FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: **Advantex Marketing International Inc.** (the "Issuer").

Trading Symbol: **ADX**

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities* Act, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and third fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

General Instructions

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

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

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

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

Interim consolidated financial statements for the three and nine months ended March 31, 2026 are attached as Schedule A.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

N/A

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. Related party transactions

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

(a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
(b) A description of the transaction(s), including those for which no amount has been recorded.
(c) The recorded amount of the transactions classified by financial statement category.
(d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
(e) Contractual obligations with Related Persons, separate from other contractual obligations.
(f) Contingencies involving Related Persons, separate from other contingencies.

The information connected to related party transactions is provided in note 11 to the attached interim consolidated financial statements for the three and nine months ended March 31, 2026.

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

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

(a) summary of securities issued during the period,

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant
N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

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

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

(b) number and recorded value for shares issued and outstanding,

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

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

(a) As at March 31, 2026 there was no change in the authorized share capital compared to June 30, 2025. The authorized share capital as at June 30, 2025 is disclosed in note 8(a) to the audited consolidated financial statements for year ended June 30, 2025 which are available under the Issuers profile on www.sedar.com.

(b) As at March 31, 2026 and June 30, 2025 there were issued and outstanding as follows:

i) 265,390,090 common shares, and
ii) 461,887 class A preference

(c) As at March 31, 2026 no stock options, restricted share units, warrants and convertible securities were outstanding.

(d) None.

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

Marc Lavine	**Director, Chairman of the Audit Committee**
David Moscovitz	**Director, Chairman of the Compensation and Governance Committee**
Kelly Ambrose	**Director, CEO, President, Secretary, Chairman of the Board of Directors, Member of the Audit Committee, Member of the Compensation and Governance Committee**
Santhosh Kumar	**CFO**

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

The interim MD&A for the three and nine months ended March 31, 2026 and 2025 is attached as Schedule C.

Certificate Of Compliance

The undersigned hereby certifies that:

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

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

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

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

Dated May 15, 2026.

Kelly Ambrose
Name of Director or Senior Officer

"Kelly Ambrose"
Signature

CEO and President
Official Capacity

Issuer Detail Name of Issuer Advantex Marketing International Inc.	For Quarter Ended March 31, 2026	Date of Report YY/MM/DD 2026/05/15
Issuer Address 100 King Street West, Suite 1600		
City/Province/Postal Code Toronto, Ontario, M5X 1G5	Issuer Fax No. (905) 946 2984	Issuer Telephone No. (905) 470 9558
Contact Name Kelly Ambrose	Contact Position CEO and President	Contact Telephone No. (416) 992-9005
Contact Email Address Kelly.ambrose@advantex.com	Web Site Address www.advantex.com	

SCHEDULE A: FINANCIAL STATEMENTS

ADVANTEX MARKETING INTERNATIONAL INC.
CONSOLIDATED FINANCIAL STATEMENTS
For the three and nine months ended March 31, 2026

The accompanying consolidated financial statements have been prepared by management and approved by the Board of Directors of the Company. Management is responsible for the information and representations contained in these consolidated financial statements and other sections of this report.

An auditor has not performed a review of these consolidated financial statements.

Advantex Marketing International Inc.
Consolidated Statements of Financial Position (unaudited)
(expressed in Canadian dollars)

	Note	March 31, 2026 $	June 30, 2025 $
Assets			
Current assets			
Cash		$ 142,006	$ 96,249
Accounts receivable		275,036	227,314
Transaction credits	5	9,361,416	7,873,292
Prepaid expenses and sundry assets		6,416	6,416
Total assets		**$ 9,784,874**	**$ 8,203,271**
Liabilities			
Current liabilities			
Loan payable	6	$ 8,995,198	$ 7,356,396
CEBA	16	66,750	$ 64,500
12% non-convertible debentures payable	8	38,603	17,718
Accounts payable and accrued liabilities		4,004,725	3,706,331
		$ 13,105,276	**$ 11,144,945**
Non-current liabilities			
9% non-convertible debentures payable	7	$ 14,056,227	$ 12,691,143
12% non-convertible debentures payable	8	680,938	663,361
Deferred fair value adjustment on 12% non-convertible debentures payable	8	18,153	19,410
		$ 14,755,318	**$ 13,373,914**
Total liabilities		**$ 27,860,594**	**$ 24,518,859**
Shareholders' deficiency			
Share capital	9	$ 24,530,555	$ 24,530,555
Contributed surplus		9,626,405	9,626,405
Accumulated other comprehensive loss		(47,383)	(47,383)
Deficit		(52,185,297)	(50,425,165)
Total deficiency		**$ (18,075,720)**	**$ (16,315,588)**
Total liabilities and deficiency		**$ 9,784,874**	**$ 8,203,271**

Going concern (note 2) and Commitments and contingencies (note 12)

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

Approved by the Board

Director: Signed "Marc Levine"
Marc Levine

Director: Signed "Kelly Ambrose"
Kelly Ambrose

Advantex Marketing International Inc.
Consolidated Statements of Loss and Comprehensive Loss (unaudited)
For the three and nine months ended March 31, 2026 and 2025
(expressed in Canadian dollars)

	Note	Three months ended March 31, 2026 $	2025 $	Nine months ended March 31, 2026 $	2025 $
Revenues					
Marketing activities	15	$ 717,298	$ 535,845	$ 1,808,335	$ 1,319,968
Interest income	15	845,738	516,343	2,287,004	1,655,362
		1,563,036	**1,052,188**	**4,095,339**	**2,975,330**
Direct expenses	14	749,152	294,709	1,826,865	797,399
Income from operations after direct expenses		813,884	757,479	2,268,474	2,177,931
Operating expenses					
Selling and marketing	14	158,388	118,467	465,234	358,026
General and administrative	14	511,350	312,340	1,325,121	916,031
Income (Loss) from operations before cash and non-cash interest expenses		**144,146**	**326,672**	**478,119**	**903,874**
Stated interest expense:					
Loan payable	6	304,310	201,852	791,593	597,525
9% non-convertible debentures	7	239,078	239,078	717,233	717,233
12% non-convertible debentures	8	21,000	21,000	63,000	63,000
CEBA	16	750	750	2,250	2,250
Non-cash interest expense:					
Accretion charges, restructuring bonus and amortization of transaction costs related to 9% non-convertible debentures payable	7	-	308,879	647,806	900,856
Amortization of transaction costs related to 12% non-convertible debentures	8	5,457	5,457	16,369	16,369
Accretion charges related to 12% non-convertible debentures payable	8	-	18,415	1,257	54,482
Accretion of deferred gain related to 12% non-convertible debentures payable	8	-	(18,415)	(1,257)	(54,482)
Net (loss) and comprehensive (loss)		**$ (426,449)**	**$ (450,344)**	**$ (1,760,132)**	**$ (1,393,359)**
(Loss) per share					
Basic and Diluted	13	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**

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

Advantex Marketing International Inc.
Consolidated Statements of Changes in Shareholders' Deficiency (unaudited)
For the three and nine months ended March 31, 2026 and 2025
(expressed in Canadian dollars)

	Class A preference shares $	Common shares $	Contributed surplus $	Accumulated other comprehensive loss $	Deficit $	Total $
Balance - July 1, 2024	**$ 3,815**	**$ 24,526,740**	**$ 8,982,809**	**$ (47,383)**	**$(47,799,367)**	**$(14,333,386)**
Net (loss) and comprehensive (loss)	-	-	-	-	(1,393,359)	(1,393,359)
Balance - March 31, 2025	**$ 3,815**	**$ 24,526,740**	**$ 8,982,809**	**$ (47,383)**	**$(49,192,726)**	**$(15,726,745)**
Balance - July 1, 2025	**$ 3,815**	**$ 24,526,740**	**$ 9,626,405**	**$ (47,383)**	**$(50,425,165)**	**$(16,315,588)**
Net (loss) and comprehensive (loss)	-	-	-	-	(1,760,132)	(1,760,132)
Balance - March 31, 2026	**$ 3,815**	**$ 24,526,740**	**$ 9,626,405**	**$ (47,383)**	**$(52,185,297)**	**$(18,075,720)**

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

Advantex Marketing International Inc.
Consolidated Statements of Cash Flow (unaudited)
For the nine months ended March 31, 2026 and 2025
(expressed in Canadian dollars)

	Note	March 31, 2026 $	March 31, 2025 $
Operational activities			
Net (loss) for the period		$ (1,760,132)	$ (1,393,359)
Adjustments for:			
Accrued and unpaid 9% non-convertible debentures payable interest - current and non-current payable	7	717,233	717,233
Accrued and unpaid 12% non-convertible debentures payable interest - current payable	8	63,000	63,000
Accrued interest for CEBA	16	2,250	2,250
Accretion charge - 9% non-convertible debentures payable	7	587,722	795,730
Restructuring bonus - 9% non-convertible debentures payable	7	56,608	84,912
Amortization of transaction costs - 9% non-convertible debentures payable	7	3,476	20,214
Amortization of transaction costs - 12% non-convertible debentures payable	8	16,369	16,369
Accretion charges related to 12% non-convertible debentures payable	8	1,257	54,482
Accretion of deferred gain related to 12% non-convertible debentures payable	8	(1,257)	(54,482)
		(313,474)	306,349
Changes in items of working capital:			
Accounts receivable		(47,722)	99,888
Transaction credits		(1,488,124)	(2,953,764)
Prepaid expenses and sundry assets		-	(13,389)
Accounts payable and accrued liabilities		298,390	231,120
		(1,237,456)	(2,636,145)
Net cash generated (used) - operating activities		**$ (1,550,930)**	**$ (2,329,796)**
Financing activities			
Payment of interest - 12% non-convertible debentures payable		(42,115)	(42,000)
Proceeds of loan payable	6	11,699,291	11,698,200
(Repayment) of loan payable	6	(10,060,489)	(9,327,730)
Net cash generated (used) - financing activities		**$ 1,596,687**	**$ 2,328,470**
Increase/(Decrease) in cash during the period		**$ 45,757**	**$ (1,326)**
Cash at beginning of the period		96,249	58,029
Cash at end of the period		**$ 142,006**	**$ 56,703**
Additional information			
Interest paid		$ 791,593	$ 597,525

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

1 General information

Advantex Marketing International Inc. and its subsidiaries (together "the Company" or "Advantex") is a public company with common shares listed on the Canadian Securities Exchange (trading symbol ADX).

During periods ended March 31, 2026 and 2025 the Company's core business was its merchant cash advance ("MCA") program. Under this program, the Company provides merchants with working capital through the pre-purchase, at a discount, of merchants' future cash flows.

The Company also has an agreement with Aeroplan Inc. owned by Air Canada ("AC") to operate as a re-seller of aeroplan points to merchants. Aeroplan members are eligible to earn aeroplan points on purchases at merchants who acquire aeroplan points from the Company. The current term of the agreement ends August 31, 2028. The agreement can be terminated by AC under certain conditions during its term.

The Company's segment reporting is provided in note 15.

