



Tenet Fintech Group Inc.
Management's Discussion and Analysis
For the Quarter Ended June 30, 2026

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The following MD&A provides Management's point of view on the financial position and results of operations of Tenet Fintech Group Inc. on a consolidated basis, for the three-month and six-month periods ended June 30, 2026 (fiscal 2026) and June 30, 2025 (fiscal 2025).

Unless otherwise indicated or unless the context requires otherwise, all references in this MD&A to "**Tenet**", the "**Company**", "**Issuer**", "**we**", "**us**", "**our**" or similar terms refer to Tenet Fintech Group Inc. on a consolidated basis. This MD&A is dated August 26, 2026, and should be read in conjunction with the Audited Consolidated Financial Statements and the notes thereto for the years ended December 31, 2025 and December 31, 2024. Unless specified otherwise, all amounts are in Canadian dollars.

The financial information contained in this MD&A relating to the unaudited Consolidated Financial Statements for the three-month and six-month periods ended June 30, 2026, and June 30, 2025, has been prepared using accounting policies that are in accordance with International Financial Reporting Standards as issued by the International Accounting Standard Board (hereafter "**IFRS Accounting Standards**").

The Unaudited Consolidated Interim Financial Statements and MD&A have been reviewed by our Audit and Risk Management Committee and approved by our Board of Directors as of August 26, 2026. This MD&A is dated as of August 26, 2026 and was prepared with information available at that date. This MD&A, along with additional information about Tenet, is available under the Company's profile at www.sedar.com.

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

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

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

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

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

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

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

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

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

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

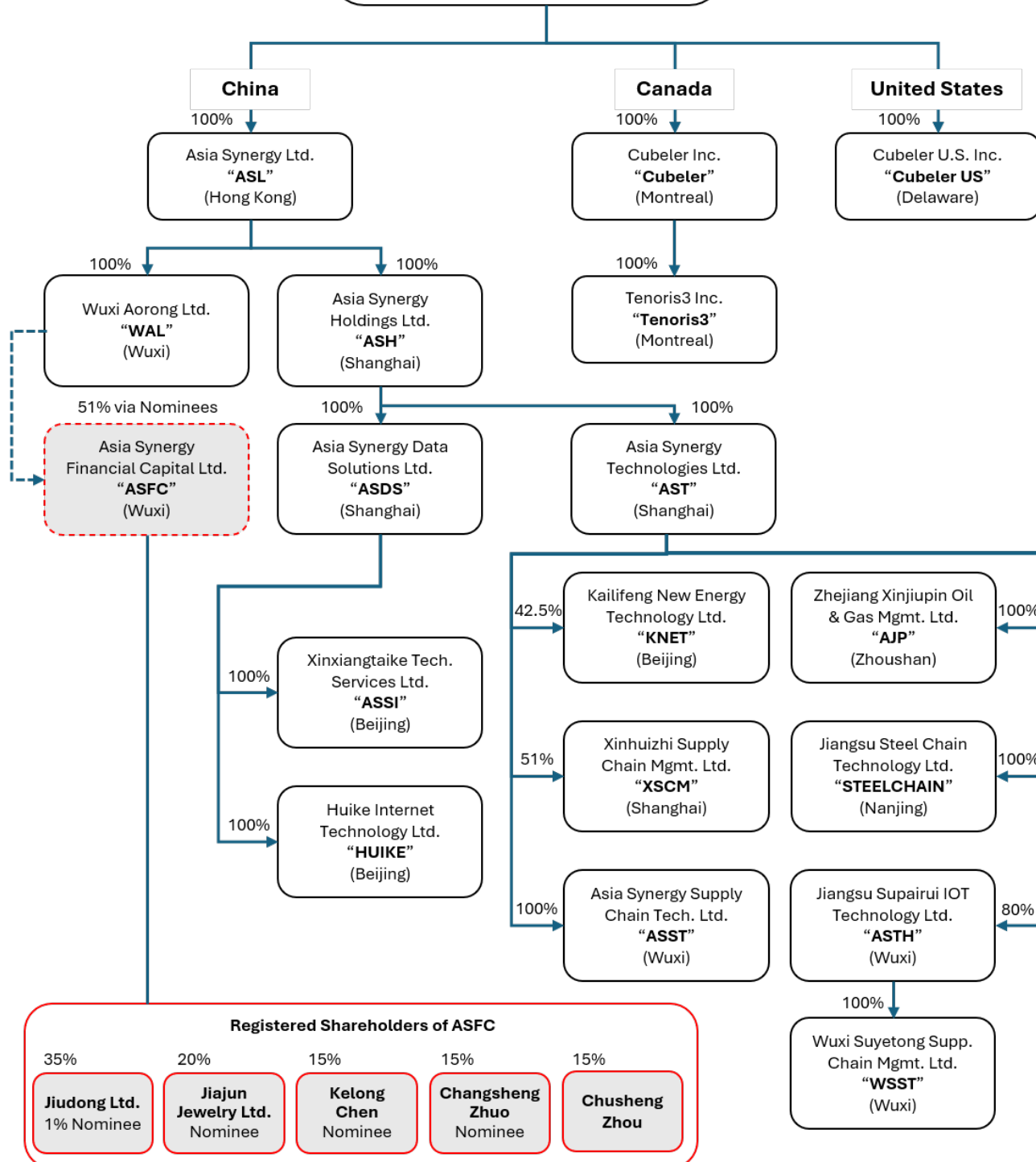
Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and other factors which may cause actual results, performance or achievements of the Company to be materially different from the outlook or any future results, performance or achievements implied by such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

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

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

CORPORATE STRUCTURE

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



CANADA

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

Cubeler

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

Tenoris3

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

CHINA

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

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

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

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

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

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

ASFC (official Chinese name: Wuxi Yadong Technology Micro Loan Co., Ltd.)

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

Relevant Terms of WAL's Nominee Shareholder Agreements:

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

Nominee Shareholder Agreement Risks

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

ASDS (official Chinese name: Shanghai Zunfang Data Technology Co., Ltd.)

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

ASSI (official Chinese name: Beijing Xinxiangtaike Technology Service Co., Ltd.)

ASSI operates in the insurance industry. ASSI provides insurance-related services to insurers and automobile dealers through the Company's "Heartbeat" insurance product management platform.

These services include third-party product administrator services and extended warranty/vehicle replacement services.

HUIKE (official Chinese name: Beijing Huike Internet Technology Co., Ltd.)

HUIKE is a technology services company and the operator of the “Heartbeat” insurance product management platform. HUIKE gives access to the Heartbeat platform to automotive sales reps and insurance brokers on a SaaS model through monthly or annual subscription plans, enabling them to streamline their operations and manage insurance policies. Complementing this offering is a custom solutions division, which delivers tailored IT projects, training, and support services to enterprise clients in the insurance industry.

AST (official Chinese name: Shanghai Zunfan Information Technology Co., Ltd.)

AST is the operator of the Company’s GoldRiver supply chain product procurement platform. Leveraging the GoldRiver platform, AST provides integrated supply chain solutions, including product sourcing, financing, warehousing and product delivery services, primarily to large industrial clients, factories and logistics clients.

