AVANTE CORP.

Consolidated Financial Statements

March 31, 2026 and 2025

Deloitte.

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Independent Auditor's Report

To the Shareholders and the Board of Directors of
Avante Corp.

Opinion

We have audited the consolidated financial statements of Avante Corp. (the "Company"), which comprise the consolidated statements of financial position as at March 31, 2026 and 2025, and the consolidated statements of income (loss) and comprehensive income (loss), changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2026 and 2025, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the 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 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.

Key Audit Matter

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the financial statements for the year ended March 31, 2026. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Revenue Recognition – Refer to Notes 3 and 6 of the financial statements

Key Audit Matter Description

The Company primarily generates revenue from protective services, monitoring and managed services, electronic services, security devices and hardware, secured transportation, investigations, cyber

monitoring and consulting. Revenue is recognized when the performance obligations associated with the services are satisfied over time or point in time, depending on the nature of the services.

Revenue is a key audit matter due to the significant audit effort required in performing audit procedures related to the Company's revenue recognition and the magnitude of the account balance.

How the Key Audit Matter Was Addressed in the Audit

Our audit procedures related to revenue recognition included the following, among others:

- Evaluated management's policies and procedures over the revenue recognition process to determine the appropriateness of revenue recognition over selected revenue streams; and
- For a sample of revenue transactions, identified the performance obligation and evaluated revenue recognition by obtaining and inspecting available audit evidence, which may include customer agreements, external confirmations, invoices, cash receipts, and history of customer payments, as applicable to each transaction.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the 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 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 Financial Statements

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

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 GAAS 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 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 financial statements, including the disclosures, and whether the 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 Company as a basis for forming an opinion on the 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 Francesco Quatrale.

Chartered Professional Accountants
Licensed Public Accountants
Toronto, Ontario
July 20, 2026

AVANTE CORP.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31, 2026 AND MARCH 31, 2025

	Mar 31, 2026	*Mar 31, 2025*
ASSETS		
CURRENT		
Cash and cash equivalents	$ 6,220,055	$ 4,723,488
Accounts receivable (note 7)	7,625,623	7,426,444
Inventories (note 8)	892,584	1,031,149
Contract assets (note 6b)	303,080	227,657
Prepaid expenses	541,636	425,800
	15,582,978	13,834,538
NON-CURRENT ASSETS		
Property, plant & equipment (note 9)	2,618,962	2,250,909
Deferred tax assets (note 16)	403,948	292,569
Intangible assets (note 10)	1,902,490	2,227,892
Goodwill (note 10)	4,440,144	4,440,144
	9,365,544	9,211,514
TOTAL ASSETS	**$ 24,948,522**	**$ 23,046,052**
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	4,378,127	3,639,669
Loan from officer	111,294	102,498
Corporate tax payable	127,415	253,888
Obligations under lease (note 13)	705,352	665,628
Deferred revenue (note 6b)	4,629,687	2,855,198
Put option liability (note 11)	1,653,376	-
	11,605,251	7,516,881
NON-CURRENT LIABILITIES		
Obligations under lease (note 13)	469,189	591,146
Dividend payable to non-controlling shareholder of NSSG (note 19)	-	596,921
Cash settled share-based payment liabilities (note 19)	2,375,000	1,442,875
Deferred tax liability (note 16)	158,947	141,689
	3,003,136	2,772,631
TOTAL LIABILITIES	**14,608,387**	**10,289,512**
SHAREHOLDERS' EQUITY		
Share capital (note 14)	30,239,034	30,239,034
Contributed surplus	2,739,976	2,531,453
Accumulated other comprehensive deficit	(125,083)	(111,381)
Deficit	(22,605,907)	(20,104,023)
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	10,248,020	12,555,083
Non-controlling interest (note 15)	92,115	201,457
TOTAL EQUITY	**10,340,135**	**12,756,540**
TOTAL EQUITY & LIABILITIES	**$ 24,948,522**	**$ 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 consolidated financial statements

AVANTE CORP.

CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
FOR THE YEARS ENDED MARCH 31, 2026 AND MARCH 31, 2025

	Mar 31, 2026	Mar 31, 2025
Revenues from continuing operations (note 6a)	$ 37,226,462	$ 33,761,732
Cost of sales	21,651,588	20,504,549
Gross profit	**15,574,874**	**13,257,183**
Operating expenses		
Salaries, benefits and commissions (note 19)	7,888,334	6,071,449
Administration	5,903,516	5,876,287
Depreciation on capital assets (note 9)	973,803	1,017,936
Amortization on intangible assets (note 10)	667,205	645,089
Merchant transaction fees and bank charges	539,460	559,275
Share based payments (note 14)	208,523	136,767
	16,180,841	14,306,803
Loss before other income and expenses	**(605,967)**	**(1,049,620)**
Other (income) expenses		
Miscellaneous income	(258,504)	(395,861)
Put option expense (note 11)	1,653,377	-
Interest expense	295,276	276,833
Foreign exchange loss	158,166	9,771
Reorganization and acquisition costs (note 20)	-	720,451
Loss before income taxes	**(2,454,282)**	**(1,660,814)**
Provision for income taxes		
Current income tax expense (recovery) (note 16)	172,845	252,303
Deferred income tax expense (recovery) (note 16)	(94,122)	140,796
	78,723	393,099
Net loss for the year	**$ (2,533,005)**	**$ (2,053,913)**
Net loss for the year attributable to:		
Equity holders of the parent	(2,501,884)	(2,026,310)
Non-controlling interests	(31,121)	(27,603)
	$ (2,533,005)	$ (2,053,913)
Other comprehensive loss: Items that may be reclassified subsequently to net loss		
Unrealized loss on translating financial statements of foreign operations	(13,702)	(48,189)
	$ (13,702)	$ (48,189)
Total comprehensive loss for the year	**$ (2,546,707)**	**$ (2,102,102)**
Equity holders of the parent	(2,515,586)	(2,074,499)
Non-controlling interests	(31,121)	(27,603)
Total comprehensive loss for the year	**$ (2,546,707)**	**$ (2,102,102)**
Net loss per share attributable to equity holders of the parent (note 5)		
Basic and diluted loss per share	($0.094)	($0.076)
Weighted average number of shares outstanding for basic and diluted calculation	26,648,739	26,644,479

See accompanying notes to the consolidated financial statements

AVANTE CORP.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED MARCH 31, 2026 AND MARCH 31, 2025

	Share Capital	Contributed Surplus	Deficit	Accumulated Other Comprehensive Loss	Subtotal	Non-controlling Interest	Total Equity
Balance at April 1, 2024	**$ 30,233,361**	**$ 2,395,960**	**$ (18,077,713)**	**$ (2,019)**	**$ 14,549,589**	**229,060**	**$ 14,778,649**
Net loss for the year	-	-	(2,026,310)	-	(2,026,310)	(27,603)	(2,053,913)
Unrealized loss on translating financial statements of foreig operations	-	-	-	(109,362)	(109,362)	-	(109,362)
Share based payments	-	136,767	-	-	136,767	-	136,767
Issuance of common shares	5,673	(1,274)	-	-	4,399	-	4,399
Balance at March 31, 2025	**$ 30,239,034**	**$ 2,531,453**	**$ (20,104,023)**	**$ (111,381)**	**$ 12,555,083**	**$ 201,457**	**$ 12,756,540**
Balance at April 1, 2025	**$ 30,239,034**	**$ 2,531,453**	**$ (20,104,023)**	**$ (111,381)**	**$ 12,555,083**	**201,457**	**$ 12,756,540**
Net loss for the year	-	-	(2,501,884)	-	(2,501,884)	(31,121)	(2,533,005)
Cash distribution	-	-	-	-	-	(78,221)	(78,221)
Unrealized loss on translating financial statements of foreig operations	-	-	-	(13,702)	(13,702)	-	(13,702)
Share based payments	-	208,523	-	-	208,523	-	208,523
Balance at March 31, 2026	**$ 30,239,034**	**$ 2,739,976**	**$ (22,605,907)**	**$ (125,083)**	**$ 10,248,020**	**$ 92,115**	**$ 10,340,135**

