AVANTE CORP.

Condensed Interim Consolidated Financial Statements

Unaudited for the three and nine-month periods ended December 31, 2025 and 2024

NOTICE TO READER OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The condensed interim consolidated financial statements of Avante Corp. for the three and nine-month periods ended December 31, 2025 are the responsibility of the Company's Management. These financial statements have not been reviewed on behalf of the shareholders by the independent external auditors of the Company. The condensed interim consolidated financial statements have been prepared by Management and include the selection of appropriate accounting principles, judgments and estimates necessary to prepare these financial statements in accordance with International Financial Reporting Standards.

AVANTE CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025 AND MARCH 31, 2025

	Dec 31, 2025	Mar 31, 2025
ASSETS	*Unaudited*	
CURRENT		
Cash and cash equivalents	$ 4,963,056	$ 4,723,488
Accounts receivable (note 7)	7,504,159	7,426,444
Inventories (note 8)	1,047,283	1,031,149
Contract assets (note 6b)	299,679	227,657
Prepaid expenses	719,019	425,800
	14,533,196	13,834,538
NON-CURRENT ASSETS		
Property, plant & equipment (note 9)	2,592,179	2,250,909
Deferred tax assets (note 18)	292,569	292,569
Intangible assets (note 10)	1,964,977	2,227,892
Goodwill (note 10)	4,440,144	4,440,144
	9,289,869	9,211,514
	$ 23,823,065	**$ 23,046,052**
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	3,046,823	3,639,669
Loan from officer	109,624	102,498
Corporate tax payable	3,005	253,888
Obligations under lease (note 13)	761,421	665,628
Contract liabilities (note 6b)	4,038,804	2,855,198
	7,959,677	7,516,881
NON-CURRENT LIABILITIES		
Obligations under lease (note 13)	549,617	591,146
Dividend payable to non-controlling shareholder of NSSG	227,044	596,921
Cash settled share-based payment liabilities (note 19)	1,958,032	1,442,875
Deferred tax liability (note 16)	141,689	141,689
	2,876,382	2,772,631
TOTAL LIABILITIES	**10,836,059**	**10,289,512**
SHAREHOLDERS' EQUITY		
Share capital (note 14)	30,239,034	30,239,034
Contributed surplus	2,596,660	2,531,453
Accumulated other comprehensive deficit	(132,804)	(111,381)
Accumulated deficit	(19,889,208)	(20,104,023)
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	12,813,682	12,555,083
Non-controlling interest (note 15)	173,324	201,457
TOTAL EQUITY	**12,987,006**	**12,756,540**
TOTAL EQUITY & LIABILITIES	**$ 23,823,065**	**$ 23,046,052**

Contingencies (note 22)

AUTHORIZED FOR ISSUE ON BEHALF OF THE BOARD:

Signed "Emmanuel Mounouchos" Director *Signed "Daniel Argiros" Director*

See accompanying notes to the condensed interim consolidated financial statements

AVANTE CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS) FOR THE THREE AND NINE-MONTH PERIODS ENDED DECEMBER 31, 2025 AND DECEMBER 31, 2024

	For the three-month period ended		For the nine-month period ended	
	Dec 31, 2025	**Dec 31, 2024**	**Dec 31, 2025**	**Dec 31, 2024**
	Unaudited		*Unaudited*	
Revenues from continuing operations (note 6a)	$ 9,097,661	$ 8,411,628	$ 26,723,960	$ 24,415,219
Cost of sales	5,298,390	4,970,212	15,892,305	14,491,694
Gross profit	3,799,271	3,441,416	10,831,655	9,923,525
Operating expenses				
Salaries, benefits and commissions	1,831,419	1,489,008	5,070,033	4,578,960
Administration	1,265,737	1,470,575	3,740,679	4,212,301
Depreciation on capital assets (note 9)	254,854	266,746	732,477	758,366
Amortization on intangible assets (note 10)	164,973	161,272	499,014	483,816
Merchant transaction fees and bank charges	130,842	158,391	369,037	427,914
Share based payments (note 14)	32,712	50,008	65,207	95,219
	3,680,537	3,596,000	10,476,447	10,556,576
Income (loss) before other income and expenses and reorganization and acquisition costs	118,734	(154,584)	355,208	(633,051)
Other (income) expenses				
Miscellaneous income	(31,641)	(65,521)	(149,935)	(409,194)
Interest expense	60,947	63,756	216,053	219,114
Foreign exchange loss	(10,318)	3,441	77,557	30,068
	18,988	1,676	143,675	(160,012)
Income (loss) before reorganization and acquisition costs	99,746	(156,260)	211,533	(473,039)
Reorganization, development and acquisition costs (note 20)	-	-	-	720,451
Income (loss) before income taxes	99,746	(156,260)	211,533	(1,193,490)
Provision for income taxes				
Current income tax expense (recovery) (note 16)	7,378	(1,508)	24,851	(1,508)
Net income (loss) from continuing operations for the period	92,368	(154,752)	186,682	(1,191,982)
Net income (loss) for the period	$ 92,368	$ (154,752)	$ 186,682	$ (1,191,982)
Net income (loss) for the period attributable to:				
Equity holders of the parent	102,041	(144,967)	214,815	(1,165,137)
Non-controlling interests	(9,673)	(9,785)	(28,133)	(26,845)
	$ 92,368	$ (154,752)	$ 186,682	$ (1,191,982)
Other comprehensive income (loss) from continuing operations: Items that may be reclassified subsequently to net loss				
Unrealized gain (loss) on translating financial statements of foreign operations	23,562	6,768	(21,423)	2,626
	$ 23,562	$ 6,768	$ (21,423)	$ 2,626
Total comprehensive income (loss) for the period	**$ 115,930**	**$ (147,984)**	**$ 165,259**	**$ (1,189,356)**
Equity holders of the parent	125,603	(138,199)	193,392	(1,162,510)
Non-controlling interests	(9,673)	(9,785)	(28,133)	(26,845)
Total comprehensive income (loss) for the period	$ 115,930	$ (147,984)	$ 165,259	$ (1,189,356)
Net income (loss) per share attributable to equity holders of the parent (note 5)				
Basic and diluted income per share from continuing operations (note 5)	$0.004	($0.005)	$0.008	($0.044)
Basic and diluted income per share from discontinued operations	$0.000	$0.000	$0.000	$0.000
Basic and diluted income per share	$0.004	($0.005)	$0.008	($0.044)
Weighted average number of shares outstanding for basic and diluted calculation	26,648,739	26,643,739	26,648,739	26,643,739

See accompanying notes to the condensed interim consolidated financial statements

AVANTE CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE-MONTH PERIOD ENDED DECEMBER 31, 2025 AND DECEMBER 31, 2024

	Share Capital	Contributed Surplus	Equity component of put option	Deficit	Accumulated Other Comprehensive Income	Subtotal	Non-controlling Interest	Total Equity
Balance at April 1, 2024	**$30,233,361**	**$ 2,395,960**	**$ (370,752)**	**$ (18,726,858)**	**$ (2,019)**	**$ 13,529,692**	**- 20,605**	**$ 13,509,087**
Loss for the period				(1,165,137)		(1,165,137)	(26,845)	(1,191,982)
Unrealized gain on translating financial statements of foreign operations	-	-	-	-	2,626	2,626		2,626
Share based payments	-	95,219	-	-	-	95,219	-	95,219
Issuance of common shares		-	-	-	-	-		-
Balance at December 31, 2024 (Unaudited)	**$30,233,361**	**$ 2,491,179**	**$ (370,752)**	**$ (19,891,995)**	**$ 607**	**$ 12,462,400**	**$ (47,450)**	**$ 12,414,950**
Balance at April 1, 2025	**$30,239,034**	**$ 2,531,453**		**$ (20,104,023)**	**$ (111,381)**	**$ 12,555,083**	**201,457**	**$ 12,756,540**
Income for the period				214,815		214,815	- 28,133	186,682
Unrealized gain on translating financial statements of foreign operations	-	-	-	-	(21,423)	(21,423)		(21,423)
Share based payments	-	65,207	-	-	-	65,207		65,207
Balance at December 31, 2025 (Unaudited)	**$30,239,034**	**$ 2,596,660**	**$ -**	**$ (19,889,208)**	**$ (132,804)**	**$ 12,813,682**	**$ 173,324**	**$ 12,987,006**

See accompanying notes to the condensed interim consolidated financial statements

AVANTE CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTH PERIODS ENDED DECEMBER 31, 2025 AND
DECEMBER 31, 2024

	For the nine-month period ended	
	Dec 31, 2025	**Dec 31, 2024**
Operating activities		
Comprehensive income (loss) for the period	$ 186,682	$ (1,191,982)
Loss on disposal of capital assets	149,536	(4,752)
Share based payments	65,207	95,219
Interest on bank loans and leases		171,820
Depreciation on capital assets (note 9)	732,477	758,366
Amortization on intangible assets (note 10)	499,014	483,816
Amortization on capitalized commission (note 10)		4,132
	1,632,916	316,619
Net change in non-cash working capital:		
Accounts receivable	(77,715)	1,273,691
Inventories	(16,134)	(461,644)
Contract assets	(72,022)	(326,175)
Prepaid expenses	(293,218)	(319,840)
Current income tax	(250,883)	(1,466)
Accounts payable and accrued liabilities	(962,722)	(274,922)
Contract liabilities	1,698,763	138,949
	26,069	28,593
Net cash from (used in) operating activities	1,658,985	345,212
Financing activities		
Loan from officer	7,124	
Obligations under lease	54,264	(352,262)
Interest on bank loans, and leases		(165,282)
Net cash from (used in) financing activities	61,388	(517,544)
Investing activities		
Capitalized development costs (note 10)	(236,099)	
Purchase of capital assets	(447,804)	(739,825)
Disposal of capital assets		147,564
Additions to leases	(775,479)	(227,001)
Net cash from (used in) investing activities	(1,459,382)	(819,262)
Increase (decrease) in cash during the period	260,991	(991,594)
Cash and cash equivalents, beginning of period	4,723,488	6,030,907
Unrealized foreign exchange gain on cash and cash equivalents held in foreign currencies	(21,423)	(438)
Cash and cash equivalents, end of period	$ 4,963,056	$ 5,038,875