KNET (official Chinese name: Beijing Kailifeng New Energy Technology Co., Ltd.)

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

XSCM (official Chinese name: Shanghai Xinhuzhi Supply Chain Management Co., Ltd.)

XSCM was created in partnership with a company with over 30 years of experience in the food distribution industry to allow the Company to enter the industry and begin gathering data on the industry. XSCM had not yet begun to operate as of December 31, 2025.

ASST (official Chinese name: Jiangsu Xinborui Supply Chain Information Technology Service Co., Ltd.)

ASST provides technology-driven supply chain and logistics solutions through the Company’s GoldRiver supply chain product procurement platform. ASST primarily services businesses operating in the retail, e-commerce and construction sectors. In addition to the product procurement and purchase order financing solutions GoldRiver is known for, through an extensive network of logistics and distribution partners, AST is able to offer its clients comprehensive transportation and logistics services, including freight, waterway, highway, and cold chain transportation services.

AJP (official Chinese name: Zhejiang Xinjiupin Supply Chain Management Co., Ltd.)

AJP operates within the clean technology and energy management industry, specifically focusing on oil and gas sector services. Leveraging the GoldRiver supply chain product procurement platform, AJP provides supply chain bundle services, including procurement, financing, payment monitoring, and logistics specifically catered to clients in the oil and gas sector.

STEELCHAIN (official Chinese name: Jiangsu Steel Chain Technology Co., Ltd.)

STEELCHAIN provides technology-integrated services, including procurement, logistics, and transaction flow management, to businesses in the industrial and raw materials sector, with a specific focus on steel and related materials. STEELCHAIN’s services are provided through the Company’s

LinkSteel platform, which is a subset of the Company's GoldRiver supply chain product procurement platform.

ASTH (official Chinese name: Jiangsu Supairui IOT Technology Co., Ltd.)

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

WSST (official Chinese name: Wuxi Suyetong Supply Chain Management Co., Ltd.)

WSST is a supply chain management service provider focused on logistics and transportation services. Using the Company's Yun Fleet platform, WSST works in close operational partnership with the Company's ASTH subsidiary to manage non-bulk transportation orders, primarily for inter-city highway freight.

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

UNITED STATES

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

Cubeler US

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

BUSINESS OVERVIEW

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

The Company reports its revenue under two operating segments, the Financial Services segment and the Fintech Platform segment. Revenue generated by the Company's Asia Synergy Financial Capital (**"ASFC"**) subsidiary, which makes loans to SMEs in China, is recorded under the Financial Services segment. All other revenue generated by any of the Company's other subsidiaries, whether in China or in Canada, is recorded under the Fintech Platform segment.

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

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

BUSINESS DEVELOPMENTS & OPERATING HIGHLIGHTS

Business Developments

- Signed partnership agreements with 8 new accounting/bookkeeping service providers.
- June 9, 2026, closed a private placement financing for gross proceeds of \$2.76 million under a partial revocation of the failure to file cease trade order (the **"FFCTO"**) that had been placed on the Company's securities since May 7, 2025, by the Ontario Securities Commission's (the **"OSC"**).

Operating Highlights (Canada)

What transpired in the second quarter of 2026 from a Canadian operating standpoint was essentially a continuation of what had taken place during the first quarter of 2026 given that the OSC's review of the Company's disclosure materials was still ongoing and the FFCTO was still in place. While the OSC granted the Company a partial revocation of the FFCTO in the latter part of the quarter to allow the Company to raise a limited amount of capital during the OSC's review, the amount raised could only serve to take care of urgent

financial needs. This meant that the Company once again had no operating budget for its Canadian operations during the quarter. The Company therefore continued to focus on the only aspects of its operations that it was able to make progress on with limited to no investments until the FFCTO could be lifted, namely the improvements to the Cubeler Platform and the recruitment of accounting/bookkeeping partners. With the commercialization of its Data Products as the main objective of its Canadian operations for 2026, the Company added partnerships with 8 new accounting/bookkeeping firms whose SME clients became members of the Cubeler Platform during the quarter to add to the pool of SME data at the Company's disposal and from which the Data Products are to be derived.

The Company's Data Products were still at the development or conceptual stage as at the date of this MD&A and therefore generated no revenue during the quarter. Consequently, Tenet's Canadian operations generated negative cash flows during the second quarter of 2026.

Operating Highlights (China)

As expected, activity in the real estate development and construction sectors picked up significantly in the second quarter of 2026 compared to the first quarter in China. This meant that orders related to the Company's agreement for the supply of construction products and materials with Chengdu Honglongyi Trading Ltd. (the "**CHTL Agreement**") through the Company's GoldRiver platform also increased considerably from Q1 to Q2. Those orders accounted for most of the Company's total revenue for the quarter.

Having decided to limit its Chinese operations to facilitating supply-chain related transactions and providing industrial and economic insights by leveraging AI and SME data, Tenet continued to take concrete steps to that end during the quarter by closing subsidiaries that are not directly involved in, or are no longer necessary for, those operations. After closing its Asia Synergy Credit Solutions (ASCS) subsidiary in the fourth quarter of 2025, the Company transferred all its supply-chain related activities to its Asia Synergy Technologies (AST) and Asia Synergy Supply-chain Technologies (ASST) subsidiaries and closed its ASSC subsidiary. Aside from closing the operating Chinese subsidiaries that no longer fit its focus on supply-chain and data, Tenet also continues to look for opportunities to sell the subsidiaries. The Company began discussions with the minority owners of its Asia Synergy Financial Services (ASFC) subsidiary at the end of the quarter to sell the Company's 51% stake in ASFC. Those discussions were in advanced stages as of the date of this MD&A with an expected agreement to be reached by the end of the third quarter of 2026. Tenet is looking to reduce the number of its Chinese operating subsidiaries from 12 (as of the date of this MD&A) to 2 by the end of 2027, with one subsidiary focussed on facilitating supply-chain related transactions through the GoldRiver platform and the other focussed on data gathering and analysis through the Cubeler Platform.

OPERATIONAL AND FINANCIAL OUTLOOK

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

North American Operations

While the Company had its best-ever performing quarter in the second quarter of 2026, both in terms of revenue and net income, the Company's North American operations contributed no revenue during the quarter. This indicates that despite the second quarter revenue and profit numbers, that Tenet is still a development stage company whose expected primary revenue-generating product offering is yet to be

deployed. As it continues to gather more SME data in both China and Canada, the Company expects its Data Products offering, originating from its North American operations, to eventually account for most of the Company's total revenue. Unfortunately, however, unlike Tenet's Chinese operations, the progress of those operations was significantly delayed by the FFCTO and the OSC's lengthy review process before the FFCTO could be lifted as the Company was unable to access the capital required to advance its North American operations during the FFCTO and review process. But with the FFCTO lifted, the Company believed that it was well-positioned as of the date of this MD&A to have access to the capital required to launch and begin to generate revenue from its Data Products offering by the end of the last quarter of 2026, which remains the Company's main objective for the remainder of the year. The following are some of the ancillary objectives that the Company will look to achieve in 2026:

- The completion and launch of the mobile version of the Cubeler Platform for both iOS and Android operating systems.
- The achievement of industry specific and overall Cubeler Platform registered SME membership milestones in Canada, China and the U.S.
- Enhance functions of the Cubeler Platform's Networking module to allow for cross-border communications, interactions and business opportunity explorations.
- Expand the Cubeler Platform to Europe, other Asian countries and the Middle East.
- The development and launch of a proprietary small business accounting software to be offered free of charge to SMEs wishing to join the Cubeler Platform but that are not using accounting software to keep their financial books and are unwilling to pay for the use of accounting software to do so.
- Return the listing of the Company's securities to a senior stock exchange.
- Generate positive cash flows from operations on a consolidated basis by the end of Q3 2026.