AVANTE CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2026 AND
MARCH 31, 2025

	Mar 31, 2026	*Mar 31, 2025*
Operating activities		
Net loss for the year	$ (2,533,005)	$ (2,053,913)
Loss (gain) on disposal of capital assets	158,627	(57,455)
Share based payments	208,523	136,767
Interest on bank loans and leases	295,276	232,282
Depreciation on capital assets (note 9)	973,803	1,017,936
Amortization on intangible assets (note 10)	667,205	645,089
Amortization on capitalized commission	-	5,526
Provision for income tax	78,723	140,796
Capitalization of commissions	-	(4,448)
Put option liability	1,653,377	-
Impairment of capital assets		
	1,502,529	62,580
Net change in non-cash working capital:		
Accounts receivable	(199,179)	(33,988)
Inventories	138,566	72,101
Contract assets	(75,423)	57,891
Prepaid expenses	(115,836)	166,035
Income tax payable	(299,318)	252,422
Accounts payable and accrued liabilities	1,073,660	(940,687)
Deferred revenue	1,774,489	699,677
	2,296,959	273,451
Net cash provided by operating activities	3,799,488	336,031
Financing activities		
Loan from officer	8,796	-
Distribution to minority shareholder	(78,221)	-
Proceeds on exercise of options	-	4,400
Principal lease payments	(879,400)	(699,823)
Interest on bank loans, and leases	(295,276)	(219,453)
Net cash from (used in) financing activities	(1,244,101)	(914,876)
Investing activities		
Capitalized development costs (note 10)	(341,803)	(524,948)
Purchase of capital assets	(703,315)	(269,390)
Disposal of capital assets	-	201,521
Additions to assets	-	(80,272)
Net cash flows attributable to discontinued operations		
Net cash from (used in) investing activities	(1,045,118)	(673,089)
Increase (decrease) in cash during the year	1,510,269	(1,251,934)
Cash and cash equivalents, beginning of year	4,723,488	6,030,907
Unrealized foreign exchange loss on cash and cash equivalents held in foreigr currencies	(13,702)	(55,485)
Cash and cash equivalents, end of year	**$ 6,220,055**	$ 4,723,488
Cash (note 17b)	4,478,491	2,261,311
Guaranteed Investment Certificates (note 17b)	1,741,564	2,462,177
Cash and cash equivalents, end of year	**$ 6,220,055**	$ 4,723,488

See accompanying notes to the consolidated financial statements

1. NATURE OF BUSINESS

Avante Corp., formerly Avante Logixx Inc. (the "Company") develops security technologies, products and solutions for residential, commercial and corporate 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 Inc. (formerly "ToyBoxx Inc."), 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, commercial and corporate customers primarily 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 NSSG, which is a risk management and security company. NSSG 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 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 consolidated financial statements were authorized for issue by the Board of Directors on July 15, 2026.

2. BASIS OF PRESENTATION (CONTINUED)

b) Basis of measurement

The 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 translation differences resulting from the above methods are recognized in other comprehensive income (loss).

The preparation of these 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 consolidated financial statements, are disclosed in Note 4.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Basis of Consolidation

The 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 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 is comprised of the following subsidiaries.

	Ownership interest held at	
Name of entity	**31-Mar-26**	**31-Mar-25**
Avante Security Inc.	100%	100%
Avante Security USA 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)

Cash and cash equivalents

Cash and cash equivalents include cash on hand and guaranteed investment certificates ("GICs") with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk or change in value.

Inventories

Inventories are valued at the lower of cost and net realizable value with cost being determined on a first-in, first-out basis.

The cost of inventories comprises of costs of purchase and costs incurred bringing the inventories to their present location. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

In determining inventory valuation, any obsolete or damaged inventory was written down to its net realizable value.

Income Taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in net income (loss) except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income (loss).

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered). Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- the same taxable group company; or
- different group entities which intend either to settle current tax assets and liabilities on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

Property, Plant & Equipment

Property, plant, and equipment are stated at cost less accumulated depreciation and less any accumulated impairment.

Depreciation is provided for using the following rates and methods:

Computer Equipment	- 30%, declining balance basis
Computer Software	- Period of useful life (3 years), straight line basis
Equipment, furniture, and fixtures	- 20%, declining balance basis
MAST Equipment	- Period of useful life (10 years), straight line basis
Leasehold improvements	- Period of the lease, straight line basis
Vehicles	- 30%, declining balance basis
Right-of-use-assets	- Period of the lease, straight line basis
Buildings	- 4%, declining balance basis
Uniforms	- Period of useful life (3 years), straight line basis

Intangible assets

Externally acquired intangible assets are measured at cost less accumulated amortization and any accumulated impairment losses. The cost of intangible assets acquired through business combinations is their fair value at the acquisition date. These intangible assets are amortized on a straight-line basis over their estimated useful lives and are tested for impairment whenever events or changes indicate that their carrying amount may not be recoverable. Useful lives, residual values and amortization methods for these intangible assets with finite useful lives are reviewed at least annually.

Intangible assets are recognized on business combinations if they are separable from the acquired entity or give rise to other contractual/legal rights. The amounts ascribed to such intangibles are arrived at by using appropriate valuation techniques. The significant intangible assets recognized by the Company and their useful economic lives are as follows:

Trade name	- 1-10 years
Customer relationships	- 5-12 years

Goodwill and Indefinite Life Intangible Assets

Goodwill arising on business combinations is recognized as an asset at the date that control is acquired. Goodwill and indefinite life intangible assets are subsequently measured at cost less any accumulated impairment losses and are not amortized but are tested for impairment on an annual basis or more frequently if there are indicators of impairment as described in the Impairment of Non-Financial Assets accounting policy. 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.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

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 March 31, 2026, the Company has two CGUs, Avante Security and NSSG. The Company had the same CGUs 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.

Financial Instruments: Classification and Measurement

(a) *Classification*

Financial assets are classified by the Company in the following measurement categories: i) those to be measured at fair value through profit or loss (FVTPL), ii) those to be measured at fair value through other comprehensive income (FVOCI), and iii) those to be measured at amortized cost. Financial liabilities are measured at amortized cost unless designated to be measured at FVTPL. Classification depends on the contractual terms of the cash flows. Gains or losses for instruments measured at fair value are either recorded in profit or loss or other comprehensive income (loss).

(b) *Measurement*

Financial instruments are measured at fair value on initial recognition as required, plus directly attributable transaction costs on the acquisition or issuance of financial assets and liabilities not measured at FVTPL. Transaction costs related to assets and liabilities measured at FVTPL are recorded in profit or loss at the time of acquisition or issuance. Trade receivables without a significant financing component are the exception and are initially measured at the transaction price.

Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at the end of the subsequent accounting periods using the effective interest method, less any impairment losses. Amortized cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. All other financial assets are measured at their fair values at the end of accounting periods, with any changes recognized through profit and loss or other comprehensive income (loss).

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial Instruments: Classification and Measurement (Continued)

Summary of Financial Instruments Classification and Measurement:

Financial assets and liabilities	Classification	Measurement
Cash and cash equivalents	Amortized cost	Amortized cost
Accounts receivable	Amortized cost	Amortized cost
Accounts payable and accrued liabilities	Amortized cost	Amortized cost
Obligations under lease	Amortized cost	Amortized cost
Long term notes receivable	Amortized cost	Amortized cost
Loan from officer	Amortized cost	Amortized cost
Dividend payable to NCI	Amortized cost	Amortized cost
Put option liability	FVTPL	Fair value
Cash settled share-based payment liabilities	FVTPL	Fair value

Determination of fair value

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The carrying amounts for cash and cash equivalents, accounts receivables, accounts payables and accrued liabilities, loan from officer, dividend payable to NCI and obligations under lease approximate fair value due to their short-term nature.