See accompanying notes to the condensed interim consolidated financial statements

1. NATURE OF BUSINESS

Avante Corp. (the "Company") develops security technologies, products and solutions for personal, residential and condominium protective services, monitoring and control applications, secure transportation and private investigations. All of these activities are conducted through the following subsidiaries: Avante Security Inc. ("Avante Security"), which is 100% owned, Avante International Inc., which is 100% owned, Avante Holding Corp., which is 100% owned, The Reserve, which is 51% owned and North Star Support Group S.R.L. ("NSSG"), in which the Company acquired a 55% majority interest on October 1, 2023.

The Company's common shares are listed on the TSX Venture Exchange under the symbol XX.V (OTC: ALXXF).

Avante Security provides premium security services for residential and condominium customers in Toronto and Muskoka, Ontario, through the use of advanced technology and a focus on client service. Avante Security's business provides a complete offering ranging from system design, sales, installations, and monitoring to services such as alarm response and patrols, personal protection, house staff training, and secure transportation. Avante Security has a specialized skillset in high-rise security integration, monitoring and electronic building management. It also provides consulting and installation of automation and security solutions for the high-end residential market. Avante Security's signature offerings are its Rapid Alarm Response services, and its Intelligent Perimeter Protection Video Analytics. Avante Security also provides extensive offerings, which include Closed Circuit Television ("CCTV"), access controls and security services for travelling executives. Avante Security uses its proprietary two-way wireless communication technology for security and in other market segments for various remote control and monitoring functions.

Avante Black, a division of Avante Security, offers highly specialized services that are bespoke to specific needs of the client for a specific purpose. Services offered include specialized security services providing 24 hour, 7 days a week, 365 days security, cyber monitoring, investigations and international secured transportation.

On October 1, 2023, Avante Corp., via its subsidiary Avante International Inc., acquired a 55% interest in North Star Support Group S.R.L. ("NSSG"), which is a risk management and security company. It primarily specializes in offering international secured transportation, investigation services, medical services, emergency SOS services and sophisticated cyber sentiment monitoring and sensitive investigations tailored for executive customers on a global scale.

In September 2023, Avante Corp., operating through its subsidiary Avante Holding Corp., formally established The Reserve, which commenced its auto storage services in December 2023. The service offers security for high-value vehicle owners in Toronto, Ontario.

The address of the Company's corporate office is 1959 Leslie Street, Toronto, Ontario, Canada. The Company is domiciled in Canada and was incorporated in Canada.

2. BASIS OF PRESENTATION

a) Statement of compliance

These condensed interim consolidated financial statements of the Company have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IASB") (collectively, "IFRS Accounting Standards") and using the accounting policies described herein.

The condensed interim consolidated financial statements were authorized for issue by the Board of Directors on February 26, 2026.

2. BASIS OF PRESENTATION (CONTINUED)

b) Basis of measurement

The condensed interim consolidated financial statements of the Company are presented in Canadian dollars. The functional currency of NSSG is the euro and the functional currency for the Company and all other subsidiaries is the Canadian dollar. Transactions in foreign currencies are translated into the respective functional currencies at the exchange rates on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange at the reporting date.

Assets and liabilities of foreign operations are translated into the presentation currency at the spot exchange rate in effect as of the reporting date. The income and expenses of foreign operations are translated into the presentation currency at the average exchange rates for the reporting period. Any resulting translation differences from the above translation methods are recognized in other comprehensive income (loss).

The preparation of these condensed interim consolidated financial statements requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the condensed interim consolidated financial statements, are disclosed in Note 4.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Basis of Consolidation

The condensed interim consolidated financial statements include the accounts of the Company and other entities that the Company controls (subsidiaries). Control exists when the Company is exposed or has the existing rights to variable returns and the current ability to direct activities that significantly affect the entities' returns. Consolidation of the subsidiaries begins on the date on which control is obtained and ends when control of the entity ceases to exist. The Company assesses control on an ongoing basis.

Non-controlling interests in subsidiaries are identified separately from the Company's equity therein. The non-controlling shareholders ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non- controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets.

The financial statements of the Company and subsidiaries are prepared as of the same dates and periods. The condensed interim consolidated financial statements are prepared using uniform accounting policies by all subsidiaries of the Company. Transactions and balances between the Company and its consolidated entities have been eliminated on consolidation.

The Company's composition is made of the subsidiaries listed below.

	Ownership interest held at	
Name of entity	**Mar 31, 2025**	**Mar 31, 2024**
Avante Security Inc.	100%	100%
Avante International Inc.	100%	100%
Avante Holding Corp.	100%	100%
North Star Support Group S.R.L.	55%	55%
The Reserve Inc.	51%	51%

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

On October 1, 2023 Avante Corp., set up a wholly owned subsidiary, Avante International Inc., to acquire a 55% stake in NSSG, a risk management and security company (note 11). The comprehensive purchase cost amounted to $1,834,561, with payment structured as a blend of $1,728,000 in cash and the issuance of 154,301 common shares in the Company. NSSG is consolidated with effect from October 1, 2023.

In October 2023, Avante Corp., set up a wholly owned subsidiary, Avante Holding Corp and invested 51% in The Reserve. The Reserve is consolidated with effect from September 14, 2023 (note 15).

Impairment of Non-Financial Assets

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly. In measuring value in use, the expected future cash flows are discounted using a pre-tax discount rate that reflects the risks specific to the asset. Impairment testing of goodwill and indefinite life intangible assets is done at least annually at the March 31 year end or when there are indicators of impairment.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the CGU. Any impairment loss is charged to profit or loss, except to the extent they reverse gains previously recognized in other comprehensive loss/income. As of December 31, 2025, the Company has two CGUs, Avante Security and NSSG. The Company had the same CGU's as of March 31, 2025.

An impairment loss of an asset is reversed only if there have been changes in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. Reversal of an impairment loss is limited to the lower of the carrying amount that would have been determined (net of depreciation or amortization) had no impairment loss been recognized for the asset in prior years, and its recoverable amount. The reversal of impairment loss of an asset is recognized in profit and loss. Impairment losses on goodwill are not reversed.

Accounting standards effective in the year

IAS 1: Presentation of Financial Statements

In January 2020 and in October 2022, the IASB issued Classification of Liabilities as Current or Non-current, which amends IAS 1 - Presentation of Financial Statements. The narrow scope amendments affect only the presentation of liabilities in the statement of financial position and not the amount or timing of their recognition. It clarifies that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period and specifies that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability.

It also introduces a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments also specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

These amendments were effective for annual periods beginning on or after January 1, 2024. The adoption of these amendments by the Company on April 1, 2024 did not have a material impact on these condensed interim consolidated financial statements.

IFRS Accounting Standards issued but not yet adopted

Presentation and Disclosure in Financial Statements:

In April 2024, the IASB issued the new standard IFRS 18 – Presentation and Disclosure in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard introduces newly defined subtotals on the income statement, requirements for aggregation and disaggregation of information, and disclosure of Management Performance Measures ("MPMs") in the financial statements. The new standard is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The Company is assessing the impacts to the condensed interim consolidated financial statements.

Classification and Measurement of Financial Instruments:

In May 2024, the IASB issued amendments to IFRS 9 – Financial Instruments and IFRS 7 – Financial Instruments: Disclosures. The amendments relate to settling financial liabilities using an electronic payment system and assessing contractual cash flow characteristics of financial assets, including those with Environmental, Social, and Governance ("ESG")-linked features. The IASB also amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income ("FVOCI") and added disclosure requirements for financial instruments with contingent features. The amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Company is assessing the impacts to the condensed interim consolidated financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

a) Intangible assets and goodwill

Management is required to use judgement in determining the economic useful lives of identifiable intangible assets. Judgement is also required in identifying indicators of impairment and in identifying the Company's cash generating units ("CGUs").

The Company exercises judgement in the assessment of indefinite life for goodwill, considering its expected contribution to cash flows indefinitely and the insignificance of associated costs. The Company conducts annual impairment tests and assesses impairment if events or changes in circumstances indicate the asset may be impaired.