While the achievement of the objectives listed above will require investments in business development, infrastructure upgrades and marketing, the Company does not anticipate incurring significant additional software development expenses in 2026 other than adding features to the Company's already existing platforms.

Chinese Operations

The Company's Chinese operations, particularly its supply-chain transaction related operations, have established a solid revenue and profit foundation for it on which to build on. Tenet expects that business line to provide short-term revenue stability and profitability as the Company continues to accumulate data to eventually deploy its Data Product offerings in North America, China and in due course other parts of the world. The Company's plan going forward in China will be to limit its activities to facilitating supply-chain related transactions, which accounted for most the Company's revenue in the first half of 2026, and gathering SME data to help develop and launch the Company's Data Products. Therefore, the Company will look to divest its interests from activities that are not compatible with this approach, which means that the Company expects to either sell or close some of its operating subsidiaries by the end of 2026.

On the supply-chain business front, Tenet will not only look to sign major agreements similar to the CHTL Agreement, but the Company will also look to minimize the risk of having to depend on just a few large clients for most of its revenue by re-establishing its service offering at annual e-commerce shopping festivals such as 618, Singles' Day and Couples' Day. On the data accumulation front, Tenet plans to develop and implement an adapted version of its North American accounting/bookkeeping service provider partnership program to drive more Chinese SMEs to the Cubeler Platform. The Company will also be aiming to work with trade and industry associations as well as accounting software vendors in China to achieve the same objective.

In summary, the Company will look to achieve the following objectives through its Chinese operations in the

second half of 2026:

- Sell the Company's 51% control stake in its ASFC subsidiary.
- Sign at least one new supply-chain services framework agreement with either a real estate development group, a major manufacturer or nationally prominent engineering firm.
- Resume the Company's participation in annual e-commerce shopping festivals such as 618, Singles' Day and Couples' Day.
- Established an accounting/bookkeeping service provider partnership program to help gather SME data through the Cubeler Platform.
- Expand both the Cubeler Platform and the GoldRiver platform to at least one more Asian country.
- Commercialize the Company's Data Products in China and at least one more country in Asia.

The Company's Chinese operations became self-sufficient as of the first quarter of 2026. This means that operations in China no longer depend on capital raised by the Company in Canada to achieve the objectives identified above. Any capital required for the achievement of these objectives is expected to come in the form of the free cash flows¹ generated from activities in the country.

¹Free cash flows is a non-IFRS financial measure provided to assist readers in determining the Company's ability to generate cash-flows from operations and to cover capital expenditures. Management uses free cash flow to assess the Company's ability to generate cash, fund its strategic priorities and create shareholder value. This measure does not have a standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies.

OPERATIONAL RESULTS AND FINANCIAL PERFORMANCE REVIEW

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

Selected Annual Information

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

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

	Three months			Six months		
	June 30, 2026	June 30, 2025	Change %	June 30, 2026	June 30, 2025	Change %
Revenues	\$52,785,664	\$433,570	12075%	\$64,323,484	\$612,731	10398%
Net Profit (loss)	\$2,662,136	(\$1,828,881)	(246%)	\$3,390,611	(\$5,562,193)	(161%)
EBITDA (1)	\$4,108,388	(\$1,102,403)	(473%)	\$5,429,433	(\$3,950,120)	(237%)
Adjusted EBITDA (2)	\$4,000,577	(\$1,699,224)	(335%)	\$3,678,942	(\$4,546,941)	(181%)

Revenues

Total revenue increased to \$52.8 million for the three-month period ended June 30, 2026, compared to \$433,570 for the same quarter in 2025 and \$64.3 million for the six-month period ended June 30, 2026, compared to \$612,731 for the same quarter in 2025. This represents year over year growth of over 12,000% in revenue of the Company's Fintech Platform segment and accounted for respectively 99% and 98% of the Company's total revenue for the three-month and six-month period ended June 30, 2026. The primary catalyst driving the turnaround was the substantial expansion in revenue from the CHTL Agreement signed in late 2025 which generated \$52.2 million for the three-month period ended June 30, 2026 compared to no revenue in 2025 and \$63 million for the six-month period ended June 30, 2026 compared to no revenue in 2025. Revenue generated under the CHTL Agreement is subject to significant seasonality in the real estate and construction sectors, with peak operational activity typically running from late March through the summer months (June to August). This seasonal ramp-up was a key driver of the substantial revenue growth recorded during the three-month period ended June 30, 2026.

Net Profit (loss)

Net Profit was \$2.7 million for the three-month period ended June 30, 2026, compared to a net loss of \$1.8 million for the same quarter in 2025. This represents an improvement of \$4.5 million and marks the second consecutive quarter of positive net profit. Several factors contributed to the change, including lower salaries and fringe benefits (\$692,426 in 2026 vs. \$1.4 million in 2025), reduced professional fees (\$55,300 in 2026 vs. \$407,113 in 2025), and lower amortization of intangible assets (\$148,438 in 2026 vs. \$227,298 in 2025). The increase is primarily attributable to the substantial growth in order volume and raw material deliveries under the CHTL Agreement.

Net Profit was \$3.4 million for the six-month period ended June 30, 2026, compared to a net loss of \$5.6 million for the corresponding six-month period in 2025. This represents an overall improvement of \$9.0 million. Key operational efficiencies contributing to the change included lower salaries and fringe benefits (\$1.7 million in 2026 vs. \$2.8 million in 2025), reduced expected credit losses (\$151,952 in 2026 vs. \$403,579 in 2025), lower finance costs (\$779,542 in 2026 vs. \$937,413 in 2025), reduced professional fees (\$465,757 in 2026 vs. \$610,161 in 2025), and lower amortization of intangible assets (\$304,550 in 2026 vs. \$481,202 in 2025), amounting to a combined operating cost reduction of \$1.8 million. The increase is primarily attributable to the substantial growth in revenue from the CHTL Agreement and the recognition of a non-recurring gain on legal settlement of \$1.6 million resulting from the voluntary dismissal of the class action litigation on March 6, 2026.

EBITDA

The Company generated positive EBITDA of \$4.1 million for the three-month period ended June 30, 2026, which is an increase or improvement of \$5.2 million compared to negative EBITDA of \$1.1 million for the same quarter in 2025. The Company recorded a 12,075% increase in revenue compared to the same quarter of 2025, partially offset by a 2,070% increase in total expenses. The rise in expenses was primarily driven by the cost of the products and raw material sold and delivered during the quarter in connection with the CHTL Agreement.