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); and
- 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).

Revenue from Contracts with Customers

Revenue from contracts with customers (“IFRS 15”) is to be recognized in a manner that reflects the consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances. The standard also specifies the accounting for the incremental cost of obtaining a contract and the costs directly related to fulfilling a contract.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

The Company considered the terms of the contract in determining the five steps of the framework to recognize revenue from contracts with customers. The five-step model framework implemented by the Company is: i) identify the contract with a customer; ii) identify the performance obligations in the contract; iii) determine the transaction price; iv) allocate the transaction price to the performance obligations in the contract; and v) recognize revenue when (or as) the entity satisfies a performance obligation.

The Company enters into contracts with customers for a) protective services, b) monitoring and managed services, c) electronic services, d) security devices and hardware, e) secured transportation, f) investigations, g) cyber monitoring and h) consulting.

Performance obligations for the majority of the contracts that the Company enters into are completed in less than twelve months, and as such, the Company applies the practical expedient in paragraph 121 of IFRS 15 and does not disclose information about remaining performance obligations as the original expected durations are one year or less.

Typically, the Company does not bundle distinct services within a single contract, however in some instances contracts bundle distinct services, in which case each component of bundled goods and services are measured at their relative fair values, based on stand-alone selling prices. The performance obligations for contracts, whether installations, installations and monitoring, or protective services and monitoring contracts, secured transport, investigations, cyber monitoring and consulting are distinct from one and another.

The Company also considered whether it acted as a principal or an agent under IFRS 15 and determined that in all cases the Company acted as a principal.

Accounting for revenue recognition

The Company recognizes revenue from long-term contracts based on the stage of completion of the performance obligation delivered. Revenue from contracts is recognized over time as the customer controls the asset as it is created, the Company's performance creates and or enhances an asset in the customer's control, and the Company has an enforceable right to payment for performance completed to date.

A contract modification will be accounted for as a separate contract with the customer, or it will be accounted for by modifying the accounting for the current contract with the customer. Modifications that are distinct from those delivered prior to the modification will be accounted for prospectively, if the modifications are not distinct, they will be accounted for retrospectively. Any modifications to the Company's customer contracts are considered distinct and separate, and, therefore are accounted for prospectively or under a new and separate contract. In the current year, the Company did not have any contract modifications.

The Company does not accept returns, with the exception of defective parts / equipment installed, which are under warranty by the parts/ equipment manufacturer, usually for a period of one year. The Company expects, at contract inception, that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less. Therefore, the Company does not adjust the transaction price.

Accounting for costs incurred in acquiring contracts

IFRS 15 requires the treatment of certain costs directly incurred in acquiring customer contracts (such as sales commissions) to be recognized as an asset and amortized into administrative expenses over time consistent with the pattern of transfer of the goods or services to which the asset relates. A significant portion of the Company's open contracts at the end of the period are to be completed within 12 months or less. In instances where the contract term is longer than 12 months, the Company recognizes an asset as capitalized commissions, and it is amortized on a systematic basis over the period in which the related economic benefits are expected to be realized, with amortization recognized in the statement of income (loss) as amortization expense.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition and Deferred Revenue

The Company's revenue recognition policy from its various sources is as follows:

(i) Revenue from protective services subscribers includes performance obligations such as executive security services, general guarding and travel advisory services, which are recognized over the term of the subscriber agreement as the services are provided. Performance obligations on secure transportation services are recognized over time. Deferred revenue (formerly referred to as contract liabilities) results from subscribers that are billed in advance of the period in which such services are provided, on a monthly, quarterly, semi-annual or annual basis.

(ii) Revenue from electronic installation services includes the installation of security. The Company's contracts with customers require highly complex integration services which are not separately identifiable from other promises in the installation contracts and, therefore, are not distinct. As such, the entire contract is one performance obligation recognized over time using the percentage of completion basis, where milestones are clearly defined, and performance is tied to milestones reached and costs incurred compared to total estimated costs. A contract asset is recognized for unbilled amounts on these projects during construction.

(iii) Revenue from monitoring and managed services is a distinct performance obligation and recognized over the term of the subscriber agreement as the services are provided. Deferred revenue results from subscribers that are billed in advance of the period in which such services are provided, on a bi-monthly, quarterly, semi-annual or annual basis.

(iv) Revenue from the Company's subsidiary, NSSG, is divided into three streams. Operations revenue primarily include short-term international transport trips, where revenue is recognized over time over the term of the trip/mission. If a trip/mission extends over a period end, revenue is recognized on a per day basis. Intelligence revenue typically pertains to short term or monthly contracts to conduct intelligence research and reporting, where revenue is recognized over time over the contract term. In some cases, a deposit is required from the customer that is non-refundable. Consulting projects may be short or longer term (spanning a couple of months) and the specific performance obligations are established on a contract-by-contract basis. Before the project is started, the Company estimates the hours required to complete the project and recognizes revenue over time based on the number of hours worked over the total estimate of hours to complete the project.

(v) Revenue from the Company's division, Avante Black, is divided into four revenue streams. Specialty Security Services provides 24-hour dedicated guard services to a dedicated site. The Company invoices the client at the beginning of each month for the number of hours in the month and recognizes that revenue over time in the period it occurs. For Cyber Monitoring, the Company monitors individuals and references to the individual on the web and dark web and provides a report at the end of the month. Revenue is earned and recognized in the period the service is performed. Investigations are usually short-term in nature and are billed when the mission is complete and revenue is recognized at a point in time. In certain circumstances the Company may charge the customer weekly in arrears if the mission is longer term.

Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker ("CODM"). The CODM is the person or persons who are responsible for allocating resources and assessing performance of the operating segments. The CODM for the Company has been identified as the Chief Executive Officer.

The factors used to identify the Company's reportable segments include a combination of how the businesses are managed, with separately accountable management teams, and the principal type of target customer (residential versus enterprise). Operating segments have not been aggregated as each division

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

is a discrete reportable segment.

Share Capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability. The Company's common shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Earnings/(loss) per Share

Basic earnings/(loss) per share is computed by dividing the net income/(loss) applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted earnings per common share is computed by dividing the net income/(loss) applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted.

Potential common shares (options) are only included in the computation of diluted earnings per share when their conversion decreases earnings per share or increases loss per share.

Share-based Payment Transactions

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the consolidated statements of income (loss) and comprehensive income (loss) over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non- vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the consolidated statements of comprehensive income (loss) over the remaining vesting period.

Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized in comprehensive income (loss) over the vesting period, described as the period during which all the vesting conditions are to be satisfied.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the consolidated statements of comprehensive income (loss), unless they are related to the issue of shares (none in the past fiscal year). Amounts related to the issue of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

All equity-settled share-based payments are reflected in contributed surplus, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital, adjusted for any consideration paid.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

The Black-Scholes option pricing model used by the Company to determine fair values was developed for use in estimating the fair value of freely traded options that are fully transferable and have no vesting restrictions. This model requires the use of highly subjective assumptions, including future stock price volatility and expected time until exercise.

Cash-Settled Share-Based Payments

The Company has granted cash-settled share-based payments to its employees under various schemes.

For cash-settled share-based payments, the liability is measured based on the fair value of the equity instruments at each reporting date. This liability reflects the amount the Company expects to pay to the employee or service provider in cash, determined using the fair value of the underlying equity instruments at the end of each reporting period.