Advantex is incorporated and domiciled in Canada. The address of its registered office is 100 King Street West, Suite 1600, Toronto, Ontario, M5X 1G5.

2 Going concern

These consolidated financial statements have been prepared in accordance with accounting principles applicable to a going concern, which contemplates that the Company will be able to realize its assets and settle its liabilities as they come due during the normal course of operations for the foreseeable future. When a company is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern, the entity is required to disclose those uncertainties.

The Company has a shareholders' deficiency of $18,075,720. Tariffs and recurring inflationary environment have created an uncertain economic environment. More so for small independent businesses operating in the hospitality segment, especially restaurants. The Company's customers are primarily small independent restaurants. Consequently, there is uncertainty surrounding the Company's ability in the foreseeable future to generate cash flows sufficient to meet its operational needs and meet its obligations on due dates. Failure to meet obligations on due dates may lead to company being unable to continue operations due to: denial by suppliers of products and services; loss of access to a) loan payable (note 6) which supports the Company's merchant cash advance program, and b) general working capital provided by 9% 2025 debentures (note 7) and 12% debentures (note 8); and inability to access alternative economically viable sources to replace existing capital. These material uncertainties cast significant doubt on the Company's ability to continue as a going concern.

These consolidated financial statements do not include any adjustments or disclosures that may result from the Company's ability to continue as a going concern. If the going concern assumption were not appropriate for these consolidated financial statements, adjustments may be necessary in the carrying values of assets and liabilities and the reported expenses and balance sheet classifications; and such adjustments could be material.

3 Basis of preparation

These interim consolidated financial statements have been prepared in in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting.

These interim consolidated financial statements do not include all the information and notes required by IFRS for annual financial statements and therefore, should be read in conjunction with the audited consolidated financial statements and notes for the Company's year ended June 30, 2025, which are available on SEDAR at www.sedar.com.

These interim consolidated financial statements and related notes have been reviewed by the Company's audit committee and approved by the Company's Board of directors on May 6, 2026.

4 Summary of significant accounting policies

The accounting policies adopted are consistent with those of the previous financial year.

Details of accounting policies are available in note 3 to the audited consolidated financial statements for year ended June 30, 2025.

5 Transaction credits

Under the merchant cash advance ("MCA") program the Company provides merchants with working capital through the pre-purchase, at a discount, of merchants' future cash flows.

Under the MCA product, the Company acquires the rights to receive future cash flows, associated with future business activity, at a discount from participating establishments ("transaction credits"). Under the MCA program the transaction credits are estimated to be fully extinguishable within 365 days. Until these transaction credits have been extinguished through collections from participating merchants there is a credit risk.

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligations. The Company, in the normal course of business, is exposed to credit risk on its transaction credits from customers.

Transaction credits are net of applicable allowance, which is established based on specific credit risk associated with the customer and other relevant information.

The evaluation of collectability of transaction credits is done on an individual customer basis. For specifically identified transaction credit balances that are impaired an expected loss is estimated. The amount of the estimates is determined based on the status of the customer and the Company's historical experience on recoveries.

During period ended March 31, 2026 and 2025 the economic uncertainties were the result of tariffs and the recurrence of high inflationary environment. For both periods, the Company estimated loss for level 1 transaction credits based on historical loss rate.

The historical loss rate is based on the losses experienced over a rolling seven-year period.

The Company collects its dues through pre-authorized debits. The Company's past experience is that recurring rejections of payments by a merchant – unless due to administration or clerical oversight and rapidly rectified - is the likely indication of the merchant not being able to operate, pay the Company's dues leading to a credit loss. The risk management processes of the Company in determining the expected credit losses review: a) the unimpaired portfolio for merchants with recurring rejections, b) reason(s) for the rejection(s) and the timeline within which satisfactorily resolved, c) location of the merchant and number of years in business, and d) likelihood of continuation of business for the period until the dues are paid to the Company.

Recoveries are only recorded when objective verifiable evidence supports the change in the original provision.

The maximum exposure to credit risk with respect to transaction credits is the net balance of the transaction credits.

The transaction credit balances, and the related allowance is as follows:

	March 31, 2026 $	June 30, 2025 $
Transaction credits	$ 11,487,779	$ 9,293,673
Accounts receivable	275,036	227,314
Allowance	(2,126,363)	(1,420,381)
Per Consolidated statement of financial position	**$ 9,636,452**	**$ 8,100,606**
Maximum exposure to credit risk	**$ 9,636,452**	**$ 8,100,606**

The transaction credits that are considered impaired and the related allowance is as follows:

	March 31, 2026 $	June 30, 2025 $
Impaired transaction credits	$ 1,843,518	$ 1,141,046
Allowance	(1,843,518)	(1,141,046)
Impaired transaction credits not allowed for	**$ -**	**$ -**
The Company carries an allowance towards transaction credits based on the historical loss ratio	$ 299,119	$ 279,335

Movement on allowance for impaired transaction credits:

	March 31, 2026 $	June 30, 2025 $
Balance, beginning	**$ 1,420,381**	**$ 1,270,633**
Allowance created/(released) during the period	705,983	149,748
Balance, ending	**$ 2,126,363**	**$ 1,420,381**

6 Loan payable

	March 31, 2026 $	June 30, 2025 $
Balance at beginning of period	**$ 7,356,396**	**$ 5,147,161**
(Decrease)/Increase in borrowing	1,638,802	2,209,235
Balance at end of period	**$ 8,995,198**	**$ 7,356,396**

The Loan payable is a line of credit facility provided by Accord Financial Inc. (“Accord”) and was established in December 2007. The loan payable has a facility limit of $9.35 million and is only available to the Company for acquisition of transaction credits. As security, Accord has first charge to all amounts due from establishments funded from the loan payable.

The agreement with Accord is subject to automatic renewal after July 31, 2024 for periods of one year unless terminated by either party by giving 180 days written notice prior to end of the term. During the quarter, Accord provided notice to terminate the agreement as of July 31, 2026.

The loan payable is repayable on demand to Accord.

On October 10, 2025, the Advantex Dining Corporation ("ADC"), a wholly owned subsidiary of the Company entered into a Receivables Purchase Agreement ("RPA") with a new funder (the "Funder"). Based on the RPA, ADC can originate up to $20 million in small business financing, with potential for future growth. Under the terms of the RPA, ADC will originate the small business advances and sell the rights to these receivables to the Funder. ADC will act as the servicer of the advances and will earn a servicing fee along with an opportunity to share in the revenue generated from the advances based on their performance.

The interest cost during the three and nine month periods ended March 31, 2026 and 2025 was $304,310 and $791,593, respectively (period ended March 31, 2025 and 2024 was $201,852 and $597,525, respectively).

7 9% Non-convertible debentures payable

On December 16, 2025, the Company received agreement of the debenture holders to extend the maturity date to December 31, 2027 and re-set the financial covenants at December 31, 2025. The Company was in compliance with the re-set financial covenants at March 31, 2026.

If the Company were to breach a financial covenant or were unable to pay its debts as they came due, it would be in default under the 9% 2025 debentures agreement and, as a result, the 9% 2025 debentures holders would have the right to waive the event of default, demand immediate payment of the 9% 2025 debentures in full or modify the terms and conditions of the 9% 2025 debentures including key terms such as repayment terms, interest rates and security. If the Company is unable to secure alternative financing to repay the 9% 2025 debentures in the event that the debenture holders demand immediate payment, the 9% 2025 debentures holders would have the right to realize upon a part or all of the security held by them.

The principal amount of issued and outstanding 9% 2025 at March 31, 2026 is $7,759,000 (at March 31, 2025 - $7,759,000).

Movement on 9% 2025 debentures is tabulated hereunder:

	Debt portion	Accrued and Unpaid interest	Total
	$	$	$
Balance at June 30, 2024	**$ 7,574,355**	**$ 2,770,188**	**$ 10,344,543**
Accretion charge for the period	795,730	-	795,730
Restructuring bonus for the period	84,912	-	84,912
Amortization of transaction costs for the period	20,214	-	20,214
Interest for the period	-	717,233	717,233
Balance at March 31, 2025	**$ 8,475,211**	**$ 3,487,421**	**$ 11,962,632**
Balance at June 30, 2025	**$ 8,964,645**	**$ 3,726,498**	**$ 12,691,143**
Accretion charge for the period	587,722	-	587,722
Restructuring bonus for the period	56,608	-	56,608
Amortization of transaction costs for the period	3,521	-	3,521
Interest for the period	-	717,233	717,233
Balance at March 31, 2026	**$ 9,612,496**	**$ 4,443,731**	**$ 14,056,227**

	Current liability	Non-current liability	Total
Period ended March 31, 2026	$ -	$ 14,056,227	$ 14,056,227
Period ended March 31, 2025	$ 1,353,887	$ 10,608,745	$ 11,962,632

Stated interest, accretion charge and restructuring bonus are as follows:

Nine months ended March 31, 2026			Nine months ended March 31, 2025		
Stated interest	Accretion charge	Restructuring bonus	Stated interest	Accretion charge	Restructuring bonus
$	$	$	$	$	$
717,233	587,722	56,608	717,233	795,730	84,912
$ 717,233	**$ 587,722**	**$ 56,608**	**$ 717,233**	**$ 795,730**	**$ 84,912**

8 12% Non-convertible debentures payable

The 12% debentures bear interest at 12% per annum payable semi-annually, mature October 10, 2026, and rank pari passu on security with the 9% 2025 debentures. There was no issuance of common shares of the Company to the purchaser of 12% debentures. This transaction was with a non-related party which is at arm's length with the Company. The Company secured the requisite approval of 9% 2025 debentures to issue the 12% debentures.