The Company generated positive EBITDA of \$5.4 million for the six-month period ended June 30, 2026, which is an increase or improvement of \$9.4 million compared to negative EBITDA of \$4 million for the same quarter in 2025. The Company recorded a 10,398% increase in revenue compared to the same quarter of 2025, partially offset by an 871% increase in total expenses. The rise in expenses was primarily driven by the cost of the products and raw material sold and delivered during the quarter in connection with the CHTL Agreement.

Adjusted EBITDA

Adjusted EBITDA was \$4 million for the three-month period ended June 30, 2026, which is an increase or improvement of \$5.7 million compared to negative \$1.7 million for the same quarter in 2025. The Company saw a 12,075% increase in revenue compared to the prior year, partially offset by a 2,070% increase in total

expenses. The rise in expenses was primarily driven by the cost of products and raw material sold and delivered during the quarter in connection with the CHTL Agreement.

Adjusted EBITDA was \$3.7 million for the six-month period ended June 30, 2026, which is an increase or improvement of \$8.2 million compared to negative \$4.5 million for the same quarter in 2025. The Company saw a 10,398% increase in revenue compared to the prior year, partially offset by an 871% increase in total expenses. The rise in expenses was primarily driven by the cost of products and raw material sold and delivered during the quarter in connection with the CHTL Agreement.

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

Reconciliation of EBITDA to net profit	Three months			Six months		
	June 30, 2026	June 30, 2025	Change %	June 30, 2026	June 30, 2025	Change %
Net income (loss) for the period	\$2,662,136	(\$1,828,881)	(246%)	\$3,390,611	(\$5,562,193)	(161%)
<i>Add:</i>						
Income tax	\$870,732	(\$6,914)	(12694%)	\$892,943	(\$6,914)	(13015%)
Finance costs	\$395,671	\$412,551	(4%)	\$779,542	\$937,413	(17%)
Depreciation of property and equipment	\$925	\$22,158	(96%)	\$1,435	\$52,613	(97%)
Depreciation of right-of-use assets	\$14,178	\$55,078	(74%)	\$27,737	\$113,870	(76%)
Amortization of intangible assets	\$148,438	\$227,298	(35%)	\$304,550	\$481,202	(37%)
Amortization of financing issuance costs	\$16,308	\$16,307	0%	\$32,615	\$33,889	(4%)
EBITDA (1)	\$4,108,388	(\$1,102,403)	(473%)	\$5,429,433	(\$3,950,120)	(237%)
<i>Add (less):</i>						
<i>Gain on transactions on investments in subsidiaries</i>	(\$107,811)	(\$528,020)	(80%)	(\$107,811)	(\$528,020)	(80%)
<i>(Gain) Loss on disposition of property and equipment</i>	\$0	(\$68,801)	(100%)	\$0	(\$68,801)	(100%)
<i>Gain on legal settlement</i>	\$0	\$0	0%	(\$1,642,680)	\$0	(100%)
Adjusted EBITDA (2)	\$4,000,577	(\$1,699,224)	(335%)	\$3,678,942	(\$4,546,941)	(181%)

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

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

(2) Adjusted EBITDA equals EBITDA as described above adjusted for gain on legal settlement, gain on disposition of property and equipment and Gain on transactions on investments in subsidiaries.

The following table provides a summary of the key balance sheet components as at June 30, 2026 and December 31, 2025:

	June 30, 2026	December 31, 2025	Change %
Total assets	\$75,170,995	\$30,286,932	148%
Total liabilities	\$67,664,364	\$29,930,750	126%
Long-term liabilities	\$53,053	\$1,840,972	(97%)
Total equity	\$7,506,631	\$356,182	2008%
To Non-controlling interest	\$14,106,518	\$13,589,633	4%
To Owners of parent	(\$6,599,887)	(\$13,233,451)	(50%)

Total Assets

Total assets increased by \$44.9 million for the quarter ended June 30, 2026, compared to December 31, 2025. This change was primarily driven by a \$42 million increase in accounts receivable resulting from the substantial commercial delivery volume recorded under the CHTL Agreement in late June 2026 (80% of these receivables were collected as of the date of this MD&A) and a \$2 million increase in loans receivable resulting from two new loans extended to new customers, as well as additional adjustments for the capitalization of accrued interest during the last two quarters and the continued application of the effective interest method on loans that have reached maturity.

Total Liabilities

Total Liabilities increased by \$38 million for the quarter ended June 30, 2026, compared to December 31, 2025. The change is mainly explained by a \$36 million increase in accounts payable, advances, and accrued liabilities resulting from an increase of approximately \$37.5 million in trade accounts payable for procurement purchases from three primary suppliers to support the CHTL Agreement, partially offset by the reversal of the \$1.6 million litigation settlement liability following the voluntary dismissal of a class action lawsuit on March 6, 2026, that had been filed against the Company and two of its executive officers in the state of New York in December 2023 (the “**Class Action Lawsuit**”). Furthermore, current tax liabilities increased by \$1.1 million, and the Company recognized \$173,548 in new lease liabilities for a lease signed in China during the second quarter.

Results of Operations

Revenue for the three-month and six-month period ended June 30, 2026

The Company generated \$52,785,664 in revenue during the three-month period ended June 30, 2026, compared to \$433,570 in 2025.

The Company generated \$64,323,484 in revenue during the six-month period ended June 30, 2026, compared to \$612,731 in 2025.

The Fintech Platform segment generated \$52,405,261 in revenue during the three-month period ended June 30, 2026, compared to \$379,638 in 2025. The Fintech Platform segment generated \$63,346,845 in revenue during the six-month period ended June 30, 2026, compared to \$435,812 in 2025. The Fintech Platform segment includes revenue generated from supply-chain related services provided on the Company’s GoldRiver, LinkSteel and Yunfleet platforms and revenue generated from non-supply-chain related services provided through the Company’s other platforms. It should be noted that only the GoldRiver platform contributed to the supply-chain related revenue for the period as there were no activities on the LinkSteel and Yunfleet platforms.

- The supply-chain related service fees accounted for \$52,214,368 or approximately 99% of Tenet's total revenue for the three-month period ended June 30, 2026, compared to none of the Company's revenue in 2025. The supply-chain related service fees accounted for \$62,973,738 or approximately 98% of Tenet's total revenue for the six-month period ended June 30, 2026, compared to none of the Company's revenue in 2025. The increase in supply-chain revenue is a direct result of the implementation the CHTL Agreement that was signed on November 1, 2025. This CHTL Agreement stipulates an estimated procurement volume of RMB 1 billion to RMB 2 billion (approximately CAD\$200 to CAD\$400 million) through the Company's GoldRiver platform in 2026. The CHTL Agreement is with a customer involved in large-scale real estate development and construction projects requiring large quantities of various products, equipment and materials that can be sourced from various suppliers through the Company's GoldRiver platform. 100% of the supply-chain revenue generated within the Fintech Platform segment is related to the CHTL Agreement, which represent a major customer concentration risk.
- The non-supply-chain related portion of the Fintech Platform segment accounted for \$190,893 in combined revenue for the three-month period ended June 30, 2026, compared to \$379,638 in 2025 and \$373,108 in combined revenue for the six-month period ended June 30, 2026, compared to \$435,812 in 2025. The decrease in revenues of approximately \$189k for the three-month period ended June 30, 2026 was primarily attributable to a slower pace of development and milestone deliveries under the ongoing IT support and software services contract with a significant related-party customer, Wuxi Dinghao Jiaye Information Technology Co., Ltd., compared to the prior period.