The fair value of the liability is recognized as an expense in the consolidated statements of income (loss) and comprehensive income (loss) over the vesting period. The total expense recognized reflects the fair value of the liability at each reporting date and is updated to reflect any changes in the fair value of the liability due to fluctuations in the share price or changes in other relevant factors. The expense is recognized in accordance with the vesting conditions, similar to equity-settled transactions, but the amount recognized is subject to remeasurement at each reporting date.

If the terms and conditions of a cash-settled share-based payment arrangement are modified, the increase in the fair value of the liability, measured immediately before and after the modification, is recognized as an expense over the remaining vesting period. This adjustment ensures that the expense recognized reflects the fair value changes resulting from the modification of the arrangement.

Upon settlement of a cash-settled share-based payment, the liability is settled in cash, and the amount paid is recorded as a reduction in the liability. Any excess amount paid over the fair value of the liability recognized is treated as an additional expense in the period in which the settlement occurs.

Put Option and Accelerated Put Option

The Company holds a put option that combines two components, a regular put option and an accelerated put option, which together form a single unit referred to as the "Put Option". This option grants the non-controlling shareholder of NSSG, the right to sell a specific number of shares to the Company at a predetermined price, depending on whether it is exercised through the regular put option or accelerated put option (see Note 11 for details). The contractual obligation to purchase its own equity instruments for cash gives rise to a financial liability measured as a gross obligation and recognized at an amount equal to the present value of the amount that could be required to be paid to the non-controlling shareholder of NSSG. The liability is remeasured at each reporting date, with changes in the value of the liability recognized in the profit or loss. If the option expires unexercised, the Company will reinstate Non-Controlling Interest (“NCI”) as if nothing happened.

In the event that certain conditions are met, an accelerated put option may be triggered, allowing the third party to exercise the put option earlier than initially anticipated. The accounting treatment for the accelerated put option follows the same principles as the regular put option.

The put option was initially recognized as a liability upon acquiring control of NSSG, at which point the NCI of NSSG was considered acquired and derecognized, giving rise to an equity adjustment, included in equity component of put option on the statement of financial position, and considered at level 3 of the Fair Value

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

Hierarchy.

Foreign Currency Translation

At the transaction date, each asset, liability, revenue and expense denominated in a foreign currency is translated into Canadian dollars by the use of the exchange rate in effect at that date. At the year-end date, unsettled monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at the period-end date and the related translation differences are recognized in net income (loss).

Non-monetary assets and liabilities that are measured at historical cost are translated into Canadian dollars by using the exchange rate in effect at the date of the initial transaction and are not subsequently restated. Non-monetary assets and liabilities that are measured at fair value are translated into Canadian dollars by using the exchange rate in effect at the date the fair value is determined, and the related translation differences are recognized in net income (loss) or other comprehensive income (loss) consistent with where the gain or loss on the underlying non-monetary asset or liability has been recognized.

Provisions

The Company recognizes provisions when there is a present obligation as a result of a past event. Two conditions must be met: the outflow of resources with economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. This treatment is used for claims, present legal, or constructive obligations.

When all or part of an expense is expected to be reimbursed to the Company, the reimbursement is recognized as a separate asset when certain. The expense is recognized in the consolidated statements of income (loss) and comprehensive income (loss) net of any reimbursement.

Business Combinations

The Company applies the acquisition method in accounting for business combinations. The Company measures goodwill as the difference between the fair value of the consideration transferred, including the recognized amount of any non-controlling interest in the acquiree, and the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

Consideration transferred includes the fair value of the assets transferred (including cash), liabilities incurred by the Company on behalf of the acquiree, and any equity interests issued by the Company.

Consideration transferred may also include the fair value of any contingent consideration.

Transaction costs that the Company incurs in connection with a business combination, such as legal fees, due diligence fees, and other professional and consulting fees, are expensed in the period as incurred.

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 impact to the consolidated financial statements.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

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 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 deferred revenue 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 concluded that controls 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. LOSS PER SHARE

The following reflects the loss and share data used in the basic and diluted loss per share computations for the years ended:

	For the year ended	
	Mar 31, 2026	**Mar 31, 2025**
Basic and diluted loss per share	(0.094)	(0.076)
Total net loss attributable to equity holders of the parent - basic and fully diluted	(2,501,884)	(2,026,310)
Weighted average number of shares outstanding for basic and diluted calculation	26,648,739	26,644,479

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 years ended March 31, 2026 and 2025 were as follows:

6. REVENUE RECOGNITION (CONTINUED)

	For the year ended							
	Mar 31, 2026				Mar 31, 2025			
	Avante Security	NSSG	Elimination	Total	Avante Security	NSSG	Elimination	Total
Protective Services	$ 11,460,648	$ -	$ -	$ 11,460,648	$ 11,754,068	$ -	$ -	$ 11,754,068
Monitoring and Managed Services	6,184,305	-	(3,960)	6,180,345	5,516,595	-	(4,793)	5,511,802
Electronic Services	8,621,626	-	-	8,621,626	7,769,473	-	-	7,769,473
Secured Transport	2,973,083	4,368,607	(1,084,058)	6,257,632	1,921,119	3,341,672	(212,603)	5,050,188
Investigations	956,007	1,424,940	-	2,380,947	2,170,089	254,499	(2,343)	2,422,245
Specialized Security	922,691	-	-	922,691	522,504	-	-	522,504
Consulting	-	1,383,323	-	1,383,323	-	703,553	-	703,553
Auto storage	19,250	-	-	19,250	27,899	-	-	27,899
Total Revenue	**$ 31,137,610**	**$ 7,176,870**	**$ (1,088,018)**	**$ 37,226,462**	**$ 29,681,747**	**$ 4,299,724**	**$ (219,739)**	**$ 33,761,732**

(b) Contract Assets and Deferred Revenue

	Mar 31, 2026	Mar 31, 2025
Work-in-progress - contracts in process	$ 303,080	$ 227,657

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 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.

6. REVENUE RECOGNITION (CONTINUED)

Deferred revenue balance at March 31, 2025	$	2,855,198
Additions during the year		11,972,126
Derecognized during the year		(10,197,638)
Deferred revenue balance at March 31, 2026		**4,629,687**
Deferred revenue balance at March 31, 2026 to be derecognized in fiscal year 2027	**$**	**4,629,687**

7. ACCOUNTS RECEIVABLE

The accounts receivable on the consolidated statements of financial position are net of allowance for expected credit losses of $276,139 as at March 31, 2026 (March 31, 2025: $183,456). Changes in the allowance for expected credit losses during the year were as follows:

		Mar 31, 2026		Mar 31, 2025
Allowance for expected credit losses - opening balance	$	183,456	$	232,050
Net increase (decrease) during the year		92,683		(48,594)
Allowance for expected credit losses - closing balance	$	276,139	$	183,456

As at March 31, 2026 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	7,291,758	$4,909,253	$721,471	$178,320	$1,482,714
Non-trade receivables	610,004	144,201	-	-	465,803
Allowance for doubtful accounts	(276,139)	-	-	-	(276,139)
Balance at Mar 31, 2026	**$7,625,623**	**$5,053,454**	**$721,471**	**$178,320**	**$1,672,378**

The consolidated entity has recognized a loss of $92,683 from continuing operations at March 31, 2026 in profit or loss in respect of the expected credit losses for the year ended March 31, 2026 (March 31, 2025: a recovery of $1,090). As of March 31, 2026, there was $1,482,714 (March 31, 2025: $2,336,421) of accounts receivable outstanding for over 90 days of which management did not consider $1,206,575 (March 31, 2025: $2,152,965) impaired. As of March 31, 2026, non-trade receivables totaled $610,004 (March 31, 2025: $586,941) and primarily comprise the estimated amount due from SSC in respect of the Company's sale of Logixx Security, accrued but unpaid GIC interest, customer holdbacks, and other miscellaneous receivables.