Movement on 12% debentures is tabulated below:

Series 1	Debt $	Accrued and unpaid interest $	Deferred fair value adjustment $	Total $
Balance at June 30, 2024	**$ 378,644**	**$ 10,423**	**$ (54,516)**	**$ 334,551**
Amortization of transaction costs for the period	6,386	-	-	6,386
Interest for the period	-	36,000	-	36,000
Interest for the period	-	(24,000)	-	(24,000)
Fair value adjustment - accretion	-	-	31,012	31,012
Balance at March 31, 2025	**$ 385,030**	**$ 22,423**	**$ (23,504)**	**$ 383,949**
Balance at June 30, 2025	**$ 387,159**	**$ 10,489**	**$ (12,600)**	**$ 385,048**
Amortization of transaction costs for the period	6,386	-	-	6,386
Interest for the period	-	36,000	-	36,000
Interest for the period	-	(24,000)	-	(24,000)
Fair value adjustment - accretion	-	-	1,257	1,257
Balance at March 31, 2026	**$ 393,545**	**$ 22,489**	**$ (11,343)**	**$ 404,691**

	Current liability	Non-current liability	Total
Period ended March 31, 2026	$ 22,489	$ 382,202	$ 404,691
Period ended March 31, 2025	$ 22,423	$ 361,526	$ 383,949

Series 2	Debt $	Accrued and unpaid interest $	Deferred fair value adjustment $	Total $
Balance at June 30, 2024	**$ 282,253**	**$ 7,180**	**$ (38,532)**	**$ 250,901**
Amortization of transaction costs for the period	9,983	-	-	9,983
Interest for the period	-	27,000	-	27,000
Interest for the period		(18,000)		(18,000)
Fair value adjustment - accretion	-	-	23,470	23,470
Balance at March 31, 2025	**$ 292,236**	**$ 16,180**	**$ (15,062)**	**$ 293,354**
Balance at June 30, 2025	**$ 295,563**	**$ 7,229**	**$ (6,810)**	**$ 295,982**
Amortization of transaction costs for the period	9,983	-	-	9,983
Interest for the period	-	27,000	-	27,000
Interest for the period		(18,115)	-	(18,115)
Fair value adjustment - accretion	-	-	-	-
Balance at March 31, 2026	**$ 305,546**	**$ 16,114**	**$ (6,810)**	**$ 314,850**

	Current liability	Non-current liability	Total
Period ended March 31, 2026	$ 16,114	$ 298,736	$ 314,850
Period ended March 31, 2025	$ 16,180	$ 277,174	$ 293,354

Series 1 & Series 2	Current liability	Non-current liability	Total

Period ended March 31, 2026	$	38,603	$	680,938	$	719,541
Period ended March 31, 2025	$	38,603	$	638,700	$	677,303

9 Share capital

No change in the authorized share capital since June 30, 2025.

No change in issued Class A preference shares since June 30, 2025.

No change in common shares since June 30, 2025.

10 Share-based payments

Employee stock options

The Company has a stock option plan for directors, officers, employees and consultants.

The number of employee stock options issuable per the Company's stock option plan is 556,285.

There were no stock options outstanding during the nine months ended March 31, 2026 and 2025.

The Company has recorded $nil of stock-based compensation expense during the three and nine months ended March 31, 2026 and 2025.

Restricted Share Unit Plan

The Company has a restricted share unit plan (the "RSU Plan"), pursuant to which the Board may grant restricted share units (the "RSUs") to eligible persons. The eligible persons are directors, officers, employees and consultants of the Company designated by the Board.

The maximum number of common shares of the Company which may be made subject to issuance under RSUs granted under the RSU Plan is 13,733,333.

The Company has not granted any RSUs under the RSU plan as at March 31, 2026 and 2025.

Potentially Dilutive Securities

No potentially dilutive securities exist as at March 31, 2026 and 2025.

11 Related party transactions

9% 2025 debentures

Related parties were issued units of 9% debentures on terms and conditions applicable to other recipients of 9% debentures. Effective March 15, 2021 the 9% debentures held by all debenture holders were replaced by 9% 2025 debentures on a dollar for dollar basis with respect to the principal amount, restructuring bonus, and interest rate as such terms are defined in the 9% debentures.

9% debentures and 9% 2025 debentures are described in note 7.

Common shares

The holdings of 9% 2025 debentures and common shares by related parties are summarized below:

	March 31, 2026		June 30, 2025	
	9% 2025 debentures	Common shares	9% 2025 debentures	Common shares
Director, Chief Executive Officer - K. Ambrose	$ 575,000	25,424,582	$ 575,000	25,424,582
Director - M. Lavine	500,000	2,450,494	500,000	2,450,494
Director - D. Moscovitz	9,000	38,966	9,000	38,966
R. Abramson, GIACP, GPMCA (a)	3,318,000	152,676,877	3,351,000	153,246,109
Herbert Abramson (b)	731,000	54,864,527	731,000	54,864,527
	$ 5,133,000	235,455,446	$ 5,279,680	236,024,678
Total issued and outstanding 9% 2025 debentures and common shares	$ 7,759,000	265,390,090	$ 7,759,000	265,390,090
% held by parties in tabulation	67.0%	89.1%	68.0%	90.2%

(a) Randall Abramson ("R. Abramson"), along with Generation IACP Inc. ("GIACP") and Generation PMCA Corp. ("GPMCA") in their capacity as portfolio managers on behalf of their respective fully managed accounts, beneficially own (directly or indirectly) or exercise control or direction over, in aggregate, the above securities of the Company. R. Abramson indirectly controls both GIACP and GPMCA and is a portfolio manager of both firms.
(b) Herbert Abramson, Chairman and a portfolio manager of both GIACP and GPMCA, beneficially owns the securities of the Company.

12 Commitments and contingencies

Legal matters

From time to time, the Company is party to legal proceedings arising out of the normal course of business. The results of these litigations cannot be predicted with certainty, and management is of the opinion that the outcome of these types of proceedings is generally not determinable. Any loss resulting from these proceedings will be charged to operations in the period the loss is determined.

13 Earnings per share

Basic EPS is calculated by dividing the net income (loss) for the period attributable to equity owners of the Company by the weighted average number of common shares outstanding during the period.

Diluted EPS is calculated by adjusting the weighted average number of common shares outstanding for dilutive instruments. The number of shares included with respect to options, warrants and similar instruments is computed using the treasury stock method.

	Three months ended March 31, 2026	2025	Nine months ended March 31, 2026	2025
Net (loss) and comprehensive (loss)	$ (426,449)	$ (450,344)	$ (1,760,132)	$ (1,393,359)
Basic and Diluted EPS				
Average number of issued common shares during the period	265,390,090	265,390,090	265,390,090	265,390,090
Basic EPS	**$ (0.00)**	**$ (0.00)**	**$ (0.01)**	**$ (0.01)**

There are no potentially dilutive common shares outstanding at March 31, 2026 and 2025.

14 Nature of expenses

	Nine months ended March 31, 2026 $	Nine months ended March 31, 2025 $
Direct expenses		
Costs of loyalty rewards, and marketing in connection with the Company's merchant based loyalty program	$ 1,089,462	$ 756,638
Expense for provision against impaired accounts receivable and transaction credits	737,403	40,761
	$ 1,826,865	**$ 797,399**
Selling and Marketing, and General & Administrative		
Salaries and wages including travel	$ 1,154,666	$ 933,660
Professional fees	448,196	147,289
Facilities, processing, and office expenses	162,843	167,447
Other	24,650	25,661
	$ 1,790,355	**$ 1,274,057**

15 Segment reporting

The Company's reportable segments include: (1) MCA program, and (2) Aeroplan program. Where applicable, corporate and other activities are reported separately as Corporate.

The programs are described in Note 1.

The Chief Operating Decision Maker reviews the segment income statement. The segment assets and liabilities are not reviewed. Financial information by reportable segment for period ended March 31, 2026 and 2025 is tabulated below.

Nine months ended March 31, 2026	MCA program $	Aeroplan program $	Total $
Revenues	2,287,004	1,808,335	4,095,339
Direct expenses	737,403	1,089,462	1,826,865
	1,549,601	718,873	2,268,474
Selling & marketing	259,806	205,428	465,234
General & administrative	740,002	585,119	1,325,121
Income (Loss) from operations before depreciation, amortization and interest	549,793	(71,674)	478,119
Interest expense:			
Loan payable	791,593	-	791,593
9% non-convertible debentures payable	400,532	316,701	717,233
12% non-convertible debentures payable	35,182	27,818	63,000
CEBA	1,256	994	2,250
Non-cash interest - 9% non convertible debentures payable	361,762	286,045	647,806
Non-cash interest expense - 12% non-convertible debentures payable	9,141	7,228	16,369
Segment (loss)	$(1,049,673)	$ (710,460)	$(1,760,132)

Nine months ended March 31, 2025	MCA program	Aeroplan program	Total
	$	$	$
Revenues	$ 1,655,362	$ 1,319,968	$ 2,975,330
Direct expenses	40,761	756,638	797,399
	1,614,601	563,330	2,177,931
Selling & marketing	199,192	158,834	358,026
General & administrative	509,645	406,386	916,031
Income (Loss) from operations before depreciation, amortization and interest	905,764	(1,890)	903,874
Interest expense:			
Loan payable	597,525	-	597,525
9% non-convertible debentures payable	399,042	318,191	717,233
12% non-convertible debentures payable	35,051	27,949	63,000
CEBA	1,252	998	2,250
Non-cash interest - 9% non convertible debentures payable	501,202	399,654	900,856
Non-cash interest expense - 12% non-convertible debentures payable	9,107	7,262	16,369
Segment (loss)	$ (637,415)	$ (755,944)	$(1,393,359)

16 Government subsidies

The Company received $60,000 under the Canada Emergency Business Account in 2022. $20,000 of this loan of $60,000 is forgivable provided the loan is re-paid by January 18, 2024. There is no interest on the $60,000 loan provided it is re-paid by January 18, 2024. After that none of the loan would be forgiven and interest will begin to accrue at 5% per year. The loan was not re-paid by January 18, 2024 and interest of $6,750 has been accrued.

Aeroplan is a Registered Trademark of Aeroplan Inc.

SCHEDULE B

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SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

ADVANTEX® MARKETING INTERNATIONAL INC.
Management's Discussion and Analysis of Operating Results
For the three and nine month period ended March 31, 2026 and 2025

This management's discussion and analysis ("MD&A") has been prepared based on information available to Advantex Marketing International Inc. ("Advantex" or "the company") as at February 27, 2025. MD&A is a narrative explanation to enable the reader to assess material changes in the financial condition and results of operations of the company during the three and nine month period ended March 31, 2026, compared to the three and nine month period ended March 31, 2025. This MD&A should be read in conjunction with the company's audited consolidated financial statements and the related notes for the twelve months ended June 30, 2025, and the interim consolidated financial statements and the related notes for the three and nine months ended March 31, 2026 which are available on www.sedar.com. All dollar amounts are stated in Canadian Dollars, which is the company's presentation and functional currency, unless otherwise noted. Certain dollar amounts have been rounded and may not tie directly to the interim and audited consolidated financial statements.

Overall Performance

Advantex is an aggregator of independent merchants, and currently provides merchant cash advance ("MCA") and loyalty marketing services to its community of merchants. MCA program meets working capital needs of merchants. It is the core business of the company. Loyalty marketing provides merchants an economic way to market their establishments to about 8 million consumers. Loyalty marketing services are delivered through its re-seller relationship with Aeroplan loyalty program owned by Air-Canada.

The company's merchants operate across Canada in diverse business segments: restaurants; independent inns, resorts and selected hotels; spas; retailers of men's and ladies fashion, footwear and accessories; florists and garden centres; health and beauty centres; gift stores; and home décor, many of which are leaders in their respective business segment.

In the MCA program the company provides merchants' with working capital through pre-purchase, at a discount, of merchants' future cash flows and company earns its revenue, per contract terms, as it collects against the pre-purchased receivables. The amount collected against the pre-purchased receivables less of revenue is applied to reduce the working capital advances. The balance of working capital advances given to the merchants, less of provision for delinquent accounts, is the transaction credits on the consolidated statement of financial position.