The Financial Services segment generated \$367,542 in revenue during the three-month period ended June 30, 2026, compared to \$40,514 in 2025. The Financial Services segment generated \$950,917 in revenue during the six-month period ended June 30, 2026, compared to \$150,639 in 2025. The Financial Services segment includes interest revenue on loans made to SMEs by ASFC and revenue in the form of loan management related services fees charged to financial institutions by ASCS (The legal dissolution of the ASCS subsidiary was effective as of October 15, 2025).

- Interest revenue accounted for \$367,542 in revenue for the three-month period ended June 30, 2026, compared to \$10,306 in 2025 and \$950,917 in revenue for the six-month period ended June 30, 2026 compared to \$68,823 in 2025. The increase in interest revenue from 2025 to 2026 primarily reflects a quarter-end adjustment recorded on loans that matured during 2024 and 2025 but continued to accrue interest until full repayment of principal, which was not reflect during the second quarter of 2025 resulting in lower revenue. The Company had stopped accruing interest on a portion of these loans beginning in mid-2024 because they were deemed high-risk, which contributed to lower recognized interest income in that period. As a result, the 2026 quarter-end catch-up adjustment required to apply the effective interest rate method generated a significant increase in recognized revenue for the quarter compared to the same quarter in 2025. In addition, the Company originated a new loan during the third quarter of 2025 with a gross carrying amount of \$245,000, to a new customer and two new loans during the six-month period ended June 30, 2026, with a combined gross carrying amount of \$377,000. The loans bear interest at 5% per annum. These new originations also contributed to the overall increase in interest revenue for the period compared to the same period in 2025.
- Loan management related services accounted for no revenue for the three-month and six-month period ended June 30, 2026, compared to \$30,208 for the three-month period and \$81,816 for the six-month period in 2025. The decline is primarily attributable to the legal dissolution of ASCS on October 15, 2025, following a strategic decision to cease all operating activities of ASCS.

The Other segment generated \$12,861 in revenue during the three-month period ended June 30, 2026, compared to \$13,419 in 2025 and \$25,722 in revenue during the six-month period ended June 30, 2026,

compared to \$26,280 in 2025. The Other segment revenue was primarily attributable to rental income earned from a subleased office space in Canada.

Total expenses before taxes

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

	Three months		Six months	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Cost of service and delivery (1)	\$47,364,724	\$142,500	\$57,276,219	\$167,970
Salaries and fringe benefits (2)	\$692,426	\$1,405,817	\$1,669,213	\$2,795,602
Board remuneration	\$37,500	\$37,500	\$75,000	\$75,000
Consulting fees	\$12,210	\$11,478	\$24,096	\$265,816
Outsourced services, software and maintenance	\$55,232	(\$181,146)	\$67,770	\$77,068
Professional fees (3)	\$55,300	\$407,113	\$465,757	\$610,161
Marketing, public relations and press releases (4)	\$77,314	\$26,305	\$116,834	\$49,542
Office supplies, software and hardware	\$120,264	\$123,168	\$225,858	\$237,043
Lease expenses	\$85,929	\$97,198	\$157,083	\$194,432
Insurance	\$120,955	\$132,567	\$236,397	\$264,346
Finance costs	\$395,671	\$412,551	\$779,542	\$937,413
Expected credit loss (5)	\$44,602	(\$21,485)	\$151,952	\$403,579
Travel and entertainment	\$13,047	\$6,029	\$22,806	\$33,287
Stock exchange and transfer agent costs	\$44,564	\$17,899	\$58,043	\$27,440
Translation cost and others	\$88,522	\$47,490	\$121,977	\$56,169
Depreciation and Amortization	\$179,849	\$320,841	\$366,337	\$681,574
Gain on legal settlement (6)	\$0	\$0	(\$1,642,680)	\$0
Gain on transactions on investments in subsidiaries (7)	(\$107,811)	(\$528,020)	(\$107,811)	(\$528,020)
(Gain) Loss on disposition of property and equipment	\$0	(\$68,801)	\$0	(\$68,801)
Loss on foreign exchange	(\$27,502)	(\$119,639)	(\$24,463)	(\$97,783)
Total expenses before income tax	\$49,252,796	\$2,269,365	\$60,039,930	\$6,181,838

Expenses for the three-month and six-month period ended June 30, 2026

- (1) Cost of service and delivery amounted to \$47,364,724 for the three-month period ended June 30, 2026, compared to \$142,500 in 2025. Cost of service and delivery amounted to \$57,276,219 for the six-month period ended June 30, 2026, compared to \$167,970 in 2025. The increase in the cost of service is primarily explained by the revenue generated from the resumption of supply-chain activity as a direct result of the implementation of the CHTL Agreement signed on November 1, 2025. This framework agreement stipulates an estimated annual procurement volume of RMB 1 billion to RMB 2 billion (approximately CAD\$200 to CAD\$400 million) through the Company's GoldRiver platform. The costs associated with these revenues relate to the purchase of large quantities by the Company of various products, equipment, and materials sourced from multiple suppliers through the Company's GoldRiver platform and sold to the customer as mentioned in the section "Results of Operations" above. These expenditures are recorded under this line item.