8. INVENTORIES

		Mar 31, 2026		Mar 31, 2025
Inventory	$	892,584	$	1,031,149

All inventory is considered finished goods. Inventory expensed to cost of sales during the year ended March 31, 2026, amounted to $2,830,335 (March 31, 2025: $2,881,917).

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**	**$ 5,695,325**
Additions	46,910	67,436	401,700	93,192	797,167	40,877	53,201	-	1,500,483
Disposals	-	(73,131)	-	-	(814,275)	-	-	-	(887,406)
Balance at March 31, 2026	**623,589**	**871,524**	**401,700**	**948,555**	**2,572,070**	**133,753**	**283,911**	**473,300**	**6,308,402**
Accumulated depreciation									
Balance at March 31, 2025	**448,779**	**586,284**	**-**	**755,657**	**1,378,157**	**51,395**	**102,663**	**121,481**	**3,444,416**
	-	-	-	-	-	-	-	-	
Depreciation	55,412	48,424	14,229	33,651	753,916	18,032	31,207	18,932	973,803
Disposals	-	(73,131)	-	-	(655,648)	-	-	-	(728,779)
Balance at March 31, 2026	**504,191**	**561,577**	**14,229**	**789,308**	**1,476,425**	**69,427**	**133,870**	**140,413**	**3,689,440**
Carrying Amounts									
Balance at March 31, 2025	**127,900**	**290,935**	**-**	**99,706**	**1,211,021**	**41,481**	**128,047**	**351,819**	**2,250,909**
Balance at March 31, 2026	**$ 119,398**	**$ 309,947**	**$ 387,471**	**$ 159,247**	**$ 1,095,645**	**$ 64,326**	**$ 150,041**	**$ 332,887**	**$ 2,618,962**

	Computer equipment	Equipment, furniture and fixtures	Leasehold improvements	Computer software	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	57,176	75,366	37,581	-	675,631	11,700	87,567	-	945,021
Disposals	-	-	-	-	(163,891)	-	-	-	(163,891)
Foreign exchange gain (loss)	-	3,694	-	-	11,310	-	-	-	15,004
Balance at March 31, 2025	**576,679**	**877,219**	**855,363**	**345,418**	**2,589,178**	**92,876**	**230,710**	**473,300**	**6,040,743**
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	39,258	66,989	24,018	-	824,868	14,853	29,018	18,932	1,017,936
Disposals	-	-	-	-	(144,664)	-	-	-	(144,664)
Foreign exchange gain (loss)	-	983	-	-	6,726	-	-	-	7,709
Balance at March 31, 2025	**448,779**	**586,284**	**755,657**	**345,418**	**1,378,158**	**51,395**	**102,663**	**121,481**	**3,789,835**
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 March 31, 2025	**$ 127,900**	**$ 290,935**	**$ 99,706**	**$ -**	**$ 1,211,020**	**$ 41,481**	**$ 128,047**	**$ 351,819**	**$ 2,250,909**

9. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Depreciation expense included in the consolidated statements of income (loss) and comprehensive income (loss) is $973,803 (March 31, 2025: $1,017,936) for the year ended March 31, 2026.

The Company carries two categories of right-of-use assets: vehicles and property. At March 31, 2026 the carrying amount of vehicles under lease was $746,095 (March 31, 2025: $641,610), with $457,991 of depreciation included in net income (loss) for the year ended March 31, 2026 (year ended March 31, 2025: $550,610).

The right-of-use asset property had a carrying amount of $349,548 at March 31, 2026 (March 31, 2025: $569,410), with $295,926 of depreciation included in net income (loss) for the year ended March 31, 2026 (year ended March 31, 2025: $275,512).

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 consolidated statements of income (loss) and comprehensive income (loss).

10. GOODWILL AND INTANGIBLE ASSETS

A. INTANGIBLE ASSETS

	Trade Name and Other	Customer relationships	Software	Total
	$	$	$	$
Cost				
Balance at March 31, 2025	$660,026	$5,218,330	$524,949	$6,403,305
Capitalized commission at 03/31/2025	3,086	-	-	3,086
Additions	10,299	-	331,504	341,803
Balance at March 31, 2026	**$673,411**	**$5,218,330**	**$856,453**	**$6,748,194**
Amortization				
Balance at March 31, 2025	$246,345	$3,932,154	-	$4,178,499
Amortization for the year	115,874	524,099	27,232	667,205
Balance at March 31, 2026	**$362,219**	**$4,456,253**	**$27,232**	**$4,845,704**
Carrying amounts				
Balance at March 31, 2025	$413,681	$1,286,176	$524,949	$2,224,806
Balance at March 31, 2026	**$311,192**	**$762,077**	**$829,221**	**$1,902,490**

10. GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

	Trade Name	Customer relationships	Order backlog	Software	Total
	$	$	$	$	$
Cost					
Balance at March 31, 2024	$660,026	$5,362,080	$262,000	-	$6,284,106
Additions	-	-	-	524,949	524,949
Disposals	-	(143,750)	(262,000)	-	(405,750)
Balance at March 31, 2025	**660,026**	**5,218,330**	**-**	**524,949**	**6,403,305**
Amortization					
Balance at March 31, 2024	$136,031	$3,397,379	$262,000	-	$3,795,410
Amortization	110,314	534,775	-	-	645,089
Disposals	-	-	(262,000)	-	(262,000)
Balance at March 31, 2025	**246,345**	**3,932,154**	**-**	**-**	**4,178,499**
Carrying amounts					
Balance at March 31, 2024	**$ 523,995**	**$ 1,964,701**	**$ -**	**$ -**	**$ 2,488,696**
Balance at March 31, 2025	**$ 413,681**	**$ 1,286,176**	**$ -**	**$ 524,949**	**$ 2,224,806**

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 expensed in the consolidated statements of income (loss) and comprehensive income (loss) for the fiscal year ended March 31, 2026 is $667,205 (March 31, 2025: $645,089).

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**
Revaluation of foreign subsidiary goodwill	**-**
Balance at March 31, 2026	**$ 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

10. GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

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 March 31, 2026 and March 31, 2025: Avante Security and NSSG.

Impairment testing for cash generating units with goodwill

For purposes of impairment testing, goodwill has been allocated to cash generating units ("CGUs") as follows:

	2026	2025
Avante Security	$2,971,997	$2,971,997
NSSG	$1,468,147	$1,529,320

The recoverable amounts of the Avante Security CGU and NSSG CGU were based on value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGUs. In all cases, the recoverable amount was determined to exceed the carrying amount of the CGU and there was no impairment.

The key assumptions used in the estimation of value in use were as follows:

Avante Security Inc.

	March 31, 2026	March 31, 2025
Pre-tax discount rate	17.13%	16.57%
Terminal value growth rate	2.5%	2.5%
Budgeted revenue growth rate (average)	6.0%	10.0%
Gross margin	40.0%	42.0%
EBITDA margin (average)	11.1%	9.2%
Cash flow period	5 years	5 years

NSSG

	March 31, 2026	March 31, 2025
Pre-tax discount rate	20.0%	18.9%
Terminal value growth rate	2.0%	2.0%
Budgeted revenue growth rate (average)	5.0%	15.4%
Gross margin	51.7%	52.8%
EBITDA margin (average)	17.3%	13.5%
Cash flow period	5 years	5 years

Avante Security

The cash flow projections included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate was based on management's estimate of the long-term annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

Budgeted EBITDA margin was estimated taking into account the revenue history of the past 3 years and estimated sales volume over the next five years.

10. GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

NSSG

The cash flow projections included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate was based on management's estimate of the long-term annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

In respect of the recoverable amounts as of March 31, 2026 and March 31, 2025, budgeted EBITDA margin was estimated taking into account the revenue history of the past five years and estimated sales volume over the next five years. The Company has made a number of assumptions around future gross margin, inflation, weighted average cost of capital, Capex, and sales growth rates. The Company believes that the assumptions are reasonable based on management's assessment at this time.