In the loyalty marketing program the company is a re-seller of aeroplan points. Participating merchants are able to leverage a powerful currency – aeroplan points - to market their business, specific products and services to the Aeroplan membership which is able to accelerate earning aeroplan points. Advantex earns its revenue from selling aeroplan points, at an agreed price per aeroplan point, to participating merchants.

Improvements in financial performance metrics during the three and nine month period ended March 31, 2026 ("Q3 2026") continued the trend from fiscal year ended June 30, 2025 ("Fiscal 2025") and reflected execution of strategies identified and implemented during the previous fiscal year.

The key events of Q3 2026 and Q3 2025 and their outcomes on the financial performance are discussed in this Section.

Financial Outcome

Significant improvement in key metrics are tabulated hereunder:

	Q3 2026 $	Q3 2025 $	Incr/(Decr) $	Incr/(Decr) %
Revenues	$ 1,563,036	$ 1,052,188	$ 510,848	48.6%
Gross Profit	$ 813,884	$ 757,479	$ 56,405	7.4%
Income (Loss) from operations before cash and non-cash interest expenses	$ 144,146	$ 326,672	$ (182,526)	-55.9%

	YTD 2026 $	YTD 2025 $	Incr/(Decr) $	Incr/(Decr) %
Revenues	$ 4,095,339	$ 2,975,330	$ 1,120,009	37.6%
Gross Profit	$ 2,268,474	$ 2,177,931	$ 90,543	4.2%
Income (Loss) from operations before cash and non-cash interest expenses	$ 478,119	$ 903,874	$ (425,755)	-47.1%

The financial performance is discussed in detail in later Sections in this document.

Support of holders of 9% 2025 debentures

On December 16, 2025, the Company received agreement of the debenture holders to extend the maturity date to December 31, 2027 and re-set the financial covenants at December 31, 2025. The Company was in compliance with the re-set financial covenants at March 31, 2026. The 9% 2025 debentures are source of general working capital. (see Section 9% Non-Convertible Debentures Payable).

Agreements with other partners

Accord Financial Inc. (“Accord”). Accord provides a line of credit facility that is available to the company only for acquisition of transaction credits under its MCA program. The agreement with Accord is subject to automatic renewal after July 31, 2024 for periods of one year unless terminated by either party by giving 180 days written notice prior to end of the term. At June 30, 2025, the agreement automatically renewed for one year. During the quarter, Accord provided notice to terminate the agreement as of July 31, 2026. Details of line of credit facility available in Section Loan Payable.

Aeroplan Inc. (“Aeroplan”). Under this agreement the company operated as a reseller of aeroplan points. In September 2023 the company and Aeroplan renewed their agreement for a five-year term expiring August 2028.

Outlook

The company believes its core business - MCA program - is a growth industry because institutional lenders are not focused on meeting working capital needs of independent merchants, even more so in the currently prevailing economic uncertainties and high interest rate environment. There are several competitors in the MCA space, but the company believes its strategy of transparent and competitive pricing give it an ability to grow its MCA portfolio if it has access to growth capital.

The loyalty marketing program the company provides is dependent on its agreement with Aeroplan. Operating this program gives the company a significant secondary business line and an advantage over competition in the MCA space.

There is reason to remain cautiously optimistic about the company's future given the size of the market for the company's products and its experience operating within the independent merchant segment. However, economic uncertainty continues to persist. While inflation has moderated from peak levels, core inflation remains elevated and the Bank of Canada has paused further interest rate reductions for the foreseeable future, with the possibility of future increases should inflationary pressures persist. In addition, rising unemployment levels, increasing personal bankruptcies and economic uncertainty associated with tariff measures imposed by the United States continue to create a challenging operating environment for small independent businesses.

Management expects these macroeconomic conditions may continue to pressure consumer spending and merchant performance in the near term. As a result, the company remains focused on disciplined underwriting, active credit monitoring and maintaining access to diversified funding sources to support the continued growth of its MCA platform. However, management believes the continued demand for alternative working capital solutions among independent merchants provides a meaningful long-term growth opportunity for the company.

Summary – Three and nine months ended March 31, 2026 and 2025

	Q3 2026	Q3 2025	YTD 2026	YTD 2025
	$	$	$	$
Revenues				
MCA program	845,738	516,343	2,287,004	1,655,362
Aeroplan program	717,298	535,845	1,808,335	1,319,968
	$ 1,563,036	**$ 1,052,188**	**$ 4,095,339**	**$ 2,975,330**
(Loss) from operations before depreciation, amortization and interest	**$ 144,146**	**$ 326,672**	**$ 478,119**	**$ 903,874**
Net (loss) and Comprehensive (loss)	**$ (426,449)**	**$ (450,344)**	**$ (1,760,132)**	**$ (1,393,359)**

Income Statement – three and nine months ended March 31, 2026 and 2025

	Three months ended March 31,		Nine months ended March 31,	
	2026	2025	2026	2025
	$	$	$	$
Revenues				
Marketing activities	$ 717,298	$ 535,845	$ 1,808,335	$ 1,319,968
Interest income	845,738	516,343	2,287,004	1,655,362
	1,563,036	**1,052,188**	**4,095,339**	**2,975,330**
Direct expenses	749,152	294,709	1,826,865	797,399
Income from operations after direct expenses	813,884	757,479	2,268,474	2,177,931
Operating expenses				
Selling and marketing	158,388	118,467	465,234	358,026
General and administrative	511,350	312,340	1,325,121	916,031
Income (Loss) from operations before cash and non-cash interest expenses	**144,146**	**326,672**	**478,119**	**903,874**

Stated interest expense:				
Loan payable	304,310	201,852	791,593	597,525
9% non-convertible debentures	239,078	239,078	717,233	717,233
12% non-convertible debentures	21,000	21,000	63,000	63,000
CEBA	750	750	2,250	2,250
Non-cash interest expense:				
Accretion charges, restructuring bonus and amortization of transaction costs related to 9% non-convertible debentures payable	-	308,879	647,806	900,856
Amortization of transaction costs related to 12% non-convertible debentures	5,457	5,457	16,369	16,369
Accretion charges related to 12% non-convertible debentures payable	-	18,415	1,257	54,482
Accretion of deferred gain related to 12% non-convertible debentures payable	-	(18,415)	(1,257)	(54,482)
Net (loss) and comprehensive (loss)	**$ (426,449)**	**$ (450,344)**	**$ (1,760,132)**	**$ (1,393,359)**
(Loss) per share				
Basic and Diluted	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**

Revenues. In Q4 2024, the Company introduced the MCA Aeroplan product, which pairs Aeroplan product with the cash MCA product. It provides the merchant with loyalty reward offering that is lucrative in addition fulfilling the cash need. Consequently, Aeroplan program revenues in Q3 2026 improved by $181K (34%) due to continued uptake in the MCA Aeroplan product. And increased in transaction credits resulted in MCA revenues increasing by $329K (64%) during the quarter.

Gross profit. At $814K, gross profit increased by $56K (22%) during the quarter. In anticipation of economic uncertainties in 2026, the bad debt allowance was overhauled to capture the full risk profile for the upcoming year. As such, the allowance increased by $458K.

Selling and General & Administrative expenses ("G&A") expenses increased by $239K (56%). Remuneration/expenses of sales staff are the primary selling expenses (over 95% in both periods).

Stated interest cost was higher by $102K due to increase in interest paid on loan payable, which is a reflection of increase in the transaction credits and due to higher rate charged by MOF facility.

Q3 2026 non-cash interest is lower by $309K compared to Q3 2025. The was primarily from accretion charges to do with accounting related to 9% 2025 debentures (Section 9% Non-Convertible Debentures Payable).

The above factors are reflected in a higher net loss. Q3 2026 loss of $426K compared to Q3 2025 loss of $450K.

Extract from the Statement of Financial Position

	March 31, 2026 $	June 30, 2025 $	Incr/(Decr) $
Assets			
Current assets			
Cash	$ 142,006	$ 96,249	45,757
Accounts receivable	275,036	227,314	47,722
Transaction credits	9,361,416	7,873,292	1,488,124
Prepaid expenses and sundry assets	6,416	6,416	-
Total assets	**$ 9,784,874**	**$ 8,203,271**	1,581,603
Liabilities			
Current liabilities			
Loan payable	$ 8,995,198	$ 7,356,396	1,638,802
CEBA	66,750	$ 64,500	2,250
12% non-convertible debentures payable	38,603	17,718	20,885
Accounts payable and accrued liabilities	4,004,725	3,706,331	298,394
	$ 13,105,276	**$ 11,144,945**	1,960,331
Non-current liabilities			
9% non-convertible debentures payable	$ 14,056,227	$ 12,691,143	$ 1,365,084
12% non-convertible debentures payable	680,938	663,361	17,577
Deferred fair value adjustment on 12% non-convertible debentures payable	18,153	19,410	(1,257)
	$ 14,755,318	**$ 13,373,914**	1,381,404
Total liabilities	**$ 27,860,594**	**$ 24,518,859**	
Shareholders' deficiency			
Share capital	$ 24,530,555	$ 24,530,555	-
Contributed surplus	9,626,405	9,626,405	-
Accumulated other comprehensive loss	(47,383)	(47,383)	-
Deficit	(52,185,297)	(50,425,165)	(1,760,132)
Total deficiency	**$ (18,075,720)**	**$ (16,315,588)**	(1,760,132)
Total liabilities and deficiency	**$ 9,784,874**	**$ 8,203,271**	1,581,603

The change in current assets primarily reflects increase in transaction credits, net of provision for delinquent accounts. The change in the total assets reflects increase in the current assets.

On the current liabilities side, the main change is on account of loan payable. Loan payable supports between 90%-95% investment in transaction credits. The loan payable balance at March 31, 2026 also includes amounts payable under the working capital overdraft provided by Accord. The loan payable balance at March 31, 2026, and June 30, 2025 (net of working capital overdraft) reflects the change in transaction credits (grossed up for provision for delinquent accounts over and above actual delinquent accounts) at the end of the two periods.

Non-current liabilities reflect 9% 2025 debentures, and 12% debentures. The balances reflect prescribed debt accounting (Sections 9% Non-Convertible Debentures Payable and 12% Non-Convertible Debentures Payable). The movement in the shareholders' deficit reflects net loss of $1,760K during YTD 2026.

Extracts from the Statement of Cash Flow

	YTD 2026	YTD 2025	Change
	$	$	$
Net (loss)	$ (1,760,132)	$ (1,393,359)	$ (366,773)
Adjustments for non-cash expenses	1,446,658	1,699,708	(253,050)
Income/(Loss) after adjustments for non-cash expenses	(313,474)	306,349	(619,823)
Changes in working capital	(1,237,456)	(2,636,145)	1,398,689
Net cash generated (used) - operating activities	(1,550,930)	(2,329,796)	778,866
Net cash generated (used) - financing activities	1,596,687	2,328,470	(731,783)
(Decrease)/Increase in cash during the quarter	45,757	(1,326)	47,083
Cash at start of period	96,249	58,029	38,220
Cash at end of period	$ 142,006	$ 56,703	$ 85,303

Adjustments for non-cash expenses. A significant item for both periods was accrued and unpaid 9% 2025 debentures interest and charges for Accretion and Restructuring bonus respecting 9% 2025 debentures.