Purchased intangibles are valued as at the acquisition date using established methodologies and amortized over their estimated useful economic lives. These valuations and lives are based on management's best estimates of future performance and periods over which value from the intangible assets will be derived.

b) Revenue and contract assets

There is judgement in determining the timing of revenue recognition pertaining to electronic installation services, where the entire contract is one performance obligation and is recognized over time using the percentage of completion basis. Timing of revenue recognition may differ from when customers are invoiced, which could result in contract assets or contract liabilities being recognized.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

c) Segment Reporting

The Company has exercised judgement in identifying its reportable segments based on the internal reporting structure and the information reviewed by the Chief Executive Officer (CEO), who is considered the Chief Operating Decision Maker (CODM), in accordance with *IFRS 8 – Operating Segments*. With the acquisition of NSSG on October 1, 2023, the Company has two reportable segments consisting of Avante Security and NSSG. Refer to Note 21.

d) Assessment of Control

The Company has exercised judgement in assessing control of its 55% acquisition of NSSG as required under IFRS 10 – Consolidated Financial statements ("IFRS 10"). To have control over an investee the investor must have all the following: 1) Power over the investee; 2) Exposure, or rights to variable returns and 3) the ability to use its power over the investee to affect the amount of the investor's return. The Company assessed control by analyzing the substantive rights to direct the relevant activities of the investee. Management has concluded that it does control NSSG under IFRS 10.

e) Estimates

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income (loss) in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year include accrued liabilities. These estimates are created based on management's assumptions, based on current circumstances, and management believes represent a reasonable basis upon which to estimate the future liability. With respect to put option valuation, acquired through business combinations, the Company determines fair value using the formula as stated in the purchase and sale agreement. Refer to Note 11.

5. EARNINGS (LOSS) PER SHARE

The following reflects the income (loss) and share data used in the basic and diluted earnings (loss) per share computations for the period ended:

	For the three-month period ended	
	Dec 31, 2025	**Dec 31, 2024**
Basic and diluted income (loss) per share	0.004	(0.005)
Total net income (loss) attributable to equity holders of the parent - basic and fully diluted	102,041	(144,967)
Weighted average number of shares outstanding for basic and diluted calculation	26,648,739	26,643,739

	For the nine-month period ended	
	Dec 31, 2025	**Dec 31, 2024**
Basic and diluted income (loss) per share	0.008	(0.044)
Total net income (loss) attributable to equity holders of the parent - basic and fully diluted	214,815	(1,165,137)
Weighted average number of shares outstanding for basic and diluted calculation	26,648,739	26,643,739

6. REVENUE RECOGNITION

a) Disaggregation of Revenue

Revenue is recognized in a manner that depicts the transfer of promised goods or services to the customer and at an amount that reflects the consideration expected to be received in exchange for transferring those goods and services. Standard 30-day payment terms apply to the majority of accounts receivable for the Company. Segment revenues by service type for the three months ended December 31, 2025 and 2024 were as follows:

	For the three-month period ended							
	Dec 31, 2025				Dec 31, 2024			
	Avante Security	NSSG	Elimination	Total	Avante Security	NSSG	Elimination	Total
Protective Services	$ 2,959,590			$ 2,959,590	$ 2,529,669			$ 2,529,669
Monitoring and Managed Services	1,543,135		(1,080)	1,542,055	1,406,659		(1,080)	1,405,579
Electronic Services	2,193,451			2,193,451	2,443,385			2,443,385
Secured Transport	702,397	1,200,561	(146,694)	1,756,264	295,554	941,164	(8,637)	1,228,081
Investigations	146,019	167,072		313,091	322,460	58,422		380,882
Specialized Security	215,933			215,933	190,857		(367)	190,490
Consulting		112,918		112,918		232,754		232,754
Auto storage	4,359			4,359	790			790
Total Revenue	**$ 7,764,884**	**$ 1,480,551**	**$ (147,774)**	**$ 9,097,661**	**$ 7,189,372**	**$ 1,232,340**	**$ (10,084)**	**$ 8,411,628**

Segment revenues by type of service for the nine months ended December 31, 2025 and 2024 were as follows:

	For the nine-month period ended							
	Dec 31, 2025				Dec 31, 2024			
	Avante Security	NSSG	Elimination	Total	Avante Security	NSSG	Elimination	Total
Protective Services	$ 8,569,255			$ 8,569,255	$ 7,948,456			$ 7,948,456
Monitoring and Managed Services	4,482,735		(2,880)	4,479,855	4,101,501		(3,713)	4,097,788
Electronic Services	6,316,679			6,316,679	6,319,309			6,319,309
Secured Transport	2,098,867	4,048,827	(731,805)	5,415,889	1,267,404	2,267,678	(110,661)	3,424,421
Investigations	778,972	320,921		1,099,893	1,540,750	140,639	(2,343)	1,679,046
Specialized Security	542,614			542,614	396,750			396,750
Consulting		291,406		291,406		540,817		540,817
Auto storage	8,369			8,369	8,632			8,632
Total Revenue	**$ 22,797,491**	**$ 4,661,154**	**$ (734,685)**	**$ 26,723,960**	**$ 21,582,802**	**$ 2,949,134**	**$ (116,717)**	**$ 24,415,219**

(b) Contract Assets and Liabilities

	Dec 31, 2025	Mar 31, 2025
Work-in-progress - contracts in process	$ 299,679	$ 227,657

6. REVENUE RECOGNITION (CONTINUED)

Timing differences between invoicing, cash collection, and revenue recognition results in accounts receivable and also results in unbilled work-in-progress (contract assets), and deferred revenue (contract liabilities) on the consolidated statements of financial position. Amounts are billed in accordance with the terms of each customer contract, generally subsequent to the performance of obligations and related revenue recognition, resulting in accounts receivable with standard payment terms of 'Net 30 Days' for these types of contracts. For certain contracts, the Company receives customer payment prior to satisfying contracted obligations and recognizing revenue, resulting in deferred revenue (contract liabilities).

Contract liabilities balance at March 31, 2024	$	2,388,521
Additions during the year		16,243,123
Recognized during the year		(15,776,445)
Contract liabilities balance at March 31, 2025 to be recognized in fiscal year 2026		2,855,198
Contract liabilities balance at March 31, 2025	$	2,855,198
Additions during the year		8,792,139
Recognized during the year		(7,608,533)
Contract liabilities balance at December 31, 2025 to be recognized in fiscal year 2026		1,009,700
Contract liabilities balance at December 31, 2025 to be recognized after fiscal year 2026		3,029,104
Contract liabilities balance at December 31, 2025	**$**	**4,038,804**

7. ACCOUNTS RECEIVABLE

The accounts receivable on the financial statements are net of allowance for expected credit losses of $183,456 as at December 31, 2025 (March 31, 2025: $183,456). Changes in the allowance for expected credit losses during the period were as follows:

		Dec 31, 2025		Mar 31, 2025
Allowance for expected credit losses - opening balance	$	183,456	$	232,050
Net increase (decrease) during the year		-		(48,594)
Allowance for expected credit losses - closing balance	$	183,456	$	183,456

As at December 31, 2025 and March 31, 2025, the aging of the Company's accounts receivables was as follows:

	Balance Due	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days
Trade receivables	6,994,128	$3,600,477	$604,602	$481,459	$2,307,590
Unbilled trade receivables	28,831	-	-	-	28,831
Non-trade receivables	586,941	-	-	-	586,941
Allowance for doubtful accounts	(183,456)	-	-	-	(183,456)
Balance at March 31, 2025	**$7,426,444**	**$3,600,477**	**$604,602**	**$481,459**	**$2,739,906**
Trade receivables	7,015,578	$3,137,749	$464,530	$454,175	$2,959,123
Unbilled trade receivables	293,478	264,647	-	-	28,831
Non-trade receivables	378,559	-	-	-	378,559
Allowance for doubtful accounts	(183,456)	-	-	-	(183,456)
Balance at Dec 31, 2025	**$7,504,159**	**$3,402,396**	**$464,530**	**$454,175**	**$3,183,057**

The consolidated entity has recognized a loss of $nil from continuing operations at December 31, 2025 in profit or loss in respect of the expected credit losses for the nine months then ended (December 31, 2024: a

7. ACCOUNTS RECEIVABLE (CONTINUED)

recovery of $38,734). As at December 31, 2025, there was $2,987,954 (March 31, 2025: $2,336,421) of accounts receivable outstanding for over 90 days of which management did not consider $2,804,498 (March 31, 2025: $2,152,965) impaired.

As of December 31, 2025, non-trade receivables include the estimated amount due from SSC in respect of the Company's sale of Logixx Security and GIC interest unpaid.

8. INVENTORIES

	Dec 31, 2025	Mar 31, 2025
Inventory	$ 1,047,283	$ 1,031,149

All inventory is considered finished goods. Inventory expensed to cost of sales during the three and nine months ended December 31, 2025, amounted to $769,856 and $1,989,522 respectively (December 31, 2024: $516,874 and $1,770,122 for the three and nine-month periods).

9. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment	Equipment, furniture and fixtures	Equipment - MAST	Leasehold improvements	Right-of-use asset	Vehicles	Uniforms	Buildings	Total
	$	$	$	$	$	$	$	$	$
Cost									
Balance at March 31, 2025	**$ 576,679**	**$ 877,219**		**$ 855,363**	**$ 2,589,178**	**$ 92,876**	**$ 230,710**	**$ 473,300**	**$ 5,695,326**
Additions	42,584	16,052	284,570	47,383	775,479	18,961	38,255		1,223,283
Disposals					(624,001)			-	624,001
Foreign exchange gain (loss)									
Balance at December 31, 2025	**619,263**	**893,271**	**284,570**	**902,746**	**2,740,656**	**111,837**	**268,965**	**473,300**	**6,294,608**
Accumulated depreciation									
Balance at March 31, 2025	**448,779**	**586,284**		**755,657**	**1,378,158**	**51,395**	**102,663**	**121,481**	**3,444,417**
Depreciation	43,507	37,962	7,114	24,037	562,036	12,415	31,207	14,199	732,477
Disposals					(474,465)			-	474,465
Foreign exchange gain (loss)									
Balance at December 31, 2025	**492,286**	**624,246**	**7,114**	**779,694**	**1,465,729**	**63,810**	**133,870**	**135,680**	**3,702,429**
Carrying Amounts									
Balance at March 31, 2025	**127,900**	**290,935**	**-**	**99,707**	**1,211,020**	**41,481**	**128,047**	**351,819**	**2,250,909**
Balance at December 31, 2025	**$ 126,977**	**$ 269,025**	**$ 277,456**	**$ 123,052**	**$ 1,274,927**	**$ 48,027**	**$ 135,095**	**$ 337,620**	**$ 2,592,179**

9. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Computer equipment	Equipment, furniture and fixtures	Leasehold improvements	Computer software	Software under development	Right-of-use asset	Vehicles	Uniforms	Buildings	Total
	$	$	$	$		$	$	$	$	$
Cost										
Balance at March 31, 2024	**$ 519,503**	**$ 798,159**	**$ 817,782**	**$ 345,418**	**$ -**	**$ 2,066,128**	**$ 81,176**	**$ 143,143**	**$ 473,300**	**$ 5,244,609**
Additions	55,500	57,546	-	-	554,345	610,330	-	72,434	-	1,350,155
Disposals	-	-	-	-	-	(141,042)	-	-	-	(141,042)
Foreign exchange gain (loss)	-	1,479	-	-	-	(6,407)	-	-	-	(4,928)
Balance at December 31, 2024	**575,003**	**857,184**	**817,782**	**345,418**	**554,345**	**2,529,009**	**81,176**	**215,577**	**473,300**	**6,448,794**
Accumulated depreciation										
Balance at March 31, 2024	**409,521**	**518,312**	**731,639**	**345,418**	**-**	**691,228**	**36,542**	**73,645**	**102,549**	**2,908,854**
Depreciation	28,894	47,759	14,719	-	-	621,391	10,043	21,361	14,199	758,366
Disposals	-	-	-	-	-	(123,069)	-	-	-	(123,069)
Foreign exchange gain (loss)	-	369	-	-	-	(8,360)	-	-	-	(7,991)
Balance at December 31, 2024	**438,415**	**566,440**	**746,358**	**345,418**	**-**	**1,181,190**	**46,585**	**95,006**	**116,748**	**3,536,159**
Carrying Amounts										
Balance at March 31, 2024	**109,982**	**279,847**	**86,143**	**-**	**-**	**1,374,900**	**44,634**	**69,498**	**370,751**	**2,335,755**
Balance at December 31, 2024	**$ 136,588**	**$ 290,744**	**$ 71,424**	**$ -**	**$ 554,345**	**$ 1,347,819**	**$ 34,591**	**$ 120,571**	**$ 356,552**	**$ 2,912,635**

9. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Depreciation expense is $254,854 and $732,477 for the three months and nine months ended December 31, 2025 (three months and nine months ended December 31, 2024: $266,746 and $758,366).

The Company carries two categories of right-of-use assets: vehicles and property. At December 31, 2025 the carrying amount of vehicles under lease was $831,193 (March 31, 2025: $641,610), with $108,629 and $342,343 of depreciation for the three months and nine months ended December 31, 2025 (three months and nine months ended December 31, 2024: $148,744 and $414,990).

The right-of-use asset property had a carrying amount of $443,733 at December 31, 2025 (March 31, 2025: $569,410). Depreciation in the amount of $90,679 and $219,693 is included for the three and nine months ended December 31, 2025 (three months and nine months ended December 31, 2024: $69,372 and $206,401).

All assets of the Company, including its Accounts Receivables, Inventories and Property, Plant and Equipment, have been pledged as general security against the senior secured credit facilities established with the Company's bank (Note 12). Gains and losses on disposals are booked in the miscellaneous (income) expense line on the condensed interim consolidated statement of income and comprehensive income.

10. GOODWILL AND INTANGIBLE ASSETS

A. INTANGIBLE ASSETS

	Trade Name and Other	Customer relationships	Software	Total
	$	$	$	$
Cost				
Balance at March 31, 2025	$663,111	$5,218,330	$870,367	$6,751,808
Additions			$236,099	$236,099
Disposal				
Balance at Dec. 31, 2025	**$663,111**	**$5,218,330**	**$1,106,466**	**$6,987,907**
Amortization				
Balance at March 31, 2025	$246,344	$3,932,154	$345,418	$4,523,916
Amortization for the period	$83,907	$394,702	$20,405	$499,014
Disposal				
Balance at Dec. 31, 2025	**$330,251**	**$4,326,856**	**$365,823**	**$5,022,930**
Carrying amounts				
Balance at March 31, 2025	$416,767	$1,286,176	$524,949	$2,227,892
Balance at Dec. 31, 2025	**$332,860**	**$891,474**	**$740,643**	**$1,964,977**

10. GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

	Trade Name	Customer relationships	Order backlog	Total
	$	$	$	$
Cost				
Balance at March 31, 2024	$660,026	$5,362,080	$262,000	$6,284,106
Additions	-	-	-	-
Disposals		(143,750)		(143,750)
Balance at December 31, 2024	**660,026**	**5,218,330**	**262,000**	**6,140,356**
Amortization				
Balance at March 31, 2024	$136,030	$3,397,379	$262,000	$3,795,409
Amortization	82,736	401,081	-	483,816
Balance at December 31, 2024	**218,765**	**3,798,460**	**262,000**	**4,279,226**
Carrying amounts				
Balance at March 31, 2024	**$ 523,996**	**$ 1,964,701**	**$ -**	**$ 2,488,697**
Balance at December 31, 2024	**$ 441,260**	**$ 1,419,871**	**$ -**	**$ 1,861,130**

On December 1, 2022 the Company acquired the customer list of C & B Alarms Ltd ("C&B Alarms") pursuant to an Asset Purchase Agreement between the Company and C & B Alarms Ltd. ("C&B") in the Muskoka region. The total purchase price was $575,000, $431,250 was paid in cash, the Company held back $143,750 of the purchase price against certain representations and warranties. The full amount of the acquisition was allocated to the intangible asset Customer Relationships on the consolidated statements of financial position as of March 31, 2023. During the year ended March 31, 2025, as the criteria for release of the holdback were not met, the amount of $143,750 was not paid to the seller and was derecognized from the purchase consideration.

On October 1, 2023, Avante Corp., acquired a controlling interest of 55% in NSSG, an international risk management and security company. The comprehensive purchase cost amounted to $1,834,561, with payment structured as a blend of $1,728,000 in cash and the issuance of 154,301 common shares in the Company. NSSG is consolidated with effect from October 1, 2023. As a result of the acquisition of NSSG, the Company recorded $1,185,560 of identifiable intangible assets. These intangible assets are primarily related to customer relationships and trade name, with useful lives ranging from 5.25 to 9.25 years.

Intangible amortization expense for the three months and nine months ended December 31, 2025 is $164,973 and $499,014 (three months and nine months ended December 31, 2024: $161,272 and $483,816).

B. GOODWILL

Balance at March 31, 2024	**$ 4,501,317**
Revaluation of foreign subsidiary goodwill	**$(61,173)**
Balance at March 31, 2025	**$ 4,440,144**
Balance at December 31, 2025	**$ 4,440,144**

The above intangible assets and goodwill were acquired upon the acquisitions of the businesses of INTO Electronics Inc. at August 22, 2014, LVS Inc. at April 1, 2015, Architronics Limited ("Architronics") at March 1, 2017 and Watermark Security Inc. at August 1, 2018 as well as the acquisition of the business of NSSG at October 1, 2023. The goodwill recognized on NSSG acquisition is primarily attributed to the anticipated synergy in services, global expansion through leveraging respective networks, innovation and expertise in technology, and enhanced operational efficiency.

The key assumptions used to calculate the fair value of these intangible assets include discount rates, growth rates and margins. The cost of goodwill is calculated as the excess of purchase price of the acquired business over the estimated fair value of the tangible and intangible assets acquired and liabilities assumed at the date of acquisition and is allocated to the cash generating unit ("CGU") expected to benefit from the acquisition. A CGU is the smallest group of assets for which there are separate identifiable cash flows. The Company has determined that it has two CGUs as at both December 31, 2025 and March 31, 2025: Avante Security and NSSG.

10. GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

Capitalized Commission

Commissions on long-term contracts (12 months in length or longer) are capitalized at the initiation of the contract and amortized over the length of the contract as revenue is recognized. The unamortized amount of commission on long-term contracts as of December 31, 2025 was $3,086 (March 31, 2025: $3,086), with $nil amortized in the three months and nine months ended December 31, 2025 (three months and nine months ended December 31, 2024: $1,572 and $4,132).

11. BUSINESS ACQUISITIONS/DISPOSITIONS

The Company accounts for business combinations using the acquisition method, in accordance with IFRS 3 - Business Combinations ("IFRS 3"). The consideration transferred in the acquisition is measured at fair value, as are the identifiable net assets acquired.