Other - 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 March 31, 2026 was $10,168 (March 31, 2025: $3,086), with $3,217 amortized in the fiscal year ended March 31, 2026 (March 31, 2025: $1,394).

11. BUSINESS ACQUISITIONS

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, 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 Company received $nil recorded as miscellaneous income for the year ended March 31, 2026 (March 31, 2025: $239,333). Management has assessed the matter and does not expect any additional proceeds to be received in connection with this transaction.

11. BUSINESS ACQUISITIONS (CONTINUED)
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 draw of EUR 500,000 was executed on September 25, 2023.

Upon the acquisition of NSSG, Mrs. Grigore, the former owner of NSSG, was granted a put option exercisable at any time after the expiration of the Lock-up period, which is four years from the acquisition date. This put option obligates the Company to purchase all equity interests held by Mrs. Grigore in the share capital of NSSG at a price calculated based on the following formula:

[the quota of shares held by Mrs. Grigore at the date of the put option right]% x [4 x EBITDA – the Net Debt].

There is an accelerated put option that can be exercised if specific protective minority rights are breached during the four-year lock-up period from acquisition date. In case the put option right is exercised by Mrs.

Grigore following the occurrence of an acceleration event, the put price will be calculated as follows:

[the quota of shares held by Mrs. Grigore at the date of the put option right]% x [6 x EBITDA – the Net Debt].

The Company recognized a put option expense and liability of $1,653,377 for the year ended March 31, 2026 (March 31, 2025: $nil).

The Company recognized a financial liability in respect of the put option based on the contractual purchase price formula described above. Subsequent to initial recognition, the liability is remeasured at each reporting date to reflect changes in the underlying EBITDA and Net Debt amounts used in determining the redemption value. Changes in the carrying amount of the liability are recognized in profit or loss until the put option is exercised, expires, or is otherwise extinguished. The put option liability is classified and measured at fair value through profit or loss (FVTPL).

12. BANK INDEBTEDNESS

On June 1, 2022, the Company applied proceeds from the sale of Logixx Security on June 1, 2022 to permanently repay the credit facilities pursuant to the June 30, 2021 Credit Agreement. As of June 1, 2022, the Company entered into amended credit facilities with the same 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, and the revolver is subject to a borrowing base consisting of 75% of eligible accounts receivable and 50% of inventory, minus priority payables. 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 March 31, 2026.

12. BANK INDEBTEDNESS (CONTINUED)

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 March 31,

2026. 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 March 31, 2026 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 March 31, 2026. 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's borrowing base must exceed the amount borrowed on the line of credit.

On July 7, 2022, the Company executed an unsecured Loan Agreement for up to $10 million with affiliates of Fairfax Financial Holdings Limited ("Fairfax"), who collectively own 19.88% of the Company's common shares as of March 31, 2026 and March 31, 2025. 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. As of March 31, 2026 and March 31, 2025, there were no drawings on this Loan Agreement.

Interest on bank loans expensed in the consolidated statements of income (loss) and comprehensive income (loss) for the year ended March 31, 2026 is $50,000 (March 2025: $50,000).

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:

	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	718,545	101,316	819,861
Disposals during the year	(175,757)	(23,948)	(199,705)
Principal payments	(424,450)	(277,939)	(702,389)
Balance at March 31, 2026	**755,016**	**419,525**	**1,174,541**
Current obligations under lease	447,022	258,330	705,352
Long-term obligations under lease	307,994	161,195	469,189
Balance at March 31, 2026	**755,016**	**419,525**	**1,174,541**

The Company leased certain vehicles with a value of $755,016 (March 31, 2025: $636,678), at an effective

13. OBLIGATIONS UNDER LEASE (CONTINUED)

annual rate of interest of 24.76% (March 31, 2025: 23.60%). The payment terms include blended monthly payments of $64,997 plus applicable taxes (March 31, 2025: $56,276) for 12 to 48 months ending between August 2026 and

May 2029, with an aggregate buy out obligation of $nil as of March 31, 2026 (March 31, 2025: $nil). Interest expense from these leases, included in the consolidated statements of income (loss) and comprehensive income (loss) for the year ended March 31, 2026 was $155,472 (March 31, 2025: $157,989).

Various office properties with a value of $419,525 (March 31, 2025: $620,096), are leased with blended monthly payments of $27,686 plus applicable taxes (March 31, 2025: $27,067). An incremental borrowing rate of 7.2% is used. The property leases end in January 2028. Interest expense from these leases, included in the consolidated statements of income (loss) and comprehensive income (loss) for the year ended March 31, 2026 was $37,525 (March 31, 2025: $43,914).

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 March 31, 2026	26,648,739 $	30,239,034

[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 November 28, 2025. Accordingly, the Company has a total of 584,874 options available to be issued as at March 31, 2026, with the maximum term remaining at 10 years (March 31, 2025: 954,874).

14. SHAREHOLDERS' EQUITY (CONTINUED)

	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	500,000	$1.13
Option forfeited during the year	(130,000)	$0.82
Balance at March 31, 2026	**2,080,000**	**$0.97**

During the year ended March 31, 2026, 500,000 share options were issued to employees with strike prices ranging from $0.98 to $1.49, and 130,000 share options were forfeited. None of the outstanding options were exercised during the year ended March 31, 2026.

During the year ended March 31, 2025, 370,000 share options were issued to employees, and the strike price was $0.81, 120,000 share options were forfeited, and 5,000 of the outstanding options were exercised.

Using the Black-Scholes pricing model, the Company recognized $1,426 in expenses for forfeited options for the year ended March 31, 2026 (March 31, 2025: $12,019 for forfeited options).

Total share-based payments expensed during the year ended March 31, 2026 amounted to $208,523 (March 31, 2025: $136,767). 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	3.5%	2.8%
Expected volatility	74.98%	68.47%
Expected time until exercise	10 years	10 years
Expected dividend yield	NIL	NIL
Expected forfeiture	20%	20%
Share price	$0.97	$0.81

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 March 31, 2026:

14. SHAREHOLDERS' EQUITY (CONTINUED)

Grant Date	Number of Options Outstanding	Remaining Years	Number of Options Vested	Exercise Price	Expiry Date
2022-04-28	200,000	1.08	200,000	0.88	2027-04-28
2022-04-28	200,000	1.08	200,000	0.97	2027-04-28
2022-04-28	200,000	1.08	200,000	1.07	2027-04-28
2022-04-28	200,000	1.08	-	1.18	2027-04-28
2022-04-28	100,000	1.08	100,000	0.88	2027-04-28
2022-09-26	250,000	1.49	250,000	0.80	2027-09-26
2022-10-11	200,000	1.49	200,000	0.77	2027-09-26
2023-08-29	100,000	0.98	100,000	0.88	2027-03-24
2024-09-27	130,000	8.50	43,333	0.81	2034-09-27
2025-06-09	85,000	4.19	-	0.98	2030-06-09
2025-11-27	215,000	4.66	-	1.03	2030-11-27
2026-02-26	100,000	4.91	100,000	1.10	2031-02-26
2026-03-24	100,000	4.98	100,000	1.49	2031-03-24
	2,080,000		**1,493,333**		

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

15. NON-CONTROLLING INTERESTS

NSSG

On October 1, 2023, the Company acquired control of 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 (note 11). 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.