Changes in working capital. Transaction credits, accounts receivable, accounts payable and accrued liabilities and other working capital items.

During YTD 2026 the primary item was increase in transaction credits, net of provision for delinquent accounts, of $1,488K.

From time to time the company enters into payment plans to settle its dues. The company has a payment plan with Accord (Section Loan Payable). As of date hereof the company is current with the payment plan obligations.

Financing activities.

Primary item was Loan payable. Loan payable supports 90% investment in transaction credits. The loan payable balance also includes amounts payable under the working capital overdraft provided by Accord. During YTD 2026, the increase of $1,639K is primarily due to above noted movement on transaction credits.

Investing activities. $nil in both periods. The company does not expect significant capital expenditures in the next twelve months.

The presentations in Results of Operations section are not set out in accordance with International Financial Reporting Standards ("IFRS"). The presentations are extracts from the interim consolidated financial statement for the three and nine months ended March 31, 2026 and have been included to provide additional analysis for the reader.

Revenue

The company's revenues were derived from merchants participating in the MCA program, and the Aeroplan program which the company has been operating for over a decade.

In the MCA program the company provides merchants with working capital through pre-purchase, at a discount, of merchants' future cash flows and company earns its revenue, per contract terms, as it collects against the pre-purchased cash flows. The amount collected against the pre-purchased cash flows less of revenue is applied to reduce the working capital advances. The balance of working capital advances given to the merchants, less of provision for delinquent accounts, is the transaction credits on the consolidated statement of financial position.

The Aeroplan program. Here the company is a re-seller. The company sells aeroplan points to merchants who are small and mid-sized retailers and service providers. Revenue is recognized, at the agreed price per aeroplan point, when the participating merchant issues aeroplan points to an Aeroplan member completing a qualifying transaction at the merchant.

The drivers for revenues from the MCA program are primarily the amount of working capital advances deployed with merchants, the discount at which future cash flows are purchased from merchants, followed by number of participating merchants.

The revenues from the Aeroplan program reflects the number of participating merchants, traffic of Aeroplan members completing purchases at participating merchants, the level of engagement of participating merchants in the program and mix of merchants issuing aeroplan points.

The revenue trends are provided in the tabulation.

	Q3 2026 $	Q3 2025 $	Incr/(Decr) $	Incr/(Decr) %
Revenues				
MCA program	845,738	516,343	329,395	63.8%
Aeroplan program	717,298	535,845	181,453	33.9%
	$ 1,563,036	**$ 1,052,188**	**$ 510,848**	**48.6%**

MCA program

Revenues reflect the transaction credits deployed with merchants and number of participating merchants.

	YTD 2026	YTD 2025
Transaction credits (net of provision for delinquent accounts)		
At start of year	$ 7,873,292	$ 5,871,555
At end of year	$ 9,361,416	$ 8,051,242
# of merchants		
At start of year	157	146
At end of year	157	143

Aeroplan program

Q3 2026 revenues reflect the continued uptake in the MCA Aeroplan program.

Direct Expenses

MCA direct expenses are expense for provision for delinquencies against transaction credits ($nil for both periods), and credit/collection expense.

In the Aeroplan program, direct expenses are primarily costs of aeroplan points which the company purchases from Aeroplan. Other costs include cost of marketing and advertising on behalf of merchants and provision against receivables.

	Q3 2026 $	Q3 2025 $	Incr/(Decr) $	Incr/(Decr) %
Revenues				
MCA program	845,738	516,343	329,395	63.8%
Aeroplan program	717,298	535,845	181,453	33.9%
	$ 1,563,036	**$ 1,052,188**	**$ 510,848**	**48.6%**
Direct expenses				
MCA program	737,403	40,761	696,642	94.5%
Aeroplan program	1,089,462	756,638	332,824	44.0%
	$ 1,826,865	**$ 797,399**	**$ 1,029,466**	**129.1%**

MCA program.

While the company believes it has adequate provision for delinquencies as at March 31, 2026, the threat of tariffs, prevailing inflationary, and high interest environment are a significant risk factor when assessing the collectability of transaction credits.

The methodology for estimating the provision for delinquencies against transaction credits is discussed in this document in Credit Risk under Section Critical Accounting Estimates.

The company monitored credit risk along above methodology during Q3 2026 and Q3 2025.

Aeroplan program

Direct cost relative to revenues is primarily attributable to the mix of gross margins the company earns from transacting merchants.

Gross Profit

The gross profit is tabulated:

	Q3 2026 $	Q3 2025 $	YTD 2026 $	YTD 2025 $
Revenues				
MCA program	845,738	516,343	2,287,004	1,655,362
Aeroplan program	717,298	535,845	1,808,335	1,319,968
	$ 1,563,036	**$ 1,052,188**	**$ 4,095,339**	**$ 2,975,330**
Income (Loss) from operations before depreciation, amortization and interest	**$ 144,146**	**$ 326,672**	**$ 478,119**	**$ 903,874**
Net (loss) and Comprehensive (loss)	**$ (426,449)**	**$ (450,344)**	**$ (1,760,132)**	**$ (1,393,359)**

The primary reason for the increase in company's gross profit was increase in Aeroplan program revenue.

Selling Expenses

Selling expenses include expenses arising from remuneration of sales staff, and other selling activities. The significant component is cost – remuneration and travel/cell - of the sales staff.

During both periods the company's sales force is common to MCA and Aeroplan programs.

	Q3 2026 $	Q3 2025 $	Incr/(Decr) $	Incr/(Decr) %
Revenues				
MCA program	845,738	516,343	329,395	63.8%
Aeroplan program	717,298	535,845	181,453	33.9%
	$ 1,563,036	**$ 1,052,188**	**$ 510,848**	**48.6%**
Selling expenses				
Remuneration/expenses of sales staff - MCA	407,822	330,381	77,441	
Remuneration/expenses of staff - Aeroplan	14,400	19,010	(4,610)	
Web marketing for MCA program	256,527	10,700	245,827	
All other	43,011	8,634	34,377	
	$ 721,760	**$ 368,725**	**$ 353,035**	**95.7%**
Remuneration/expenses as % of selling expenses	56.5%	89.6%		

Q3 2025 reflect sales staff receiving, since April 1, 2020, 85% of their pre pandemic remuneration. The cost saving measure was implemented to address some of the financial impact of the pandemic on the company.

Increase in revenues driven by stable sales organization.

General and Administrative Expenses ("G&A")

G&A expenses include compensation for all non-sales staff, professional fees, head office premises costs, shareholder and public relations costs, office overheads, capital and income taxes, and foreign exchange gains/(losses).

	Q3 2026 $	Q3 2025 $	Incr/(Decr) $	Incr/(Decr) %
Revenues	**$ 1,563,036**	**$ 1,052,188**	**$ 510,848**	**48.6%**
G&A:				
Compensation for non-sales staff	707,029	558,899	148,128	
Directors fees	24,377	24,377	-	
All other G&A expenses	593,716	332,755	260,961	
	$ 1,325,121	**$ 916,031**	**$ 409,090**	**44.7%**

Q3 2025 reflect administration staff including management receiving, since April 1, 2020, 85% of their pre pandemic remuneration. The cost saving measure was implemented to address some of the financial impact of the pandemic on the company.

Increase in revenues driven by existing infrastructure.

Interest Expense

The interest expense is tabulated:

	YTD 2026 $	YTD 2025 $	Incr/(Decr) $
Stated ("Cash") interest expense			
Loan payable	791,593	597,525	194,068
9% debentures coupon	132,578	132,578	-
9% debentures interest on unpaid interest	64,500	64,500	-
12% debentures coupon	63,000	63,000	-
	$ 1,051,671	$ 857,603	$ 194,068
Non-cash interest expense			
Accretion charge on 9% non convertible debentures payable	587,722	256,740	330,982
Restructuring bonus on 9% non convertible debentures payable	56,608	28,304	28,304
Amortization of transaction costs on 9% non-convertible debentures payable and 12% non-convertible debentures payable	19,845	12,195	7,650
Accretion charges related to 12% non-convertible debentures payable	1,257	17,773	- 16,516
Accretion of deferred gain related to 12% non-convertible debentures payable	(1,257)	(17,773)	16,516
CEBA	2,250	750	1,500
	$ 666,425	$ 297,989	$ 368,436
Total interest expense	**$ 1,718,096**	**$ 1,155,592**	**$ 562,504**

Net Loss

	YTD 2026 $	YTD 2025 $	Incr/(Decr) $	Incr/(Decr) %
Revenues	$ 4,095,339	$ 2,975,330	$ 1,120,009	37.6%
Gross profit	$ 2,268,474	$ 2,177,931	$ 90,543	4.2%
Income (loss) from operations before depreciation, amortization and interest	$ 478,119	$ 903,874	$ (425,755)	-47.1%
Net (loss) and Comprehensive (loss)	$ (1,760,132)	$ (1,393,359)	$ 366,773	-26.3%
Basic and Diluted loss per share	$ (0.01)	$ (0.01)		

The detailed analysis of the above tabulated items is provided in Sections - *Income Statement – Q3 2026 compared to Q3 2025,* and in Sections Revenue, Direct Expenses, Gross Profit, Selling Expenses, G&A, and Interest Expense.

Working Capital and Liquidity Management

	YTD 2026 $	YTD 2025 $
Funds available to expand MCA program (Transaction credits on the balance sheet) and meet working capital needs		
Net (loss)	$ (1,760,132)	$ (1,393,359)
Adjustments for non-cash expenses	1,446,658	1,699,708
(Loss) after adjustment for non-cash expenses	(313,474)	306,349
Cash balances at start of the period	96,249	58,029

Increase/(Decrease) in loan payable	1,638,802	2,370,470
(Increase)/Decrease in accounts receivable	(47,722)	86,499
	$ 1,373,855	**$ 2,821,347**
Utilization of funds		
Cash balances at end of periods	$ 142,006	$ 56,703
Increase/(Decrease) in transaction credits	1,488,124	2,953,764
(Increase) in accounts payable and accrued liabilities	(298,390)	(231,120)
Changes in all other working capital items	42,115	42,000
Change in other financing items	**$ 1,373,855**	**$ 2,821,347**

Working Capital and Liquidity Management

Adjustments for non-cash expenses. A significant item for both periods was accrued and unpaid 9% 2025 debentures interest, for Q3 2026 vs Q3 2025.

Changes in working capital. Transaction credits, accounts receivable, accounts payable and accrued liabilities and other working capital items.

During YTD 2026 the primary item was increase in transaction credits, net of provision for delinquent accounts, of $1488K.

From time to time the company enters into payment plans to settle its dues. The company has a payment plan with Accord (Section Loan Payable). As of date hereof the company is current with the payment plan obligations.

Financing activities.