In determining the purchase price allocation, the Company considers, among other factors, the intended future use of acquired assets, analysis of historical financial performance, and estimates of future performance of the acquiree. Any goodwill that arises generally reflects expected revenue and cost synergies from combining the acquiree with the Company's existing businesses.

The Company aims to finalize the measurement of the fair values of the assets acquired and liabilities assumed within twelve months following the date of acquisition, as it obtains the information necessary to complete the measurement process.

Unless specified otherwise, the fair values presented in the purchase price allocation tables below are provisional. Any changes resulting from facts and circumstances that existed as of the date of acquisition will result in retrospective adjustments to the provisional amounts, recognized at the acquisition date.

Acquisition-related costs are recognized as incurred, in profit or loss, within Reorganization and acquisition costs.

Acquisition of Veridin Systems Canada Inc. and Intelligarde International Inc., subsequently sold to SSC

Veridin Systems Canada Inc. was acquired by the Company on September 17, 2018 and integrated with Logixx Security and sold to SSC on June 1, 2022. Within an escrow account, the Company held back $94,923 of the purchase price against certain representations and warranties. The parties are engaged in litigation processes to settle the amounts owing between the parties.

On May 7, 2024, the Company agreed to settle with sellers of Intelligarde International Inc. for the holdback related to the acquisition. The total amount of the holdback, held in escrow, was $549,299. The Company received $239,333 recorded as miscellaneous income.

Acquisition of NSSG

On October 1, 2023 Avante Corp., via its subsidiary Avante International Inc., acquired a controlling interest of 55% in NSSG, an international risk management and security company. The comprehensive purchase cost amounted to $1,834,561, with payment structured as a blend of $1,728,000 in cash and the issuance of 154,301 common shares in the Company. NSSG is consolidated with effect from October 1, 2023.

The acquisition was undertaken to strengthen the Group's presence in the global security market by utilizing NSSG's worldwide client base for cross-selling its services and technology to NSSG's Fortune 500 clients.

As part of the transaction, the Company entered into a shareholder's agreement with respect to NSSG and a loan agreement with NSSG. Pursuant to the loan agreement, the Company will, indirectly through the Purchaser, advance to NSSG a loan in principal amount of up to EUR 1,000,000 for a term of 4 years, bearing interest at a rate equal to the Bank of Canada Prime Rate plus 1%, and repayable in 8 quarterly equal repayments starting on the date that is 24 months after the date of each drawdown under the loan. This first

11. BUSINESS ACQUISITIONS/DISPOSITIONS (CONTINUED)

draw of EUR 500,000 was executed on September 25, 2023.

12. BANK INDEBTEDNESS

As of June 1, 2022, the Company entered into amended credit facilities with the bank consisting of a $2 million revolving credit facility, together with credit card facilities for each of Avante Corp. and Avante Security, supported by a first fixed security interest in favour of the bank over all assets of Avante Corp. and Avante Security. Such credit arrangements are provided by the bank on a demand basis. The provision of the credit facilities is subject to a minimum consolidated current ratio of 1.20 as of March 31, 2023, and thereafter, and the Company was in compliance with that covenant as of December 31, 2025. The agreement further stipulates that the advances cannot exceed 75% of accounts receivable and 50% of inventory less priority payables; the Company is in compliance with these requirements as of December 31, 2025. Drawings under the revolver are permitted by way of letters of credit (at 2.00% per annum), prime rate advances (at the bank's prime rate plus 0.50%) and bankers' acceptances (stamping fee of 2.00%).

As of December 31, 2025 and March 31, 2025, there were no drawings on the line of credit. The Company must maintain a current asset to current liability ratio of at least 1.20:1.00 at all times, as calculated on a quarterly basis. The Company was onside with covenants throughout the year and as at December 31, 2025. The borrowing base of the line of credit is 75% of accounts receivable, excluding items aged greater than ninety days, plus 50% of inventory less priority payables which consist of accrued payments such as salaries, commissions and HST payable. The Company borrowing base must exceed the amount borrowed on the line of credit.

On July 7, 2022, the Company executed an unsecured Loan Agreement with affiliates of Fairfax Financial Holdings Limited ("Fairfax"), who collectively own 19.88% of the Company's common shares as of December 31, 2025 and March 31, 2025 for $10 million. This note should be read in conjunction with the related-party transactions Note 19 to fully understand the nature and impact of the Loan Agreement with Fairfax affiliates.

Interest on bank loans expensed in the condensed interim consolidated statements of income (loss) and comprehensive income (loss) for the three and nine months ended December 31, 2025 is $14,495 and $44,694.

13. OBLIGATIONS UNDER LEASE

The Company's lease payments are discounted using the interest rate implicit in the lease, or if that cannot be determined, the Company's incremental borrowing rate. Vehicle lease and property lease liabilities as of the respective period ends were as follows:

13. OBLIGATIONS UNDER LEASE (CONTINUED)

	Vehicle lease liability	Property lease liability	Total liability
Balance at March 31, 2024	**$ 557,054**	**$ 823,094**	**$ 1,380,148**
Additions during the year	583,183	12,177	595,360
Disposals during the year	(18,911)	-	(18,911)
Principal payments	(484,648)	(215,175)	(699,823)
Balance at March 31, 2025	**$ 636,678**	**$ 620,096**	**$ 1,256,774**
Current obligations under lease	414,552	251,076	665,628
Long-term obligations under lease	222,126	369,020	591,146
Balance at March 31, 2025	**$ 636,678**	**$ 620,096**	**$ 1,256,774**
Additions during the year	678,904	-	678,904
Disposals during the year	(117,871)	-	(117,871)
Principal payments	(341,313)	(165,455)	(506,768)
Balance at December 31, 2025	**$ 856,397**	**$ 454,641**	**$ 1,311,038**
Current obligations under lease	455,292	306,129	761,421
Long-term obligations under lease	401,105	148,512	549,617
Balance at December 31, 2025	**$ 856,397**	**$ 454,641**	**$ 1,311,038**

The Company leased certain vehicles with a value of $693,158 (March 31, 2025: $636,678), at an effective annual rate of interest of 22.45% (March 31, 2025: 23.60%). The payment terms include blended monthly payments of $65,884 plus applicable taxes (March 31, 2025: $56,276) for 12 to 48 months ending between January 2026 and May 2029, with an aggregate buy out obligation of $nil as of December 31, 2025 (March 31, 2025: $nil). Interest expense from these leases, included in the condensed interim consolidated statements of income (loss) and comprehensive income (loss) for the three and nine months ended December 31, 2025 was $39,022 and $112,866 (three and nine months ended December 31, 2024: $39,754 and $129,737).

Various office properties with a value of $499,877 (March 31, 2025: $620,096), are leased with blended monthly payments of $27,607 plus applicable taxes (March 31, 2025: $27,067). An incremental borrowing rate of 6.9% is used. The property leases end in January 2028. Interest expense from these leases, included in the condensed interim consolidated statements of income (loss) and comprehensive income (loss) for the three and nine months ended December 31, 2025 was $8,343 and $27,904 (three and nine months ended December 31, 2024: $16,351 and $43,455).

14. SHAREHOLDERS' EQUITY

[a] Share capital issued and outstanding

Unlimited common shares	Number of Shares	Amount
Balance at March 31, 2024	26,643,739 $	30,233,361
Issuance of common shares	5,000	$5,673
Balance at March 31, 2025	26,648,739 $	30,239,034
Balance at December 31, 2025	26,648,739 $	30,239,034

14. SHAREHOLDERS' EQUITY (CONTINUED)

[b] Share options

The Company has an incentive Share Option Plan ("the Plan") under which non-transferable options to purchase common shares of the Company may be granted to directors, officers, employees or service providers of the Company. The terms of the Plan provide that the Directors have the right to grant options to acquire common shares of the Company at not less than the closing market price of the shares on the day preceding the grant at terms of up to ten years. No amounts are paid or payable by the recipient on receipt of the option.

Options for Directors vest when granted, while vesting of options for non-directors is as follows: 33.33% on the first anniversary; 33.33% on the second anniversary; and the remainder on the third anniversary following the grant date. For the chairman of the Board vesting of the options is as follows: 25% of the option will vest on the first anniversary; 25% on the second anniversary; 25% on the third anniversary; and the remainder on the fourth anniversary following the grant date.

On September 29, 2015, the shareholders of the Company approved an amendment to the stock option plan whereby it reverted to a 10% rolling stock option plan. This plan is approved annually by the shareholders of the Company and was again approved by the shareholders on October 21, 2024. Accordingly, the Company has a total of 969,874 options available to be issued as at December 31, 2025, with the maximum term remaining at 10 years (March 31, 2025: 954,874).

	Number of Options	Weighted Average Exercise Price
Balance at March 31, 2024	**1,465,000**	**$0.93**
Option granted during the year	370,000	$0.81
Option forfeited during the year	(120,000)	$0.81
Options exercised during the year	(5,000)	$0.88
Balance at March 31, 2025	**1,710,000**	**$0.91**
Option granted during the year	115,000	$0.99
Option forfeited during the year	(130,000)	$0.82
Balance at December 31, 2025	**1,695,000**	**$0.93**

During the nine months ended December 31, 2025, 115,000 share options were issued to employees with strike prices ranging from $0.98 to $1.03, and 130,000 share options were forfeited. During the nine months ended December 31, 2024, 370,000 share options were issued to employees, and the strike price was $0.81, no share options were forfeited. None of the outstanding options were exercised in the nine months ended December 31, 2025.