- (2) Salaries and fringe benefits amounted to \$692,426 for the three-month period ended June 30, 2026, compared to \$1,405,817 in 2025. Salaries and fringe benefits amounted to \$1,669,213 for the six-month period ended June 30, 2026, compared to \$2,795,602 in 2025. The decrease in salary expenses is attributed to a reduction in headcount from 2025 to 2026 in both Canada and China.
- (3) Professional fees totalled \$55,300 for the three-month period ended June 30, 2026, compared to \$407,113 in 2025. Professional fees totalled \$465,757 for the six-month period ended June 30, 2026, compared to \$610,161 in 2025. The fees include, but are not limited to, overall legal, accounting, audit, and tax fees. Some cost savings were realized at the beginning of 2025 on the legal front, as the Company significantly reduced its use of external legal counsel. However, legal costs increased at the end of 2025 and the beginning of 2026, specifically in the first quarter of 2026, due to heightened legal demands related to the process of lifting the FFCTO and resolving the Class Action Lawsuit in the USA.
- (4) Marketing, public relations and press release expenses totalled \$77,314 for the three-month period ended June 30, 2026, compared to \$26,305 in 2025. Marketing, public relations and press release expenses totalled \$116,834 for the six-month period ended June 30, 2026, compared to \$49,542 in 2025. The increase in these costs is directly related to higher marketing expenses incurred to attract new SMEs to the Cubeler Business Hub, compared to virtually no marketing investment during the same quarter in 2025. Outreach to targeted SMEs through bookkeepers only began in late 2025, as the available budget had previously been limited.
- (5) Expected credit loss expenses totalled \$44,602 for the three-month period ended June 30, 2026, compared to (\$21,485) in 2025. Expected credit loss expenses totalled \$151,952 for the six-month period ended June 30, 2026, compared to \$403,579 in 2025. The decrease for the six-month period ended June 30, 2026 is primarily attributable to a lower impairment on loans receivable totalled \$213,073, an impairment on prepayment to third party subcontractors for an amount of \$351,517 and compensated by a reversal of an old ECL provision triggered by the derecognition of a prior period transaction bundle of \$412,639 compared to the same period in 2025. The impairment loss on loans receivable resulted from the migration of certain loans from Stage 2 (lifetime ECL – not credit-impaired) to Stage 3 (credit-impaired) during the period, reflecting an increase in credit risk based on the overdue-day trigger. For further details regarding subcontractor prepayments and related credit exposure, please refer to the section entitled **“Prepayments to Third-Party Subcontractors”**.
- (6) No gain on legal settlement was recognized during the three-month periods ended June 30, 2026, and 2025. Gain on legal settlement totalled \$1,642,680 for the six-month period ended June 30, 2026, compared to \$Nil in 2025. The recognition of this non-recurring gain during the first quarter of the year 2026 is due to the voluntary dismissal of the Class Action Lawsuit on March 6, 2026, by the plaintiffs, which triggered a reversal of the previously recognized liability.
- (7) The Company recognized a gain on transactions on investments in subsidiaries of \$107,811 for both the three and six-month period ended June 30, 2026, compared to \$528,020 for the three and six-month period ended June 30, 2025, representing a decrease of \$420,209. The gain of \$107,811 recognized during the second quarter of 2026 resulted from the completion of the deregistration and final legal dissolution of the Company’s former Chinese subsidiary, Asia Synergy Supply Chain Co., Ltd. (“ASSC”), on June 30, 2026. ASSC had been dormant with no commercial operations for an extended period prior to its deregistration, and no operational assets, liabilities, or business activities were transferred to the parent company. The comparative 2025 gain of \$528,020 resulted from the loss of control and deconsolidation of Wechain (Nanjing) Technology Service Co., Ltd. (“WECHAIN”) following the transfer of a 12.59% equity interest to its non-controlling shareholder, leaving the Company with a 38.41% retained equity interest.

Net Results and EBITDA

The Company generated a net profit of \$2,662,136 for the three-month period ended June 30, 2026, compared to a net loss of \$1,828,881 for the equivalent period in 2025 and positive EBITDA of \$4,108,388 for the three-month period ended June 30, 2026, compared to negative EBITDA of \$1,102,403 for the same period in 2025. The Company generated a net profit of \$3,390,611 for the six-month period ended June 30, 2026, compared to a net loss of \$5,562,193 for the same period in 2025 and positive EBITDA of \$5,429,433 for the six-month period ended June 30, 2026, compared to negative EBITDA of \$3,950,120 for the same period in 2025.

Other expenses included in total comprehensive loss

The Company reported, in other comprehensive profit, a currency translation adjustment gain of \$660,724 for the three-month period ended June 30, 2026, (compared to a loss of \$387,937 in 2025) and a currency translation adjustment gain of \$999,838 for the six-month period ended June 30, 2026, (compared to a loss of \$424,907 in 2025), which reflected the variation of the Chinese Renminbi against the Canadian Dollar during the quarter. This adjustment represents a theoretical gain or loss that would only be realized in the event of a material transaction involving the underlying assets to which the gain or loss is attributed, in this case, if the Company's subsidiaries were sold or otherwise disposed of.

Summary of Quarterly Results

	June 30th, 2026	June 30th, 2025	March 31st, 2026	March 31st, 2025
	Three months	Three months	Three months	Three months
Revenues	\$52,785,664	\$433,570	\$11,537,820	\$179,161
Expenses (1)	\$50,123,528	\$2,286,825	\$10,809,345	\$3,912,473
Net Profit (loss)	\$2,662,136	(\$1,853,255)	\$728,475	(\$3,733,312)
<i>Net profit (loss) attributable to:</i>				
Non-controlling interest	\$42,632	(\$96,333)	\$130,081	(\$120,788)
Owners of the parent	\$2,619,504	(\$1,756,922)	\$598,394	(\$3,612,524)
Earnings (loss) per Share (2)	\$0.01	(\$0.01)	\$0.00	(\$0.01)

	December 31st, 2025	December 31st, 2024	September 30th, 2025	September 30th, 2024
	Three months	Three months	Three months	Three months
Revenues	\$10,080,564	\$1,158,610	\$237,350	\$205,582
Expenses (1)	\$11,266,390	\$16,862,543	\$3,855,274	\$24,897,807
Net Profit (Loss)	\$51,173	(\$15,703,933)	(\$3,617,924)	(\$24,692,225)
<i>Net profit (loss) attributable to:</i>				
Non-controlling interest	\$760,044	\$325,606	(\$34,316)	(\$631,971)
Owners of the parent	(\$708,871)	(\$16,029,539)	(\$3,296,422)	(\$24,060,254)
Earnings (Loss) per Share (2)	(\$0.03)	(\$0.09)	(\$0.01)	(\$0.14)

Note (1): Including income tax expenses.

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

LIQUIDITY, CASH MANAGEMENT AND CAPITAL RESOURCES

As of August 26, 2026, the combined cash available to manage the Company's operations in China and Canada and meet its obligations amounted to approximately \$6,343,000.

The table below provide a summary of the condensed interim consolidated statements of cash flows for the three-month and six-month period ended June 30, 2026 and 2025:

	Three months		Six months	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
<i>Net profit (loss)</i>	\$2,662,136	(\$1,828,881)	\$3,390,611	(\$5,562,193)
<i>Non-cash items</i>	\$339,695	(\$80,206)	\$832,230	\$904,746
<i>Loans receivable maturing in more than 12 months</i>	(\$105,723)	\$49,871	(\$213,073)	(\$321,167)
<i>Net changes in working capital items</i>	(\$5,613,944)	\$1,030,288	(\$6,269,605)	\$2,941,089
Cash flows from operating activities	(\$2,717,836)	(\$828,928)	(\$2,259,837)	(\$2,037,525)
Cash flows from investing activities	(\$628)	\$89,681	\$203,513	\$89,681
Cash flows from financing activities	\$2,700,308	\$1,056,969	\$2,647,493	\$2,101,790
Impact of foreign exchange	\$646,787	(\$407,763)	\$1,003,919	(\$452,101)
Net increase(decrease) in cash	\$628,631	(\$90,041)	\$1,595,088	(\$298,155)
Cash, beginning of the period	\$2,308,123	\$681,971	\$1,341,666	\$890,085
Cash, end of the period	\$2,936,754	\$591,930	\$2,936,754	\$591,930

Cash Flows from operating activities

Cash used in operating activities totaled \$2,717,836 for the quarter ended June 30, 2026, compared to \$828,928 for the comparative quarter in 2025, representing an increased operational cash utilization of \$1,888,908. Operating cash flows before working capital changes reached \$2,896,108 (reflecting net profit of \$2,662,136 plus non-cash add-backs of \$339,695 and long-term loan adjustments of -\$105,723), compared to a deficit of \$1,859,216 in Q2-2025. Non-cash working capital absorbed \$5,613,944 during Q2-2026 (compared to a working capital release of +\$1,030,288 in Q2-2025). This temporary cash absorption was driven by the timing of heavy commercial procurement deliveries under the CHTL Agreement in late June 2026, resulting in substantial accounts receivable additions that were uncollected as at June 30, 2026, but 80% collected in cash subsequent to period-end.