Primary item was Loan payable. The loan payable balance also includes amounts payable under the working capital overdraft provided by Accord. During YTD 2026 the increase of $$1,639K is primarily due to above noted movement on transaction credits.

Investing activities. $nil in both periods. The company does not expect significant capital expenditures in the next twelve months.

From time to time the company negotiates payment plans with suppliers. The company does not have the wherewithal to re-pay its legacy suppliers i.e., those providing services connected to CIBC/TD program which ended in fiscal year ended June 30, 2019. It will have to reach settlement accommodation with these suppliers. Of the suppliers critical to its current operations the company has a payment plan with Accord to settle the overdraft facility portion of the loan payable by end of 2025. This payment plan commenced October 2021 and as of date hereof, the payment obligations have been fully satisfied.

Cash balances at the end of periods reflect cash (used) by operations [(loss) after adjustment for non-cash expenses – see above tabulation], payments of accounts payable, collection of transaction credits, deployment of advances with merchants, raise of capital by issuance of 9% 2025 debentures and 12% debentures, and usage for general corporate purposes.

The company's operations are funded by debt – loan payable, 9% 2025 debentures and 12% debentures (Sections Loan Payable, 9% Non-Convertible Debentures Payable, and 12% Non-Convertible Debentures Payable). The company's future success is dependent on financial stability in order to retain its existing relationships with Aeroplan, Accord, holders of 9% 2025 debentures and holders of 12% debentures (Section Economic Dependence), and access to additional working capital in the form of debt and or equity.

As of March 31, 2026 the company does not have any off-balance sheet financing arrangements.

Going Concern

The consolidated financial statements for three and nine months ended March 31, 2026 ("CFS") have been prepared in accordance with accounting principles applicable to a going concern, which contemplates that the company will be able to realize its assets and settle its liabilities as they come due during the normal course of operations for the foreseeable future. When a company is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern, the entity is required to disclose those uncertainties.

The Company has a shareholders' deficiency of $18,075,720 as at March 31, 2026. The threat of tariffs, recurring inflationary, and high interest rate environment have created an uncertain economic environment. More so for small independent businesses operating in the hospitality segment, especially restaurants. The Company's customers are primarily small independent restaurants. Consequently, there is uncertainty surrounding the Company's ability in the foreseeable future to generate cash flows sufficient to meet its operational needs and meet its obligations on due dates. Failure to meet obligations on due dates may lead to company being unable to continue operations due to: denial by suppliers of products and services; loss of access to a) loan payable (note 6) which supports the Company's merchant cash advance program, and b) general working capital provided by 9% 2025 debentures (note 7) and 12% debentures (note 8); and inability to access alternative economically viable sources to replace existing capital. These material uncertainties cast significant doubt on the Company's ability to continue as a going concern.

The consolidated financial statements do not include any adjustments or disclosures that may result from the company's ability to continue as a going concern. If the going concern assumption were not appropriate for the consolidated financial statements, adjustments may be necessary in the carrying values of assets and liabilities and the reported expenses and balance sheet classifications; and such adjustments could be material.

Contractual Obligations

Contractual obligations as at March 31, 2026 were due as follow:

	Total $	Less than 1 year $	1 to 3 years $	4 to 5 years $
Loan payable	$9,079,955	$9,079,955	$ -	$ -
9% 2025 debentures principal	7,759,000	-	7,759,000	-
12% debentures principal	700,000	-	700,000	-
CEBA principal	60,000	-	60,000	-
	$ 17,598,955	**$ 9,079,955**	**$ 8,519,000**	**$ -**

Loan Payable

The Loan payable is a line of credit facility provided by Accord Financial Inc. ("Accord") and was established in December 2007. The loan payable has a facility limit of $9.35 million and is only available to the company for acquisition of transaction credits. As security, Accord has first charge to all amounts due from establishments funded from the loan payable.

On October 10, 2025, the Advantex Dining Corporation ("ADC"), a wholly owned subsidiary of the Company entered into a Receivables Purchase Agreement ("RPA") with a new funder (the "Funder"). Based on the RPA, ADC can originate up to $20 million in small business financing, with potential for future growth. Under the terms of the RPA, ADC will originate the small business advances and sell the rights to these receivables to the Funder. ADC will act as the servicer of the advances and will earn a servicing fee along with an opportunity to share in the revenue generated from the advances based on their performance.

9% Non-Convertible Debentures Payable

The company received agreement of the 9% debentures holders to extend their maturity date from December 31, 2021 to March 31, 2026. The 9% debentures were issued as 5,759 units (5,559 units in December 2017 and 200 units in October 2019) consisting of principal amount of $5,759,000 and 623,377,196 common shares of the company. Effective March 15, 2021 the 9% debentures were replaced by 9% 2025 debentures on a dollar for dollar basis with respect to the principal amount, restructuring bonus, and interest rate as such terms are defined in the 9% debentures.

The company closed a $250,000 financing on March 15, 2021 by way of senior secured non-convertible debentures ("9% 2025 debentures"). The 9% 2025 debentures were issued on the same terms and rank pari passu with existing 9% Non-convertible debentures payable ("9% debentures") bearing interest at 9% per annum and maturing on March 31, 2026. The financing was a related party transaction (Section Related Party Transactions).

The unpaid interest from December 16, 2018 until March 14, 2021 on the 9% debentures together with interest on interest are due on maturity of 9% 2025 debentures. An additional feature of the 9% 2025 debentures is that the first-year interest is deferred and is payable in eight equal instalments, with each instalment being added to each semi-annual interest payment payable after the first year through March 31, 2026, and the interest on interest will be added in the final interest payment.

The company issued 9% 2025 debentures on September 7, 2021 (gross proceeds of $1.0 million), on March 24, 2022 (gross proceeds of $150,000) and on January 5, 2023 (gross proceeds of $600,000). The purchasers received common shares for their purchase of these $1.75 million 9% 2025 debentures and for purchase of $250,000 9% 2025 debentures in March 2021. The financings were related party transactions (Section Related Party Transactions). The common shares were determined to have nil value.

The 9% 2025 debentures are secured by a general security interest over the assets of the company and its subsidiaries. The 9% 2025 debentures require the company to meet financial covenants. The company was in compliance with financial covenants at September 30, 2022 and September 30, 2023. On June 26, 2022 the company received waiver of the events of default with respect to financial covenants at December 31, 2021 and March 31, 2022 as well as agreement of the debenture holders to defer the payment of interest payable September 15, 2022, and re-set financial covenants for quarters ended June 30, 2022 until June 30, 2023. On March 14, 2023, the company received agreement of the debenture holders to defer the payment of interest payable March 15, 2023, and for it to be payable in six equal instalments, with each instalment being added to the interest payments due on September 15, 2023, March 15, 2024, September 15, 2024, March 15, 2025, September 15, 2025, and March 31, 2026. On June 26, 2023 the company received agreement of the debenture holders to re-set the financial covenants at June 30, 2023 and September 30, 2023. On September 12, 2023 the company received agreement of the debenture holders to defer the payment of interest payable September 15, 2023, and for it to be payable in five equal instalments, with each instalment being added to the interest payments due on March 15, 2024, September 15, 2024, March 15, 2025, September 15, 2025, and March 31, 2026. On December 19, 2023 the company received agreement of the debenture holders to re-set financial covenants at December 31, 2023. On March 13, 2024 the company received agreement of debenture holders to defer payment of interest payable March 15, 2024, and for it to be payable in four equal instalments, with each instalment being added to the interest payments due on September 15, 2024, March 15, 2025, September 15, 2025, and March 31, 2026. The company received agreement to re-set the financial covenants at March 31, 2024. On June 18, 2024 the company received agreement of the debenture holders to re-set the financial covenants at June 30, 2024 and September 30, 2024. On December 13, 2024 the company received agreement of the debenture holders to re-set financial covenants at December 31, 2024 and March 31, 2025. On December 16, 2025, the company received agreement of the debenture holders to extend the maturity date to December 31, 2027 and re-set the financial covenants at March 31, 2026. The company received agreement to re-set the financial covenants at March 31, 2026.

The company was in compliance with the re-set financial covenants at March 31, 2026.

If the company were to breach a financial covenant or were unable to pay its debts as they came due, it would be in default under the 9% 2025 debentures agreement and, as a result, the 9% 2025 debentures holders would have the right to waive the event of default, demand immediate payment of the 9% 2025 debentures in full or modify the terms and conditions of the 9% 2025 debentures including key terms such as repayment terms, interest rates and security.

If the company is unable to secure alternative financing to repay the 9% 2025 debentures in the event that the debenture holders demand immediate payment, the 9% 2025 debentures holders would have the right to realize upon a part or all of the security held by them.

The fair value of the 9% 2025 debentures issued in September 2021, March 2022 and January 2023 was determined based on a discounted cash flow of the interest and principal obligations of the 9% 2025 debentures, and the difference between the face value of the 9% 2025 debentures and their fair value was recognized in the

contributed surplus. In addition, the transaction costs related to the transactions are being amortized to maturity date.

The principal amount of issued and outstanding 9% 2025 at March 31, 2026 and 2025 is $7,759,000.

12% Non-Convertible Debentures Payable

In January 2023 the company issued 400 units of 12% non-convertible debentures payable ("12% debentures") as a debt instrument and issued 300 units of 12% debentures in March 2024.

The 12% debentures bear interest at 12% per annum payable semi-annually, mature October 10, 2026, and rank pari passu on security with the 9% 2025 debentures. There was no issuance of common shares of the company to the purchaser of 12% debentures. This transaction was with a non-related party which is at arm's length with the company. The company secured the requisite approval of 9% 2025 debentures to issue the 12% debentures.

For accounting policy on presentation of the 9% 2025 and 12% debentures, refer to note 3 of the audited financial statements.

Summary of Quarterly Results

12-month period ended March 31, 2026	**Q4 Jun 30, 2025 $**	**Q1 Sep 30, 2025 $**	**Q2 Dec 31, 2025 $**	**Q3 Mar 31, 2026 $**	**Total $**
Revenues	1.3	1.3	1.3	1.6	5.4
% of annual revenues	31.0%	28.5%	26.3%	28.7%	100.0%
Net (loss)	(1.2)	(2.6)	(2.6)	(4.3)	(10.7)
(Loss) per share - Basic and Diluted	-	-	-	-	(0.01)

12-month period ended March 31, 2025	**Q4 Jun 30, 2024 $**	**Q1 Sep 30, 2024 $**	**Q2 Dec 31, 2024 $**	**Q3 Mar 31, 2025 $**	**Total $**
Revenues	0.8	1.0	0.9	1.1	3.8
% of annual revenues	22.7%	29.0%	25.7%	28.0%	100.0%
Net (loss)	(0.7)	(0.3)	(0.5)	(0.5)	(6.3)
(Loss) per share - Basic and Diluted		-	-	-	(0.01)

Capital Resources

The company did not incur material capital expenditures or enter into any material leases during the two periods under review. The company does not expect significant capital expenditures in the next twelve months.