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 year ended)	Mar 31, 2026	Mar 31, 2025
Current assets	2,200,266	1,234,165
Non-current assets	(29,219)	80,852
Current liabilities	(346,199)	(1,357,671)
Non-current liabilities	245,690	(936,978)
Net assets (100%)	**2,070,538**	**(979,632)**
Revenue	7,176,870	4,299,724
Net income (loss)	761,451	(170,428)
Other comprehensive income (loss)	(13,702)	(48,189)
Total comprehensive income (loss) (100%)	**747,749**	**(218,617)**
NCI	**-**	**-**
Cash flows from operating activities	279,204	(270,053)
Cash flows from investment activities	(128,044)	(54,126)
Cash flows from financing activities	4,129	(48,390)
Net increase (decrease) in cash and cash equivalents	155,289	(372,569)

The Reserve

In September 2023, Avante Corp., operating through its subsidiary Avante Holding Corp., formally established The Reserve (formerly ToyBoxx), 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 year ended)	Mar 31, 2026	Mar 31, 2025
Current assets	57,104	37,854
Non-current assets	128,273	186,048
Current liabilities	(347,172)	(295,488)
Non-current liabilities	-	(26,698)
Net assets (100%)	**(161,795)**	**(98,284)**
Revenue	19,250	27,898
Net income (loss)	(63,511)	(56,334)
Total comprehensive income (loss) (100%)	**(63,511)**	**(56,334)**
NCI	**(31,121)**	**(27,603)**
Cash flows from operating activities	86,510	102,601
Cash flows from investment activities	(16,843)	(16,843)
Cash flows from financing activities	(50,417)	(54,600)
Net increase in cash and cash equivalents	19,250	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.

The reconciliation of Income taxes computed at the Canadian statutory tax rates to income tax expense was as follows:

	March 31, 2026 $	March 31, 2025 $
(Loss) before income taxes	(2,454,282)	(1,660,814)
Expected income tax recovery based on statutory rate	(650,385)	(440,116)
Adjustment to expected income tax recovery:		
Change in statutory foreign tax, foreign exchange rates and other	86,548	36,408
Permanent differences	451,926	99,075
Adjustment to prior years provision versus statutory returns	38,213	19,866
Change in unrecognized deductible temporary differences	119,728	668,465
Others	32,693	9,401
Total Income Tax Expense/(Recovery)	78,723	393,099
Current Income Tax Expense/(Recovery)	172,845	252,303
Deferred Income Tax Expense/(Recovery)	(94,122)	140,796

Deferred income taxes reflect the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

Significant components of the Company's deferred tax assets and liabilities are as follows:

	March 31, 2026	March 31, 2025
Deferred Tax Assets		
Non-capital losses available for future period	2,512,099	2,713,123
Capital losses available for future period	270,213	270,213
Property, Plant and Equipment	131,526	156,402
Intangible assets	104,434	87,542
Lease Liability	305,358	322,172
Share issue costs	1,154	32,420
SR&ED tax credits	129,051	133,078
Reserves	809,995	349,619
Others	1,326	1,325
	4,265,156	4,065,894
Unrecognized deferred tax assets	(3,559,796)	(3,440,068)
Assets used against liabilities	(301,412)	(333,257)
Net deferred tax assets	**403,948**	**292,569**

16. INCOME TAXES (CONTINUED)

Deferred Tax Liabilities:		
Property, Plant and Equipment	(7,762)	(6,736)
Intangible Assets	(162,132)	(161,550)
Right of Use Assets	(290,465)	(306,660)
Asset used against liabilities	301,412	333,257
Deferred Income Tax Liabilities	**(158,947)**	**(141,689)**

When assessing the realizability of deferred tax assets, management considers whether it is probable that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of taxable income during the periods in which those temporary differences become deductible. The amount of the tax asset considered realizable could change materially in the near term, based on deferred taxable income during the carry forward period.

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statements of financial position are as follows:

	March 31, 2026 $
Temporary Differences	
Non-capital losses available for future period	9,368,000
Capital losses available for future period	2,039,000
Property, Plant and Equipment	653,000
Intangible assets	-
Lease Liability	15,000
Share issue costs	4,000
SR&ED tax credits	-
Investments	-
Reserves	2,375,000
Others	5,000
	14,459,000

As at March 31, 2026, the Company has $9,479,621 of non-capital losses carry-forward that may be carried forward for period 20 years and utilized to offset Canadian taxable income (March 31, 2025: $10,161,096). These non-capital losses expire between 2040 and 2046.

16. INCOME TAXES (CONTINUED)

The Company's non-capital tax losses expire as follows:

2034	$ -
2035	-
2036	-
2037	-
2038	-
2039	-
2040	880,176
2041	-
2042	674,251
2043	3,910,760
2044	1,297,873
2045	2,600,743
2046	115,818
	$ 9,479,621

Tax credits recoverable at March 31, 2026 represents Scientific Research & Experimental Development ("SR&ED") tax credits received by the Company in fiscal year 2011.

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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 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.

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.

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

The following table presents the potential impact on all financial instruments that are denominated in currencies, other than functional currencies. The following table analyzes a 10% change in the USD and RON exchange rates:

Avante Corp. excluding foreign subsidiary

	Translated to CAD functional currency
	USD
Total currency (foreign)	353,189
10% sensitivity	35,319
Translated to CAD	49,229

Foreign subsidiary

	Translated to EUR functional currency	
	RON	USD
Total currency (foreign)	(29,099)	23,933
10% sensitivity	(2,910)	2,393
Translated to CAD	(4,677)	3,847

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 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 March 31, 2026.

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 7. 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 March 31, 2026 relating to cash of $4,478,491 (March 31, 2025: $2,261,311) and guaranteed investment certificates of $1,741,564 (March 31, 2025: $2,462,177). All cash and guaranteed investment certificates are held in or with Canadian banks and Romanian banks

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

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.

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:

	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	4,378,127	-	-	-	-	4,378,127	4,378,127
Obligations under lease	240,203	616,711	440,304	37,776	-	1,334,994	1,174,541
At March 31, 2026	**$ 4,618,330**	**$ 616,711**	**$ 440,304**	**$ 37,776**	**$ -**	**$ 5,713,121**	**$ 5,552,668**

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 March 31, 2026, the Company holds cash and cash equivalents totaling $6,220,055 (March 31, 2025: $4,723,488). Additionally, the Company has access to undrawn credit facilities amounting to $12,000,000 (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 March 31, 2026 was $3,977,727 compared to $6,317,657 at March 31, 2025.

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

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).

The put option liability and value in use to determine the recoverable amount for goodwill uses Level 3 inputs.

Fair Value Measurement	Valuation Technique	Sensitivity
Put option liability	Fair value is determined using the contractual redemption formula contained in the Share Purchase Agreement. The liability is measured based on the accelerated exercise multiple of 6.0x EBITDA, less net debt, multiplied by the ownership interest subject to the put option (45%). As at March 31, 2026, the valuation was based on EBITDA of $1,012,848 and net debt of $2,402,913, resulting in a fair value of $1,653,377.	A 1% increase in EBITDA would increase the fair value of the put option liability by approximately $27,347, while a 1% decrease in EBITDA would decrease the fair value by approximately $27,347. A 1% increase in net debt would decrease the fair value of the put option liability by approximately $10,813, while a 1% decrease in net debt would increase the fair value by approximately $10,813.

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 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 March 31, 2026 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 year ended March 31, 2026 (March 31, 2025:

$nil). The balance outstanding payable by the Company at March 31, 2026, is $nil (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 fiscal year ended March 31, 2026, was $129,987 (March 31, 2025: $68,791). 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 fiscal year ended March 31, 2026 was $46,216 (March 31, 2025: $40,000). 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 consolidated statements of income (loss) and comprehensive income (loss) in the amount of $50,000 (March 31, 2025: $50,000).