Using the Black-Scholes pricing model, the Company recognized $1,426 in expenses for forfeited options for the nine months ended December 31, 2025 (nine months ended December 31, 2024: $nil for forfeited options).

Total share-based payments expensed during three and nine months ended December 31, 2025 amounted to $32,712 and $65,207 (three and nine months ended December 31, 2024: $50,008 and $95,219). In calculating the share-based compensation expense, the Company used the assumptions as listed below as at the date of grants:

	2026	2025
Risk-free interest rate	2.8%	2.8%
Expected volatility	68.47%	68.47%
Expected time until exercise	10 years	10 years
Expected dividend yield	NIL	NIL
Expected forfeiture	20%	20%
Share price	$0.81	$0.81

14. SHAREHOLDERS' EQUITY (CONTINUED)

The expected price volatility is based on the historic volatility (based on the expected life of the options), adjusted for any expected changes to future volatility due to publicly available information.

The following table summarizes stock options vested and outstanding at December 31, 2025:

Grant Date	Number of Options Outstanding	Remaining Years	Number of Options Vested	Exercise Price	Expiry Date
2022-04-28	200,000	1.32	200,000	0.88	2027-04-28
2022-04-28	200,000	1.32	200,000	0.97	2027-04-28
2022-04-28	200,000	1.32	200,000	1.07	2027-04-28
2022-04-28	200,000	1.32	-	1.18	2027-04-28
2022-04-28	100,000	1.32	100,000	0.88	2027-04-28
2022-09-26	250,000	1.74	250,000	0.80	2027-09-26
2022-10-11	200,000	1.74	200,000	0.77	2027-09-26
2023-08-29	100,000	2.66	100,000	0.88	2028-08-29
2024-09-27	130,000	8.75	43,333	0.81	2034-09-27
2025-06-06	25,000	9.44	-	0.98	2035-06-06
2025-06-06	60,000	9.44	-	0.98	2035-06-06
2025-11-25	15,000	4.90	-	1.03	2030-11-25
2025-11-25	15,000	4.90	-	1.03	2030-11-25
	1,695,000		1,293,333		

1. Expiry date extended in accordance with the share option plan.

15. NON-CONTROLLING INTERESTS

On October 1, 2023, the Company acquired control of North Star Support Group S.R.L. ("NSSG") upon achieving economic and voting interests of 55%. As a result, effective October 1, 2023, the Company commenced consolidating the entity. The transaction has been accounted for as a business combination in accordance with IFRS 3 - Business Combinations.

Following the acquisition of NSSG, Mrs. Grigore, the former owner, was granted a put option. At the initial recognition of this put option, the NCI related to the shares subject to the option was eliminated. The difference between the present value of the gross obligation that could be required to be paid and the carrying amount of the NCI was adjusted within equity. Refer to note 4 for additional details on the change in accounting policy related to this put option.

The following table summarizes the financial information related to NSSG, before any intra-group eliminations:

15. NON-CONTROLLING INTERESTS (CONTINUED)

NSSG

As at (and for the period ended)	Dec 31, 2025	Mar 31, 2025
Current assets	1,798,969	1,234,165
Non-current assets	100,843	80,852
Current liabilities	(2,163,023)	(1,357,671)
Non-current liabilities	(375,801)	(936,978)
Net assets (100%)	**(639,012)**	**(979,632)**
Revenue	4,661,155	4,299,724
Net income (loss)	340,620	(170,428)
Other comprehensive income	(21,423)	(48,189)
Total comprehensive income (loss) (100%)	**319,197**	**(218,617)**
NCI		
Cash flows from operating activities	490,688	(270,053)
Cash flows from investment activities	(108,751)	(54,126)
Cash flows from financing activities	10,717	(48,390)
Net increase (decrease) in cash and cash equivalents	392,654	(372,569)

The Reserve

In September 2023, Avante Corp., operating through its subsidiary Avante Holding Corp., formally established The Reserve, which commenced its services in December 2023. The following table summarizes the financial information related to The Reserve, before any intra-group eliminations:

The Reserve

As at (and for the period ended)	Dec 31, 2025	Mar 31, 2025
Current assets	42,947	37,854
Non-current assets	146,927	186,048
Current liabilities	(345,573)	(295,488)
Non-current liabilities		(26,698)
Net assets (100%)	**(155,699)**	**(98,284)**
Revenue	8,369	27,898
Net income (loss)	(57,415)	(56,334)
Other comprehensive income	-	-
Total comprehensive income (loss) (100%)	**(57,415)**	**(56,334)**
NCI	**(28,133)**	**(27,603)**
Cash flows from operating activities	59,222	102,601
Cash flows from investment activities	(16,843)	(16,843)
Cash flows from financing activities	(37,286)	(54,600)
Net increase (decrease) in cash and cash equivalents	5,093	31,158

16. INCOME TAXES

In prior annual fiscal years, the Company incurred non-capital losses for income tax purposes. Those losses are available to the Company to reduce the current portion of income taxes payable, if any. Income tax expense is recognized based on management's estimate of tax rates of 26.5% expected to be in effect for the Company's full financial year.
For the nine months ending December 31, 2025, the Company recognized current income tax expenses of $24,851.
For the nine months ending December 31, 2025, the Company recognized $nil deferred income tax expense from continuing operations (nine months ended December 31, 2024: $1,508 deferred income tax recovery). The deferred tax assets are attributable to previously unused non-capital tax loss carry forwards that it estimates will be used against taxable income for the year ended March 31, 2026 and future taxable periods.

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

[a] Risk management

The Company is exposed through its operations to the following financial risks:

- Market Risk
- Credit Risk
- Liquidity Risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these condensed interim consolidated financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in this note.

General Objectives, Policies and Processes:

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's management. The Board of Directors receives quarterly reports from the Company's management, through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are primarily comprised of two types of risk: foreign currency risk and interest rate risk.

Foreign Currency Risk:

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and other foreign currencies will affect the Company's operations and financial results.

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

The Company is exposed to foreign currency risk on revenue and expenses where it invoices or procures in a foreign currency. It is also exposed to foreign currency risk on cash and cash equivalents, trade receivables, trade payables and loans payable denominated in foreign currencies, principally in USD, GBP and RON. The Company does not employ any hedging strategies or use derivative instruments to mitigate this risk.

Financial instruments held by NSSG are denominated in the NSSG functional currency of Euros, and the effect of foreign exchange rate movements on the Company's share of these condensed interim consolidated financial instruments is included in accumulated other comprehensive income (loss) in the consolidated statements of financial position.

Interest Rate Risk:

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company has an available revolving credit facility limit, provided on a demand basis, from its bank of $2,000,000 (as of June 1, 2022) and an unsecured term loan facility from its largest shareholder of $10,000,000 (as of July 7, 2022) but neither credit arrangement was utilized as of December 31, 2025.

The Company also invests surplus funds in one-year, cashable guaranteed investment certificates issued by its bank at fixed interest rates, given the interest rate is fixed on these instruments, interest rate risk is minimal.

b) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. For credit risk on accounts receivable see Note 8. Financial instruments, which are potentially subject to credit risk for the Company consist primarily of cash and cash equivalents, guaranteed investment certificates, accounts receivables, and amounts due from the purchasers of Logixx Security. The carrying amounts of financial assets represent the maximum credit exposure. The Company has gross credit exposure at December 31, 2025 relating to cash of $3,228,097 (March 31, 2025: $2,261,311) and guaranteed investment certificates of $1,734,959 (March 31, 2025: $2,462,177). All cash and guaranteed investment certificates are held in or with Canadian banks and Romanian banks which have credit ratings of A+ and Aa2 from rating agencies Standard & Poor's and Moody's respectively.

The Company has performed a sensitivity analysis on changes in the credit risk associated with these banks and considers this risk to be minimal for all cash assets based on changes that are reasonably possible at the reporting date.

For credit risk on accounts receivable see Note 7.

c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of approximately 90 days. To achieve this objective, the Company prepares annual financial budgets and updates short-term liquidity requirements at least monthly based on revised estimates. Further, the Company utilizes delegated authorizations for varying expenditure levels and types to further manage expenditure. The Company also monitors its risk of shortage of funds by monitoring the maturity dates of existing trade and other accounts payable.

The following table sets out the Company's contractual maturities (representing undiscounted contractual cash flows including interest) of financial liabilities:

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

	Up to 3 months	3 to 12 months	1 to 2 years	2 to 5 years	Over 5 years	Contractual amount	Carrying amount
At March 31, 2025	**$ 3,595,695**	**$ 827,211**	**$ 451,106**	**$ 232,729**	**$ -**	**$ 5,106,740**	**$ 4,896,443**
Accounts payable	3,046,823		-	-	-	3,046,823	3,046,823
Obligations under lease	156,079	605,342	457,225	237,339	-	1,455,985	1,311,038
At December 31, 2025	**$ 3,202,902**	**$ 605,342**	**$ 457,225**	**$ 237,339**	**$ -**	**$ 4,502,808**	**$ 4,357,861**

Contractual amounts reflect undiscounted principal payments and future interest payments. Carrying amount excludes interest, is discounted, includes any residual value.

The Company maintains a liquidity position that meets its current and future obligations.