Cash used in operating activities totaled \$2,259,837 for the six-month period ended June 30, 2026, compared to \$2,037,525 for the comparative six-month period in 2025, remaining relatively consistent (+\$222,312 variance). Strong year-to-date net earnings of \$3,390,611 and non-cash items of \$832,230 generated \$4,009,768 in operating cash flow before working capital adjustments (compared to -\$4,978,614 in 6M-2025). Year-to-date non-cash working capital utilized \$6,269,605 in cash (compared to +\$2,941,089 generated in 6M-2025), primarily reflecting customer receivables from exponential top-line growth (\$64.3M in revenue vs. \$613k in 2025), offset by increased trade supplier payables (\$36.4M) and income tax accruals (\$1.1M).

Cash Flows from investing activities

Cash used in investing activities was \$628 in Q2-2026 (primarily minor net tangible asset movements), compared to cash generated of \$89,681 in Q2-2025 (derived from equipment and intangible asset disposals).

Cash generated from investing activities was \$203,513 for the six-month period ended June 30, 2026, compared to \$89,681 for the same period in 2025. The 2026 cash inflow reflects a \$204,141 capital return from equity investments in associated entities, offset by minor capital expenditures.

Cash Flows from financing activities

During the first and second quarter of 2026, the Company remained subject to the FFCTO, which restricted its ability to raise funds in the public markets. As a result, the Company conducted only one private placement financing under a partial revocation of the FFCTO which allowed the Company to issue common shares and raise about \$2,760,000 in gross proceeds.

Cash provided by financing activities totaled \$2,700,308 in Q2-2026, compared to \$1,056,969 in Q2-2025, representing an increase of \$1,643,339. Financing cash flows in Q2-2026 were driven by \$2,760,000 in net gross proceeds raised from the issuance of common shares as explained above, offset by \$59,692 in principal repayments of lease liabilities under IFRS 16.

Cash provided by financing activities totaled \$2,647,493 for the six months ended June 30, 2026, compared to \$2,101,790 for the corresponding period in 2025. Key financing inflows included \$2,760,000 in net gross proceeds raised from the issuance of common shares as explained above and \$24,252 in advances from a director-affiliated entity, offset by \$136,759 in cumulative lease liability principal repayments.

Between July 1, 2026, and the date of this MD&A, the Company received gross proceeds of \$1,500,000 from the closing of a private placement on July 17, 2026, pursuant to which the Company issued 30,000,000 common shares at a price of \$0.05 per share.

On August 18, 2026, the Company successfully completed an initial cash repatriation of approximately CAD \$110,000.00, representing an intellectual property royalty payment from a Chinese operating subsidiary. This transaction validated the regulatory and foreign exchange settlement process of repatriating cash from China under the royalty payment model, and the Company plans to test the cash repatriation process under the service fee model, as well as establish a formalized quarterly subsidiary cash remittance policy by the end of Q3-2026.

Cross-border remittances from China remain subject to State Administration of Foreign Exchange (SAFE) regulations, statutory tax filings, and banking clearing timelines. These restrictions could create practical delays in transferring operating cash flows to Canada to meet Canadian obligations, despite strong operating earnings in China. The Company will continue to assess its working capital and financing requirements to ensure it maintains sufficient liquidity to satisfy all corporate commitments over the next 12 months. More details on the transfer of funds restrictions between the Company and its Chinese subsidiaries can be found in the **“Risks and Uncertainties”** section of this MD&A under the subheading **“Conducting Business in Emerging Market Jurisdictions”**.

Common Shares

The Company is authorized to issue an unlimited number of common shares without par value. As of August 26, 2026, the following common shares and rights to acquire common shares were issued and outstanding:

Class of Security	Number Issued and Outstanding
Common shares	499,440,867
Stock options ⁽¹⁾	15,738,791
Restricted shares	0
Common share purchase warrants ("CSPW") ⁽²⁾	135,188,340
<i>Weighted average strike price per CSPW</i>	<i>\$0.17 per CSPW</i>

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- (1) The issued and outstanding stock options have exercise prices ranging from \$0.25 to \$11.50 and expiry dates ranging from July 7, 2026 to July 20, 2031. As of July 20, 2026, the Company granted a total of 14,970,000 incentive stock options to certain directors, officers and employees to purchase common shares of the Company at a price of \$0.25 per shares.
 - (2) The issued and outstanding CSPW have strike prices ranging from \$0.15 to \$0.20 and expiry dates ranging from September 1, 2027 to March 14, 2027. The issued and outstanding CSPW have accelerated expiry clauses, which were amended as of the date of this MD&A. If the Company's common shares trade at a price of \$0.30 or higher for 10 consecutive trading days, the CSPW holders will have 150 days to exercise the warrants such that each warrant holder will have to exercise at least:
 - a. 20% of the original warrant position within the first 30 days;
 - b. An additional 20% must be exercised within 60 days;
 - c. An additional 20% within 90 days;
 - d. An additional 20% within 120 days; and
 - e. The remaining 20% within 150 days.

As of the date of this MD&A, 2,800,000 CSPW were converted into common shares which also created a cash inflow for the Company of \$420,000.

RELATED PARTY TRANSACTIONS

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

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

Mr. Kelong Chen and Mr. Changsheng Zhuo, both related parties of the Company by virtue of their involvement in ASFC, were also involved in related party transactions with the Company for the quarter ended June 30, 2026. Mr. Chen is a related party to the Company by virtue of the fact that he: is a director of ASFC; holds shares in ASFC on behalf of the Company through a nominee shareholder agreement; is a significant shareholder and a director of Jiudong Ltd, who is a 49% minority shareholder in ASFC; and acts as a guarantor in connection with ASFC's lending activities, as described under the section "**Credit & supply chain finance credit guaranteed**". Mr. Zhuo is a related party to the Company by virtue of the fact that he: is the CEO of

ASFC; is a director of ASFC; holds shares in ASFC on behalf of the Company through a nominee shareholder agreement; is a significant shareholder and a director of Jiudong Ltd, who is a 49% minority shareholder in ASFC; and acts as a guarantor in connection with ASFC's lending activities, as described under the section "Credit & supply chain finance credit guaranteed".