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 year ended	
Directors and Officers Remuneration	**31-Mar-26**	**31-Mar-25**
Salaries, short term employee benefits	$ 661,756	$ 679,381
Bonus (long-term)	932,125	233,000
Bonus (short-term)	629,376	-
Director fees	200,000	200,000
Share based payments	208,522	86,086
	$ 2,631,779	$ 1,198,467

On April 8, 2022, the Company offered 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.

19. RELATED PARTY TRANSACTIONS (CONTINUED)

The officers of the Company receive 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 $2,375,000 (March 31, 2025: $1,442,875).

The total expense recognized for the year ended March 31, 2026 arising from cash-settled share-based payments was $932,125 (March 31, 2025: expense of $233,000), which reflects the fair value of the share-based payments remeasured at the reporting date. This expense is included in salaries, benefits and commissions, which totaled $7,888,334 for the year ended March 31, 2026 (March 31, 2025: $6,071,449).

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.

During the year ended March 31, 2026, a dividend payable to the non-controlling shareholder of NSSG was settled on a non-cash basis. The settlement was triggered by a pre-acquisition income tax liability of NSSG and, accordingly, no cash consideration was exchanged.

20. REORGANIZATION AND ACQUISITION COSTS

The Company incurred reorganization and acquisition costs in the amount of $nil for the year ended March 31, 2026 (March 31, 2025: $720,451). The costs incurred during the year ended March 31, 2025, included a $1,000,000 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 CEO.

Avante Security provides premium security services for residential, commercial and corporate customers primarily 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.

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.

21.SEGMENT REPORTING (CONTINUED)

The Company's revenue by geographic region for the year ended March 31, 2026 was as follows:

Region	Revenue
Canada	$ 28,326,889
USA	3,368,215
Europe	1,366,529
Middle East	995,390
Africa	2,424,363
Others	745,076
Total	$ 37,226,462

The Company's revenue by geographic region for the comparative year ended March 31, 2025 was as follows:

Region	Revenue
Canada	$ 22,333,709
USA	4,265,785
Europe	2,072,622
Middle East	314,020
Africa	1,959,085
Others	2,816,511
Total	$ 33,761,732

21.SEGMENT REPORTING (CONTINUED)

Segment statements of income (loss) and comprehensive income (loss) for the year ended March 31, 2026 are included below:

	Avante Security (ASI+ The Reserve 51%)	NSSG	Corporate	Intersegment eliminations	Total
Revenue	$ 31,137,379	$ 7,176,870	$ 231	$ (1,088,018)	$ 37,226,462
Cost of sales	19,260,232	3,479,374	-	(1,088,018)	21,651,588
Gross profit	11,877,147	3,697,496	231	-	15,574,874
Operating expenses					
Salaries, benefits and commissions	3,772,168	1,091,176	3,024,990	-	7,888,334
Administration	4,872,056	1,510,684	(479,224)	-	5,903,516
Depreciation on capital assets	812,957	107,170	53,676	-	973,803
Amortization on intangible assets	74,295	74	592,836	-	667,205
Merchant transaction fees and bank charges	503,505	20,488	15,467	-	539,460
Share based payments	-	-	208,523	-	208,523
	10,034,981	2,729,592	3,416,268	-	16,180,841
Income (loss) before other income and expenses	1,842,166	967,904	(3,416,037)	-	(605,967)
Other (income) expenses					
Miscellaneous income	(183,348)	-	(75,156)	-	(258,504)
Put option expense	-	-	1,653,377		1,653,377
Interest (income) expense	195,640	34,195	65,441	-	295,276
Foreign exchange (gain) loss	94,919	63,247	-	-	158,166
Total other (income) expenses	107,211	97,442	1,643,662	-	1,848,315
Income (loss) before reorganization, and acquisition costs	1,734,955	870,462	(5,059,699)	-	(2,454,282)
Reorganization and acquisition costs	-	-	-	-	-
Income (loss) before income taxes	1,734,955	870,462	(5,059,699)	-	(2,454,282)
Provision for income taxes					
Income tax expense (recovery)	(111,379)	75,388	114,714	-	78,723
Net income (loss) for the year	**$ 1,846,334**	**$ 795,074**	**$ (5,174,413)**	**$ -**	**$ (2,533,005)**
Other comprehensive income (loss):					
Unrealized gain (loss) on translating financial statements of foreign operations	-	-	(13,702)	-	(13,702)
Total comprehensive income (loss) for the year	**$ 1,846,334**	**$ 795,074**	**$ (5,188,115)**	**$ -**	**$ (2,546,707)**

21. SEGMENT REPORTING (CONTINUED)

Segment statements of income (loss) and comprehensive income (loss) for the comparative year ended March 31, 2025 are included below:

	Avante Security (ASI+ The Reserve 51%)	NSSG	Corporate	Intersegment eliminations	Total
Revenue	$ 29,681,747	$ 4,299,724	$ -	$ (219,739)	$ 33,761,732
Cost of sales	18,781,328	1,942,960	-	(219,739)	20,504,549
Gross profit	10,900,419	2,356,764	-	-	13,257,183
Operating expenses					
Salaries, benefits and commissions	3,061,325	1,500,461	1,509,663	-	6,071,449
Administration	4,118,212	791,285	966,790	-	5,876,287
Depreciation on capital assets	845,226	124,737	47,973	-	1,017,936
Amortization on intangible assets	-	-	645,089	-	645,089
Merchant transaction fees and bank charges	517,468	23,008	18,799	-	559,275
Share based payments	-	-	136,767	-	136,767
	8,542,231	2,439,491	3,325,081	-	14,306,803
Income (loss) before other income and expenses	2,358,188	(82,727)	(3,325,081)	-	(1,049,620)
Other (income) expenses					
Miscellaneous income	(58,230)	(5,692)	(331,939)	-	(395,861)
Interest (income) expense	560,784	8,705	(292,656)	-	276,833
Foreign exchange (gain) loss	21,286	28,438	(39,953)	-	9,771
Total other (income) expenses	523,840	31,451	(664,548)	-	(109,257)
Income (loss) before reorganization, and acquisition costs	1,834,348	(114,178)	(2,660,533)	-	(940,363)
Reorganization and acquisition costs	-	-	720,451	-	720,451
Income (loss) before income taxes	1,834,348	(114,178)	(3,380,984)	-	(1,660,814)
Provision for income taxes					
Current income tax expense (recovery)	248,759	3,544	-	-	252,303
Deferred income tax expense (recovery)	143,063	(2,267)	-	-	140,796
	391,822	1,277	-	-	393,099
Net income (loss) for the year	**$ 1,442,526**	**$ (115,455)**	**$ (3,380,984)**	**$ -**	**$ (2,053,913)**
Other comprehensive income (loss):					
Unrealized gain (loss) on translating financial statements of foreign operations	-	-	(48,189)	-	(48,189)
Total comprehensive income (loss) for the year	**$ 1,442,526**	**$ (115,455)**	**$ (3,429,173)**	**$ -**	**$ (2,102,102)**

Segment assets and liabilities as at March 31, 2026 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 March 31, 2026	$ 20,752,911	$ 2,368,369	$ 1,827,242	$ 24,948,522
Segment liabilities are as follow:				
As at March 31, 2025	$ 5,906,987	$ 1,421,962	$ 2,960,563	$ 10,289,512
As at March 31, 2026	$ 6,038,560	$ 2,968,647	$ 5,601,180	$ 14,608,387

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 consolidated financial statements, the Company does not believe that any of the claims to which the Company

22. CONTINGENCIES (CONTINUED)

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.

23. SUBSEQUENT EVENTS

On June 29, 2026, the Company announced a partnership agreement with Target Park Group Inc., a commercial parking operator with more than 700 above-ground parking locations across Canada and the United States, to deploy Avante's MAST platform as the primary security layer across its portfolio. The engagement includes a forward-looking technology roadmap toward automated parking services, including vehicle identification and real-time lot monitoring, expanding Avante's recurring revenue opportunity.