Critical Accounting Estimates

The preparation of the company's consolidated financial statements, in accordance with IFRS, requires the company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the interim and annual consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

The company's significant accounting policies are disclosed in note 3 to the audited consolidated financial statements for year ended June 30, 2025.

Contingent liabilities

From time to time, the company is party to legal proceedings arising out of the normal course of business. The results of these litigations cannot be predicted with certainty, and management is of the opinion that the

outcome of these types of proceedings is generally not determinable. Any loss resulting from these proceedings will be charged to operations in the period the loss is determined.

Going concern

The company assesses the going concern assumption on a quarterly basis. In assessing whether the going concern assumption is appropriate, management considers all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. The company has prepared a financial forecast based on its expectation regarding impact of the pandemic and its interplay with uncertain economic environment in the foreseeable future, market for its programs, its ability to expand its existing MCA and Aeroplan programs, ability to reach and fulfil settlement accommodation with suppliers, continued access to existing sources of debt, ability to access additional sources of working capital in the form of either debt or equity to stabilize its financial situation, continue operations, and support maintenance and growth of its core business, the MCA program.

The company's audited consolidated financial statements for year ended June 30, 2025 and the unaudited consolidated financial statements for the three and nine months ended March 31, 2026 carry a going concern note (note 2a and note 2 respectively). The note is also carried in the Section Working Capital and Liquidity Management in this document.

Financial instruments – fair value

The carrying value of accounts receivable, transaction credits, accounts payable and accrued liabilities, loan payable approximate their fair values due to the short-term maturity of these instruments.

A significant amount of estimation was applied in evaluation of the initial fair value of the 9% 2025 debentures and 12% debentures. Estimates applied by management in the determination of fair value are reflective of the company's overall cost of equity capital. The key input in the determination of fair value is derived from comparable companies discount rate.

Credit risk

Credit risk is the risk of financial loss to the company if a customer fails to meet its contractual obligations. The company, in the normal course of business, is exposed to credit risk on its accounts receivable and transaction credits from customers.
Transaction credits are net of applicable allowance, which is established based on specific credit risk associated with the customer and other relevant information.

Under the MCA product, the company acquires the rights to receive future cash flows, associated with future business activity, at a discount from participating establishments ("transaction credits"). Under the MCA program the transaction credits are estimated to be fully extinguishable within 365 days. Until these transaction credits have been extinguished through collections from participating merchants there is a credit risk.

The evaluation of collectability of transaction credits is done on an individual customer basis. For specifically identified transaction credit balances that are impaired an expected loss is estimated. The amount of the estimates is determined based on the status of the customer and the company's historical experience on recoveries.

Due to prevailing macroeconomic uncertainty, including tariff-related risks, inflationary pressures and elevated interest rates, management applied additional judgment in estimating expected credit losses for unimpaired transaction credits during the periods ended June 30, 2025 and March 31, 2026.

The historical loss rate is based on the losses experienced over the seven-year period prior to start of the pandemic, during and post pandemic. Location of the merchant business, past and current payment history, current economic activity levels, are the inputs into the forecast loss ratio.

The company collects its dues through pre-authorized debits. The company's past experience is that recurring rejections of payments by a merchant – unless due to administration or clerical oversight and rapidly rectified - is the likely indication of the merchant not being able to operate, pay the company's dues leading to a credit loss. The risk management processes of the company in determining the expected credit losses review: a) the

unimpaired portfolio for merchants with recurring rejections, b) reason(s) for the rejection(s) and the timeline within which satisfactorily resolved, c) location of the merchant and number of years in business, and d) likelihood of continuation of business for the period until the dues are paid to the company.

During period ended March 31, 2026 and 2025, the inflationary and increasing interest rate environment impacted economic activity. Hence in both years there is some estimation in evaluation of collectability in future periods.

Recoveries are only recorded when objective verifiable evidence supports the change in the original provision.

The maximum exposure to credit risk is the balance, net of provision for impaired accounts, of the transaction credits, and accounts receivable.

The accounts receivable, transaction credits, and the allowance is as follows:

	March 31, 2026 $	June 30, 2025 $
Transaction credits	$ 11,487,779	$ 9,293,673
Accounts receivable	275,036	227,314
Allowance	(2,126,363)	(1,420,381)
Per Consolidated statement of financial position	**$ 9,636,452**	**$ 8,100,606**
Maximum exposure to credit risk	**$ 9,636,452**	**$ 8,100,606**

The transaction credits that are considered impaired and the related allowance is as follows:

	March 31, 2026 $	June 30, 2025 $
Impaired transaction credits	$ 1,843,518	$ 1,141,046
Allowance	(1,843,518)	(1,141,046)
Impaired transaction credits not allowed for	**$ -**	**$ -**
The Company carries an allowance towards transaction credits based on the historical loss ratio	$ 282,845	$ 279,335

Stock Options

The company has a stock option plan for directors, officers, employees and consultants. The stock options are non-assignable, the stock option price is to be fixed by the Board of Directors, term of the stock options may not exceed five years and payment for the optioned shares is required to be made in full on the exercise of the stock options. All stock options are equity settled. The stock options are subject to various vesting provisions, determined by the Board of Directors, ranging from immediately to four years.

The number of employee stock options issuable per the company's stock option plan is 556,285.

There were no stock options outstanding during Q3 2026 and Q3 2025.

There was no stock based compensation expense during Q3 2026 and Q3 2025.

Restricted Share Unit Plan

The company has a restricted share unit plan (the "RSU Plan"), pursuant to which the Board may grant restricted share units (the "RSUs") to eligible persons where the eligible persons are directors, officers, employees and consultants of the company designated by the Board.

The maximum number of common shares of the company which may be made subject to issuance under RSUs granted under the RSU Plan is 13,733,333.

The company has not granted any RSUs under the RSU plan as at March 31, 2026.

Outstanding Share Data

No change in the authorized share capital since June 30, 2024.

No change in issued and outstanding Class A preference shares since June 30, 2025. Issued and outstanding 461,887 Class A preference shares.

No change in issued and outstanding common shares since June 30, 2025. Issued and outstanding 265,390,090.

Potentially Dilutive Securities

As of date hereof, there are no potentially dilutive securities exercisable into common shares of the company.

Related Party Transactions

9% 2025 debentures

Related parties were issued units of 9% debentures on terms and conditions applicable to other recipients of 9% debentures. Effective March 15, 2021 the 9% debentures held by all debenture holders were replaced by 9% 2025 debentures on a dollar for dollar basis with respect to the principal amount, restructuring bonus, and interest rate as such terms are defined in the 9% debentures.

On March 15, 2021 and September 7, 2021, the company closed financings by way of 9% 2025 debentures. These were purchased by managed accounts and principals of related parties Generation IACP Inc. and Generation PMCA Corp., and Kelly Ambrose, the company's President and Chief Executive Officer and a director.

In March 2022 and on January 5, 2023, the company closed $150,000 and $600,000 respectively financing by way of 9% 2025 debentures. Principals of Generation IACP Inc. and Generation PMCA Corp. purchased the 9% 2025 debentures.

9% debentures and 9% 2025 debentures are described in Section 9% Non-Convertible Debentures Payable.

Common shares

The holdings of 9% 2025 debentures and common shares by related parties are summarized below:

	March 31, 2026		June 30, 2025	
	9% 2025 debentures	Common shares	9% 2025 debentures	Common shares
Director, Chief Executive Officer - K. Ambrose	$ 575,000	25,424,582	$ 575,000	25,424,582
Director - M. Lavine	500,000	2,450,494	500,000	2,450,494
Director - D. Moscovitz	9,000	38,966	9,000	38,966
R. Abramson, GIACP, GPMCA (a)	3,318,000	152,676,877	3,351,000	153,246,109
Herbert Abramson (b)	731,000	54,864,527	731,000	54,864,527
	$ 5,133,000	235,455,446	$ 5,166,000	236,024,678
Total issued and outstanding 9% 2025 debentures and common shares	$ 7,759,000	265,390,090	$ 7,759,000	265,390,090
% held by parties in tabulation	66.2%	88.7%	66.6%	88.9%

(a) Randall Abramson ("R. Abramson"), along with Generation IACP Inc. ("GIACP") and Generation PMCA Corp. ("GPMCA") in their capacity as portfolio managers on behalf of their respective fully managed accounts, beneficially own (directly or indirectly) or exercise control or direction over, in aggregate, the above securities of the Company. R. Abramson indirectly controls both GIACP and GPMCA and is a portfolio manager of both firms.
(b) Herbert Abramson, Chairman and a portfolio manager of both GIACP and GPMCA, beneficially owns the securities of the Company.

Economic Dependence

The company has two business units. Its core business is MCA program and the secondary business is operating as a re-seller of aeroplan points as part of Aeroplan program.

While both programs are dependent on the continuity of the support of the 9% 2025 debentures and 12% debentures which are the source of general working capital, the MCA program is dependent on the support of asset-based lenders, such as Accord, which provide the financing enabling the company to fund up to 90% of each $ of merchant cash advance.

The 9% 2025 debentures are secured by a general security interest over the assets of the company and its subsidiaries. The 9% 2025 debentures mature March 31, 2026. The 9% 2025 debentures require the company to meet financial covenants. The company has secured agreement of the holders of 9% 2025 debentures to waive breach of financial covenants, re-set financial covenants and defer interest payable. Details provided in Section 9% Non-Convertible Debentures Payable. If the company were to breach a financial covenant or were unable to pay its debts as they came due, it would be in default under the 9% 2025 debentures agreement and, as a result, the 9% 2025 debentures holders would have the right to waive the event of default, demand immediate payment of the 9% 2025 debentures in full or modify the terms and conditions of the 9% 2025 debentures including key terms such as repayment terms, interest rates and security. If the company is unable to secure alternative financing to repay the 9% 2025 debentures, the 9% 2025 debentures holders would have the right to realize upon a part or all of the security held by them. The company has a 20-year relationship with the principal holders of the 9% 2025 debentures and the principal holders invested $1,925,000 through 9% 2025 debentures in the company since March 2021. The most recent investment was of $600,000 in January 2023. Sections 9% Non-Convertible Debentures Payable and Related Party Transactions.

The 12% debentures were issued in April 2023 and mature October 10, 2026. The 12% debentures rank pari passu on security with the 9% 2025 debentures. This is a new partnership.

In March 2022 the company and Accord agreed to 1) extend the term of their loan payable agreement, which was due to end June 30, 2022, to July 31, 2024, and 2) a payment plan for the company to re-pay the general working capital overdraft facility – provided to enable the company to cope with the adverse impacts of pandemic - by July 31, 2024. As of date hereof the company is current with its obligations under the payment plan. The agreement is subject to automatic renewal after July 31, 2024 for periods of one year unless terminated by either party by giving 180 days written notice prior to end of the term. The loan payable is repayable on demand to Accord pursuant to an event of default defined in the agreement. The company's partnership with Accord is since 2007.