As of December 31, 2025, the Company holds cash and cash equivalents totaling $4,963,056 (March 31, 2025: $4,723,488). Additionally, the Company has access to undrawn credit facilities amounting to $12,000,000 (March 31, 2025: $12,000,000).

Based on the current liquidity position, available credit facilities, and ongoing financial planning, management is confident that the Company can meet any obligations arising from the exercise of the put option or accelerated put option by NCI.

The working capital as at December 31, 2025 was $6,573,519 compared to $6,317,657 at March 31, 2025.

d) Fair Value Hierarchy:

Financial instruments that are measured subsequent to initial recognition at fair value or disclosed at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

18. CAPITAL MANAGEMENT

The Company defines its cash, guaranteed investment certificates, common shares and stock options as capital. The Company‘s objectives when maintaining capital are:

a. To preserve the ability to ensure business continuity thereby creating a return for the shareholders, investors and other interested parties.

b. To ensure adequate return for the shareholders by pricing of services that is adjusted to the level of risk in the business activity.

To support business activity and maximize shareholder value, the Company takes into consideration various factors, including the growth of the business-related infrastructure and the up-front cost of developing new services. The Company’s officers and senior management are responsible for managing the capital and do so through monthly meetings and regular review of financial information. The Board of Directors is responsible for overseeing this process.

The Company manages capital with the objective of maintaining adequate capital resources through the optimization of the cash flows from operations and capital transactions. As of June 1, 2022 and July 7, 2022, the Company’s new senior secured credit facility provided on a demand basis and its new unsecured term

18. CAPITAL MANAGEMENT (CONTINUED)

loan facility, respectively, are both subject to financial covenants, draw conditions and other terms that must be complied with in order for such sources of financing to be used by the Company (Note 12). The Company has complied with all the terms of both facilities as at December 31, 2025 and March 31, 2025.

19. RELATED PARTY TRANSACTIONS

The Company entered into a contract effective May 1, 2018 with a private company controlled by a significant shareholder (and subsequent to March 30, 2022 an officer) to provide consulting services for the Company. The Company incurred $nil of expense in the nine-month period ended December 31, 2025 (December 31, 2024: $nil). The balance outstanding payable by the Company at December 31, 2025, is $3,087 (March 31, 2025: $3,087).

During the year ended March 31, 2024, the Company entered into an employee contract with a family member of a significant shareholder and an officer of the Company. Under the terms of the contract, the family member provided sales services to the Company on a contractual basis. The total amount paid to the family member for services rendered during the nine-month period ended December 31, 2025, was $94,674 (nine-month period ended December 31, 2024: $39,722). The terms of the contract were negotiated at arm's length and were comparable to those that would be offered to unrelated third parties.

During the year ended March 31, 2024, the Company entered into a consulting agreement with a family member of a significant shareholder and an officer of the Company. Under the terms of the agreement, the family member provided strategic consulting services to the Company on a contract basis. The total amount paid to the family member for services rendered during the nine-month period ended December 31, 2025 was $37,462 (nine-month period ended December 31, 2024: $29,231). The terms of the agreement were negotiated at arm's length and were comparable to those that would be provided to unrelated third parties.

On July 7, 2022, the Company executed an unsecured Loan Agreement with affiliates of Fairfax Financial Holdings Limited that also collectively own 19.88% of the Company's common shares. Pursuant to the Loan Agreement, the Company is permitted to draw, on a non-revolving basis, up to $10 million of loans until July 7, 2027 for terms to maturity ending on July 7, 2027, at an interest rate of 5.0% that can be paid by the Company in cash or in kind. A standby fee of 0.5% per annum is charged by Fairfax on the unused portion of the term loan facility, and the fee is recorded within the interest expense on the condensed interim consolidated statements of income (loss) and comprehensive income (loss) in the amount of $37,500 (nine-month period ended December 31, 2024: $37,500).

The Loan Agreement ranks junior to the senior secured credit facilities provided by the Company's bank, but are guaranteed on an unsecured basis by all subsidiaries of the Company.

Pursuant to the Loan Agreement, the Company's consolidated senior indebtedness (excluding drawings under the Term Loan and net of permitted cash balances) shall not exceed 3.5 times Adjusted EBITDA (as defined in the Loan Agreement) on a rolling four quarter basis. In addition, further drawings under the Loan Agreement are conditional on the Company's existing Chief Executive Officer being involved in the day-to-day operations of the Company. To date, there have not been any drawings advanced under the Loan Agreement.

Remuneration of Directors and Officers was as follows:

	For the nine-month period ended	
Directors and Officers Remuneration	**31-Dec-25**	**31-Dec-24**
Salaries, short term employee benefits	$ 495,183	$ 509,928
Bonus (short-term and long-term)	515,157	437,219
Director fees	150,000	150,000
Share based payments	26,016	64,565
	$ 1,186,356	$ 1,161,712

19. RELATED PARTY TRANSACTIONS (CONTINUED)

On April 8, 2022, the Company provided a long-term incentive plan to a director and officer of the Corporation. Under this plan, 1 million shares were to be granted on April 1, 2027, and an additional 1 million shares were to be granted upon the announcement of the Company's earnings per share for the fiscal year 2027, contingent on meeting certain performance targets.

The officers of the Company receive the short-term compensation based on achieving targeted free cash

flow as determined by the Compensation committee on an annual basis.

The officers of the Company are eligible for long-term incentive payments, structured as cash-settled share-based payments, contingent upon specific criteria. At the reporting date, the fair value of the outstanding liability for cash-settled share-based payments was $1,958,032 (March 31, 2025: $1,442,875).

The total expense recognized for the nine-month period ended December 31, 2025 arising from cash-settled share-based payments was $515,157 (December 31, 2024: expense of $437,219), which is included in employee benefits expense. This amount reflects the fair value of the share-based payments remeasured at the reporting date.

One officer is entitled to receive the incentive payment based on the earlier of:

- The date the officer's employment is terminated, however such termination is caused, or
- August 2028.

The other officer is entitled to receive the incentive payment based on the earlier of:

- The involuntary termination of either the first officer or himself, or
- August 2028.

Directors are eligible for an annual allowance of $5,000 towards security services from the Company.

20. REORGANIZATION AND ACQUISITION COSTS

The Company incurred reorganization and acquisition costs in the amount of $nil for the nine months ended December 31, 2025 (nine months ended December 31, 2024: $720,451). The costs incurred during the nine months ended December 31, 2024 included a $1 million payment related to the settlement of a dispute with a former officer and shareholder of the Company, partially offset by a $300,000 payout from the insurance company for the case, along with other consulting and legal fees.

21. SEGMENT REPORTING

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenue and expenses that relate to transactions with any of the Company's other components. The operating results of all operating segments are reviewed regularly by the Company's chief operating decision maker to make decisions about resources to be allocated to the segment and assessing their performance. The Company's chief operating decision maker is the Chief Executive Officer.

Avante Security provides premium security services for residential and commercial customers in Toronto and Muskoka, Ontario through the use of advanced technology and a focus on client service. Avante Security's business provides a complete offering ranging from system design, sales, installations, and monitoring to services such as alarm response and patrols, personal protection, house staff training, and secure transportation.

21. SEGMENT REPORTING (CONTINUED)

NSSG is a risk management and security firm that primarily specializes in international secure transportation, investigation services, and advanced cyber sentiment monitoring, as well as providing sensitive investigations tailored for executive clients on a global scale. NSSG also offers risk management, crisis management, remote medical services, due diligence, and travel risk management services. Operating from Romania, the company serves clients in Saudi Arabia, Italy, Israel, the United Kingdom, and a worldwide clientele.

The Company's revenue by geographic region for the nine months ending December 31, 2025 was as follows:

For the nine months ended December 31, 2025

Region	Revenue
Canada	$ 20,156,962
USA	1,458,687
Europe	1,249,840
Middle East	1,343,036
Africa	1,961,042
Others	554,393
Total	$ 26,723,960

For the nine months ended December 31, 2024

Region	Revenue
Canada	$ 18,623,627
USA	2,885,090
Europe	924,231
Middle East	541,388
Africa	850,318
Others	590,565
Total	$ 24,415,219

21. SEGMENT REPORTING (CONTINUED)

Segment statements of income (loss) and comprehensive income (loss) for the comparative three months ending December 31, 2025 are included below:

	For the three-month period ended December 31, 2025				
	Avante Security (ASI+ The Reserve 51%)	NSSG	Corporate	Intersegment eliminations	Total
Revenue	$ 7,764,872	$ 1,480,563	$ -	$ (147,774)	$ 9,097,661
Cost of sales	4,784,169	661,995	-	(147,774)	5,298,390
Gross profit	2,980,703	818,568	-	-	3,799,271
Operating expenses					
Salaries, benefits and commissions	846,654	462,748	746,017	-	2,055,419
Administration	403,329	219,738	418,670	-	1,041,737
Depreciation on capital assets	206,017	35,231	13,606	-	254,854
Amortization on intangible assets	35,539	36	129,397	-	164,973
Merchant transaction fees and bank charges	122,193	4,340	4,309	-	130,842
Share based payments	-	-	32,712	-	32,712
	1,613,733	722,094	1,344,710	-	3,680,537
Income (loss) before other income and expenses	1,366,970	96,474	(1,344,710)	-	118,734
Other (income) expenses					
Miscellaneous income	(20,471)	-	(11,170)	-	(31,641)
Interest (income) expense	141,171	918	(81,143)	-	60,947
Foreign exchange (gain) loss	(3,409)	(6,909)	-	-	(10,318)
Total other (income) expenses	117,291	(5,990)	(92,313)	-	18,988
Income (loss) before reorganization, and acquisition costs	1,249,679	102,465	(1,252,397)	-	99,746
Reorganization and acquisition costs	-	-	-	-	-
Income (loss) before income taxes	1,249,679	102,465	(1,252,397)	-	99,746
Provision for income taxes					
Current income tax expense (recovery)	-	7,378	-	-	7,378
	-	7,378	-	-	7,378
Net income (loss) for the period	**$ 1,249,679**	**$ 95,086**	**$ (1,252,397)**	**$ -**	**$ 92,368**
Other comprehensive income (loss):					
Unrealized gain (loss) on translating financial statements of foreign operations	-	-	23,562	-	23,562
Total comprehensive income (loss) for the period	**$ 1,249,679**	**$ 95,086**	**$ (1,228,835)**	**$ -**	**$ 115,930**

21. SEGMENT REPORTING (CONTINUED)

Segment statements of income (loss) and comprehensive income (loss) for the comparative three months ending December 31, 2024 are included below:

	For the three-month period ended December 31, 2024				
	Avante Security	NSSG	Corporate	Intersegment eliminations	Total
Revenues	$ 7,189,373	$ 1,232,339	$ -	$ (10,084)	$ 8,411,628
Cost of sales	4,462,697	517,599	-	(10,084)	4,970,212
Gross profit	2,726,676	714,740	-	-	3,441,416
Operating expenses					
Salaries, benefits and commissions	723,352	387,028	378,628	-	1,489,008
Administration	796,811	160,933	512,831	-	1,470,575
Depreciation on capital assets	224,316	30,189	12,241	-	266,746
Amortization on intangible assets	-	-	161,272	-	161,272
Merchant transaction fees and bank charges	149,719	4,297	4,375	-	158,391
Share based payments	-	-	50,008	-	50,008
	1,894,198	582,447	1,119,355	-	3,596,000
Income (loss) before other income and expenses	832,478	132,293	(1,119,355)	-	(154,584)
Other (income) expenses					
Miscellaneous (income) expense	(52,703)	-	(12,818)	-	(65,521)
Interest (income) expense	178,809	(4,636)	(110,417)	-	63,756
Foreign exchange (gain) loss	1,040	2,401	-	-	3,441
Total other (income) expenses	127,146	(2,235)	(123,235)	-	1,676
Income (loss) before reorganization, and acquisition costs	705,332	134,528	(996,120)	-	(156,260)
Reorganization and acquisition costs	-	-	-	-	-
Income (loss) before income taxes	705,332	134,528	(996,120)	-	(156,260)
Provision for income taxes					
Deferred income tax expense (recovery)	-	(1,508)	-	-	(1,508)
	-	(1,508)	-	-	(1,508)
Net income (loss) for the year	705,332	136,036	(996,120)	-	(154,752)
Other comprehensive income (loss) from continuing operations:					
Unrealized gain (loss) on translating financial statements of foreign operations	-		6,768	-	6,768
Total comprehensive income (loss) from continuing operations for the period	**$ 705,332**	**$ 136,036**	**$ (989,352)**	**$ -**	**$ (147,984)**

21. SEGMENT REPORTING (CONTINUED)

Segment statements of income (loss) and comprehensive income (loss) for the nine months ending December 31, 2025 are included below:

	For the nine-month period ended December 31, 2025				
	Avante Security (ASI+ The Reserve 51%)	NSSG	Corporate	Intersegment eliminations	Total
Revenue	$ 22,797,491	$ 4,661,154	$ -	$ (734,685)	$ 26,723,960
Cost of sales	14,304,631	2,322,359	-	(734,685)	15,892,305
Gross profit	8,492,860	2,338,795	-	-	10,831,655
Operating expenses					
Salaries, benefits and commissions	2,821,247	957,841	1,514,945	-	5,294,033
Administration	2,443,298	826,981	246,400	-	3,516,679
Depreciation on capital assets	610,032	82,291	40,154	-	732,477
Amortization on intangible assets	35,539	36	463,438	-	499,014
Merchant transaction fees and bank charges	343,742	15,013	10,281	-	369,037
Share based payments	-	-	65,207	-	65,207
	6,253,858	1,882,163	2,340,425	-	10,476,446
Income (loss) before other income and expenses	2,239,001	456,632	(2,340,425)	-	355,208
Other (income) expenses					
Miscellaneous income	(84,288)	-	(65,647)	-	(149,935)
Interest (income) expense	430,303	18,165	(232,416)	-	216,053
Foreign exchange (gain) loss	45,373	32,184	-	-	77,557
Total other (income) expenses	391,388	50,349	(298,063)	-	143,675
Income (loss) before reorganization, and acquisition costs	1,847,613	406,283	(2,042,363)	-	211,533
Reorganization and acquisition costs	-	-	-	-	-
Income (loss) before income taxes	1,847,613	406,283	(2,042,363)	-	211,533
Provision for income taxes					
Current income tax expense (recovery)	-	24,851	-	-	24,851
Net income (loss) for the period	**$ 1,847,613**	**$ 381,431**	**$ (2,042,363)**	**$ -**	**$ 186,682**
Other comprehensive income (loss):					
Unrealized gain (loss) on translating financial statements of foreign operations	-	-	(21,423)	-	(21,423)
Total comprehensive income (loss) for the period	**$ 1,847,613**	**$ 381,431**	**$ (2,063,786)**	**$ -**	**$ 165,259**

21. SEGMENT REPORTING (CONTINUED)

Segment statements of income (loss) and comprehensive income (loss) for the nine months ending December 31, 2024 are included below:

	For the nine-month period ended December 31, 2024				
	Avante Security	NSSG	Corporate	Intersegment eliminations	Total
Revenues	$ 21,582,802	$ 2,949,135		$ (116,717)	$ 24,415,219
Cost of sales	13,243,615	1,364,796		(116,717)	14,491,694
Gross profit	8,339,186	1,584,338	-	-	9,923,525
Operating expenses					
Salaries, benefits and commissions	2,068,093	1,112,654	1,398,213	-	4,578,960
Administration	3,144,441	558,886	508,974	-	4,212,301
Depreciation on capital assets	623,731	99,243	35,392	-	758,366
Amortization on intangible assets	-	-	483,816	-	483,816
Merchant transaction fees and bank charges	400,982	12,865	14,067	-	427,914
Share based payments	-	-	95,219	-	95,219
	6,237,247	1,783,648	2,535,681	-	10,556,576
Income (loss) before other income and expenses	2,101,940	(199,310)	(2,535,681)	-	(633,051)
Other (income) expenses					
Miscellaneous (income) expense	(58,230)	-	(350,964)	-	(409,194)
Interest (income) expense	357,254	14,270	(152,410)	-	219,114
Foreign exchange (gain) loss	9,877	19,944	247	-	30,068
Total other (income) expenses	308,901	34,214	(503,127)	-	(160,012)
Income (loss) before reorganization, and acquisition costs	1,793,038	(233,524)	(2,032,554)	-	(473,039)
Reorganization and acquisition costs	-	-	720,451	-	720,451
Income (loss) before income taxes	1,793,038	(233,524)	(2,753,004)	-	(1,193,490)
Provision for income taxes					
Deferred income tax expense (recovery)	-	(1,508)	-	-	(1,508)
	-	(1,508)	-	-	(1,508)
Net income (loss) for the year	**$ 1,793,038**	**$ (232,016)**	**$ (2,753,004)**	**$ -**	**$ (1,191,982)**
Other comprehensive income (loss) from continuing operations:					
Unrealized gain (loss) on translating financial statements of foreign operations	-		2,626	-	2,626
Total comprehensive income (loss) from continuing operations for the period	**$ 1,793,038**	**$ (232,016)**	**$ (2,750,378)**	**$ -**	**$ (1,189,356)**

Segment assets and liabilities as at December 31, 2025 and March 31, 2025 are as follows:

Segment assets are as follow:	**Avante Security**	**NSSG**	**Corporate**	**Total**
As at March 31, 2025	$ 17,596,958	$ 1,315,017	$ 4,134,077	$ 23,046,052
As at December 31, 2025	$ 19,978,298	$ 1,743,989	$ 2,100,778	$ 23,823,065
Segment liabilities are as follow:				
As at March 31, 2025	$ 5,906,987	$ 1,421,962	$ 2,960,564	$ 10,289,512
As at December 31, 2025	$ 5,536,701	$ 2,413,378	$ 2,885,980	$ 10,836,059

22. CONTINGENCIES

From time to time, the Company may become liable for legal, contractual and other claims by various parties, including customers, suppliers, former employees and vendors of businesses acquired by the Company. Depending on the nature or duration of any potential proceedings or claims, the Company may incur substantial costs and expenses, be required to devote significant management time and resources to the matters and suffer adverse judgements or outcomes in respect of these claims, although it is difficult to

predict final outcomes with any degree of certainty. Except as disclosed from time to time in the Company's condensed interim consolidated financial statements, the Company does not believe that any of the claims to which the Company is currently a party will have a material adverse effect on the Company's profitability or financial condition; however, the Company cannot provide any assurance to that effect.