A, Times International, 32F Canal East Road, Wuxi, Jiangsu, 214000, China **For invoice chop:** Jiangsu Supairui IOT Technology Co., Ltd. Address: Suite 1310, Building No. 1, Mingdu Mansion, Huishan District, Wuxi, China
14.	Wuxi Suyetong Supply Chain Management Co., Ltd.	**For all chops other than invoice chop:** Jiangsu Shenque Law Firm ("Shenque") Address: Room 3200, Tower A, Times International, 32F Canal East Road, Wuxi, Jiangsu, 214000, China **For invoice chop:** Address: Suite 6-2708, Hengda Fortune Center B Building,Economic Development District, Wuxi, China

No.	Entity	Locations of Logs of Use of Chops
15.	Jiangsu Steel Chain Technology Co., Ltd.	**For all chops other than invoice chop:** Jiangsu Shenque Law Firm ("Shenque") Address: Room 3200, Tower A, Times International, 32F Canal East Road, Wuxi, Jiangsu, 214000, China **For invoice chop:** Address: Suite 1800-04, Jiangsu Gaochun Development Zone Dongba Information New Material Industrial Park, Gaochun District, Nanjing, China

GOVERNANCE, CONTROLS AND PROCEDURES

To equip the Company with better protocols, policies and procedures, and help manage the growth of its business, the Company took several steps to bolster its governance measures. These steps include: (i) the creation of the position of General Counsel , (ii) the adoption of revised human resources policies, with respect to discrimination and harassment, health and safety, and personal data, (iii) the re-calibration of the Company's corporate governance charter and the adoption of a corporate whistleblower policy and a delegation of authorities, and (iv) the Company retained Richter LLP in Canada and Ernst & Young in China to help implement general internal controls over its processes and operations. . Assuming it will be financially feasible to do so in the future, the Company plans to resume the work to complete those initiatives and continue to improve upon its corporate governance and be compliant with best practices.

Disclosure controls and procedures

Management's responsibility is to maintain appropriate information systems, procedures and controls to provide reasonable assurance that information that is publicly disclosed is complete, reliable and timely. The Chief Executive Officer (the "**CEO**") and Chief Financial Officer (the "**CFO**") of the Company, along with the assistance of senior management under their supervision, are responsible for designing and implementing disclosure controls and procedures to provide reasonable assurance that material information relating to the Company is made known to the CEO and CFO, and for the design of internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Limitations of Disclosure Controls and Procedures and Internal Control over Financial Reporting

The Company's management, including the CEO and the CFO, believe that due to inherent limitations, any disclosure controls and procedures or internal control over financial reporting, no matter how well designed and operated, can provide only reasonable, not absolute, assurance of achieving the desired control objectives. These inherent limitations include, among other items:

i. that management's assumptions and judgments could ultimately prove to be incorrect under varying conditions and circumstances;

ii. the impact of any undetected errors; and

iii. that controls may be circumvented by the unauthorized acts of individuals, by collusion of two or more people, or by management override. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Additional information about the Company can be found at www.sedarplus.com

June 24, 2026

(s) Maxime Couturier	***(s) Johnson Joseph***
Maxime Couturier, Chief Financial Officer	Johnson Joseph, President & CEO