The Aeroplan program is dependent on agreement with Aeroplan. The original five-year term of the agreement ended April 30, 2019, had been through several extensions and in September 2023 was renewed for a five-year term ending August 31, 2028. The agreement can be terminated by Aeroplan under certain circumstances, one of which is if the company is in arrears on its payment obligations to Aeroplan. As of date hereof the company is current on its payment obligations. The agreement can be terminated by AC under certain conditions during its term. The company's partnership with Aeroplan is from 2010.

General Risks and Uncertainties

The company has a going concern issue as explained in Section Working Capital and Liquidity Management in this document.

As explained in the Section Economic Dependence the company's operations are funded by debt – loan payable and 9% 2025 debentures, 12% debentures (Sections Loan Payable, 9% Non-Convertible Debentures Payable, and 12% Non-Convertible Debentures Payable). The loan payable agreement term ends July 31, 2026. The 9%

2025 debentures mature December 31, 2027. The 12% debentures mature October 10, 2026. The company's secondary business of re-seller of Aeroplan points depends on its agreement with Aeroplan. The risks connected to the continuity of the three sources of debt and agreement with Aeroplan are explained in Section Economic Dependence.

The pandemic created additional uncertainty to the company's business continuity. The uncertainty stems from unknown duration and quantum of the aftereffects of the pandemic – which currently are manifesting in inflationary and rising interest rate environment - on the economy in general, and the company and company's merchants in particular. This may adversely affect the company's: collection of accounts receivable and transaction credits; revenues, cash flows and liquidity; ability to meet obligations on due dates; ability to retain relationships with Accord, holders of 9% 2025 debentures; 12% debentures; retain agreement with Aeroplan; ability to attract growth capital in the form of either debt or equity; and continuity as a going concern.

To continue its current operations and fund growth, the company requires continued access to its existing levels of debt and obtain access to additional working capital in the form of debt and or equity.

The company needs to fund growth of MCA program beyond where the MCA portfolio is as of the date hereof. The MCA portfolio works on a co-funding formula which requires the company to fund 10% of each dollar of merchant cash advance and a loan payable facility to fund the balance. However, for access to a loan payable facility in excess of the current $8.5 million provided by Accord the company needs to put in higher % as co-fund. The company has limited ability to fund and consequently retain the MCA portfolio at March 31, 2026, levels using the current Accord loan payable facility. The retention of March 31, 2026 level of MCA portfolio and thereafter growth of MCA portfolio is essential to the company being able to initially break-even and then generate surplus cash from its operating activities and move towards financial stability and being able to meet its obligations to 9% 2025 debenture holders, 12% debentures and other critical suppliers. General market conditions; the financial status of the company in terms of its profitability, cash flows and strength of its consolidated balance sheet, general security interest held by 9% 2025 debentures over the assets of the company and its subsidiaries may eliminate or limit access to existing sources of debt, and / or may limit access to additional financing and / or alternative funding to replace existing debt, or the terms of accessible debt may be uneconomic and this could materially and adversely affect the company.

The loan payable facility limit is $9.35 million from Accord and $20 million from the Funder, and as at March 31, 2026 the company has utilized $9.1 million. This limitation would be an impediment to growth of MCA program unless the limit is increased by Accord and or the company can secure an additional source at economic terms and conditions.

If the company is not successful in raising additional debt financing and or equity, its ability to retain and expand its MCA program and increase revenue may be impeded, resulting in reduced growth in cash flows from operations. This could affect the company's liquidity and working capital position, and ability to continue as a going concern.

The company has certain business risks linked to the collection of its transaction credits. Under the MCA program the company acquires the rights to cash flow, from future business activity, at a discount from participating merchants ("transaction credits" on consolidated statement of financial position). The majority of the transaction credits are estimated to be fully extinguishable within 365 days. Until these transaction credits have been extinguished through collections from participating merchants there is a credit risk. The evaluation of collectability of transaction credits requires making assumptions and estimates which are explained under Credit risk in Section Critical Accounting Estimates. Actual results could differ materially from the estimates. Adverse recovery outcome could have a material effect on the company's cash flows, its credit environment, its attractiveness as a borrower and its ability to access existing or additional or alternative debt or debt at economic terms and this could materially and adversely affect the company.

The company's activities are funded by three sources of debt. The 9% 2025 debentures and 12% debentures have a fixed interest rate, and loan payable which carries a floating interest rate. While the company is not exposed to interest rate risk on account of 9% 2025 debentures and 12% debentures, its future cash flows and profitability are exposed to interest risk from the floating interest rate payable, calculated as prime rate of a certain Canadian bank plus 8.0%, effective September 2023 on loan payable. The current inflationary and resulting interest rate environment has heightened this risk to the company's future cash flows and profitability. While the company does not use derivative instruments to reduce its exposure to interest rate risk, it believes it may be able to pass on, to merchants participating in its programs, a portion of a significant adverse interest

rate movement on its loan payable. During the three and nine month period ended March 31, 2026 the company incurred interest expense of $304 and $791 on utilization of loan payable.

The company believes the MCA business is a growth industry because institutional lenders are not focused on independent merchants, the engines of significant economic activity. There are several competitors in the MCA space. Currently there is no legislation governing the MCA business. The company believes the transparency of its pricing and its go-to market strategy give it an ability to grow its MCA portfolio if it has access to growth capital. Competition, regulation, and the as yet undeterminable adverse impact of pandemic and inflationary environment on economic activity however carry the possibility of adversely affecting the company's ability to expand its MCA program and this in turn could have a material effect on its revenue, costs, cash flows and profitability.

The company's operations are dependent on the abilities, experience and efforts of its management and highly skilled workforce. While the company has entered into employment agreements with key management personnel and other employees, and each of these agreements includes confidentiality and non-competition clauses, the business prospects of the company could be adversely affected if any of these people were unable or unwilling to continue their employment with the company.

The Aeroplan program the company operates is its secondary line of business and is dependent on its agreement with Aeroplan, operator of Aeroplan Loyalty Program owned by Air-Canada.

Under the Aeroplan program the company operates as a re-seller for Aeroplan and is dependent upon ongoing consumer interest in accumulating frequent flyer miles for the purpose of obtaining reward air travel on Air-Canada. Due to the rising cost of travel and the security difficulties being experienced by the airline industry overall, and in general the continuous devaluation of frequent flyer miles, there is a risk that the underlying frequent flyer currency used in this program could become unavailable to the company, or that consumer interest in accumulating these awards could decline. This, in turn, may result in difficulties in acquiring and retaining merchants and may adversely affect the company's revenue and direct costs.

Through its operation as re-seller for Aeroplan the company provides loyalty marketing services to retail organizations and, in more general terms, the company could be considered competitive with other advertising and promotional programs for a portion of a client's total marketing budget. If client promotional spending levels decrease, this could have a material adverse effect on the company's revenue. In addition, there are additional operators of either loyalty programs or merchant cash advance in Canada, targeting the same merchant base as the company. The company believes its substantial client equity, proprietary systems, provide a strong platform for the company to compete effectively and respond to competition in Canada.

In addition to those risk factors noted above and risk factors noted in the Working Capital and Liquidity Management Section, the financial condition and profitability of the company is also subject to a number of additional risk factors including: state of the economy, its ability to negotiate settlement accommodation with its suppliers and changes in taxation regulations.

In the ordinary course of business, the company is subject to ongoing audits by tax authorities. While the company believes that its tax filing positions are appropriate and supportable, from time to time, certain matters are reviewed and challenged by the tax authorities. The company regularly reviews the potential for adverse outcomes in respect of tax matters and believes that any ultimate disposition of a reassessment will not have a material adverse impact on its liquidity, consolidated financial position or results of operations due to adequate provisioning for these tax matters. Should an outcome materially differ from existing provisions, the company's effective tax rate, its earnings, and its liquidity and working capital position could be affected positively or negatively in the period in which matters are resolved.

Forward-Looking Information

This Management's Discussion and Analysis contains certain "forward-looking information". All information, other than information comprised of historical fact, that addresses activities, events or developments that the company believes, expects or anticipates will or may occur in the future constitutes forward-looking information. Forward-looking information is typically identified by words such as: anticipate, believe, expect, goal, intend, plan, will, may, should, could and other similar expressions. Such forward-looking information relates to, without limitation, information regarding the company's: belief MCA is growth industry; belief in its ability to maintain and grow its MCA program, in a competitive environment, upon availability of capital; ability

to raise growth capital; expectation of growth capital required and the timing of its raise; expectation of financial stability from expansion of MCA program; expectation of timing of achieving financial stability; expectation of financial impact of pandemic on economic activity, company's customers and the company; expectation of being able to meet its payment plans, including with respect to the working capital overdraft facility with Accord; expectation of capital expenditures required to operate the business in the next twelve months; expectation of adequacy of reserve created for delinquent transaction credits; belief it has the ability to manage delinquencies consequent to pandemic, inflationary and high interest environment, and during growth mode; belief drivers of revenues across all programs are those set out in the Revenue Section; belief it may be able to pass on a portion of any significant adverse interest rate movement on its loan payable to merchants; belief Aeroplan program gives it a competitive advantage in MCA space; expectation of negotiating economic settlement accommodation with its suppliers; belief it has support of its staff; belief in the appropriateness of its tax filings; and other information regarding financial and business prospects and financial outlook is forward-looking information.

Forward-looking information reflects the current expectations or beliefs of the company based on information currently available to the company, including certain assumptions and expectations of Management. With respect to the forward-looking information contained in this Management Discussion and Analysis, the company has made assumptions regarding, among other things, continued support from its provider of loan payable, and holders of 9% 2025 debentures and 12% debentures; securing agreement to defer interest payments and re-set financial covenants from holders of 9% 2025 debentures; securing waiver of defaults from holders of 9% 2025 debentures; meeting payment plan with respect to the working capital overdraft facility advanced by Accord; its ability to access additional working capital in the form of debt (including loan payable facility) and or equity to meet operational needs and to support the growth of the MCA program and the company; its expectation to timely raise growth capital; its ability to manage risks connected to collection of transaction credits; current and future economic and market conditions and the impact of same on its business; ongoing consumer interest in accumulating frequent flyer miles; the size of the market for its programs; its ability to expand and grow its programs; future introductions of regulations to MCA; future business levels, and the cost structure, capital expenditures and working capital required to operate at those levels; future interest rates; impact of pandemic, inflationary and interest rate environment on Canadian economy, company's merchants and company's business prospects; and the appropriateness of its tax filing position.

Forward-looking information is subject to a number of risks, uncertainties and assumptions that may cause the actual results of the company to differ materially from those discussed in the forward-looking information, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on the company. Factors that could cause actual results or events to differ materially from current expectations include, among other things, those listed under "Working Capital and Liquidity Management", "Economic Dependence" and "General Risks and Uncertainties" in this Management Discussion and Analysis.

Disclosure Controls and Procedures, and Internal Controls Over Financial Reporting

Management is responsible for external reporting. The company maintains appropriate processes to ensure that relevant and reliable financial information is produced.

Additional Information

Additional information relating to the company is available at www.sedar.com, and may also be obtained by request by telephone or facsimile or at the company's website at www.advantex.com.

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