The table below summarizes the related-party transactions, including the amounts owed to related parties by the Company as of June 30, 2026 and December 31, 2025, as well as the transactions that occurred during the three-month and six-month periods ended June 30, 2026 compared to the same periods in 2025:

	2026 June 30	2025 Dec 31
Advances received from a company owned by a Director, no interest (1)	1,326,121	1,217,740
Debentures, with interest (2)	3,006,791	2,777,513
Debentures, interest payable (2)	571,213	463,463
Trade accounts payable and accruals to Directors and key management personnel (3)	1,376,230	1,424,185
Total amount owed to related parties by the Company	6,280,355	5,882,901

	2026 June 30 <i>Three-month</i>	2025 June 30 <i>Three-month</i>	2026 June 30 <i>Six-month</i>	2025 June 30 <i>Six-month</i>
Salaries and fringe benefits (4)	444,031	451,297	888,063	904,034
Total amount paid to related parties by the Company	444,031	451,297	888,063	904,034

	2026 June 30 <i>Three-month</i>	2025 June 30 <i>Three-month</i>	2026 June 30 <i>Six-month</i>	2025 June 30 <i>Six-month</i>
Revenues (5)	115,189	334,172	227,321	357,439
Total amount received by the Company paid by related parties	115,189	334,172	227,321	357,439

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- (1) From time to time, the Company's subsidiaries in China require active funding to support their operations. If the Company was to send funds to these subsidiaries from Canada, the funds would have to either be received by the subsidiaries in the form of registered capital or loans, both of which would come with certain complexities. As foreign owned entities, the amount of capital the Company's Chinese subsidiaries are allowed to borrow from foreign companies, including from the Company, is limited, while increasing their registered capital would be a time-consuming process that would involve working with multiple government authorities. So, rather than sending urgently needed funds from the Head Office in Canada to the Chinese subsidiaries, the Company entered into a series of loan agreements with a Chinese based technology consulting company called Dinghao Jiaye Technology Inc. ("DJ Tech"), which is controlled by the CEO of the Company's Chinese Operations, Mr. Liang Qiu. During the course of 2023 to 2025, the previously mentioned company owned by a Director of the Company, made a series of short-term loans to Asia Synergy Holding Inc. ("ASH"), a wholly owned subsidiary of the Company. Over the course of the six-month period ended June 30, 2026, DJ Tech provided \$24,252 in new loans to the Company's ASH subsidiary in China. The balance of the net advances received from a company owned by a Director at no interest as at June 30, 2026 was \$1,326,121 (December 31, 2025 - \$1,217,740) and bore no interest given the fact that only licensed lenders are allowed to charge interest on loans granted to corporative borrowers as per the laws in mainland China. The advances received from a company owned by a Director is recorded in accounts payable,

advances and accrued liabilities Note 10 of the Condensed Interim Consolidated Financial Statements for the six-month period ended June 30, 2026, and 2025.

- (2) As at June 30, 2026, debentures totalling \$3,006,791 (December 31, 2025 - \$2,777,513) were held by two related parties in their capacities as officers and directors of the Company (Liang Qiu and Johnson Joseph). These debentures include \$571,213 of interest payable (\$463,463 - December 31, 2025) which is recorded in accounts payable, advances and accrued liabilities as described in Note 10 of the Condensed Interim Consolidated Financial Statements for the six-month period ended June 30, 2026 and 2025.
- (3) As at June 30, 2026, \$1,376,230 (\$1,424,185 - December 31, 2025) payable to key management personnel ("KMP"), as detailed above, was recorded in accounts payable, advances and accrued liabilities in Note 10 of the Condensed Interim Consolidated Financial Statements for the six-month period ended June 30, 2026 and 2025. These salaries, benefits and board of directors' fees payables are recurring in nature and do not constitute new transactions,
- (4) Salaries, fringe benefits, and board of directors' fees paid to KMP, as detailed above, amounted to \$444,031 for the three-month periods ended June 30, 2026 and \$888,063 for the six-month period ended June 30, 2026, compared to \$451,297 for the same three-month period in 2025 and \$904,034. These salaries, benefits and board of directors' fees payables are recurring in nature and do not constitute new transactions.
- (5) During the three-month periods ended June 30, 2026, revenue from a related-party customer amounted to \$115,189 compared to \$334,172 for the same period in 2025. During the six-month periods ended June 30, 2026, revenue from a related-party customer amounted to \$227,321 compared to \$357,439 for the same period in 2025. The revenues were related to custom platform development services provided to DJ Tech, which is controlled by the CEO of the Company's Chinese Operations, Mr. Liang Qiu.

As at June 30, 2026, an amount of \$158,445 (\$136,545 - December 31, 2025) was payable to each of them (Changsheng Zhuo and Kelong Chen) related to their roles as Chairman of ASFC (Mr. Chen), and CEO of ASFC (Mr. Zhuo). These amounts were recorded in accounts payable, advances and accrued liabilities in Note 10 of the Condensed Interim Consolidated Financial Statements for the six-month periods ended June 30, 2026 and 2025 and in the line "Trade accounts payable and accruals to Directors and KMP" included in the table above for related party disclosure.

In March 2025, Mr. Chen and Mr. Zhuo collectively subscribed to \$220,000 of the Company's private placement financing of common shares and warrants for total gross proceeds of \$3,649,167. Their participation in the private placement represented a related party transaction, which the Company measured at fair value.

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

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

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

SEGMENT REPORTING AND ACCOUNTING POLICIES

The Company presents and discloses segmental information, as disclosed in Note 22 of the Condensed Interim Consolidated Financial Statements for the three-month and six-month periods ended June 30, 2026 and 2025, based on information that is regularly reviewed by the chief operating decision maker who has been identified as the Company's senior management team, which makes strategic and operational decisions.

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

For the year ended December 31, 2025, the Company classified its financial instruments as described in Note 4.11 of the Audited Consolidated Financial Statements for the years ended December 31, 2025, and 2024. For the three-month and six-month periods ended June 30, 2026 and 2025, the Company was exposed to various risks as described in Note 20.3 of the Condensed Interim Consolidated Financial Statements for the three-month and six-month periods ended June 30, 2026 and 2025.

Segment reporting revenues

The Company operates several technology platforms in China. Each platform is connected to the Cubeler Platform. The Cubeler Platform is the main engine behind all the other platforms. That's the platform where the credit criteria and credit rules from the Company's financial institution partners are stored, and where the transactional, financial and accounting data on the Company's SME clients is stored and analyzed to see if it matches the credit criteria of the partnering financial institutions. Each of the other platforms helps facilitate a specific type of B2B transaction. For example, the GoldRiver platform is a product procurement and purchase order platform for various supply chain related products. By using the GoldRiver platform, clients who qualify for credit from the Company's financial institution partners can have their orders placed on GoldRiver financed. Clients may also request logistics, warehousing or other services through GoldRiver. The Company earns fees for the services thus provided through Cubeler and the other platforms. The Cubeler Platform is also used by the Company's lending subsidiary, ASFC, to qualify SMEs for loans. The Company also has

partnerships with third-party service providers to provide shipping, logistics and warehousing services related to the orders placed on GoldRiver. Clients can submit a list of products and materials and the platform matches their request with a list of product and material suppliers and products and materials to choose from. The GoldRiver platform also determines the clients' credit worthiness, through its link to the Cubeler Platform, to determine if a particular order from a particular client qualifies for financing from one or more of the Company's financial institution partners. After placing an order, the client can either have the order shipped to its premises, distributed to one or more third-parties or warehoused for a period of time and shipped over time. The Company typically charges both clients and distributors a service fee representing a percentage of the value of the orders, but in some cases and depending on its agreement with the distributors, the Company may act as a reseller of the products and materials, in which case the Company would receive payment for the order from the financing financial institution, would be invoiced for the order by the supplier and would then send payment to the supplier. In addition to the fees directly related to the value of the order charged by the Company, the Company also charges service fees for the value-added services related to the order, such as shipping and warehousing, provided by the Company's third-party service providers.

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

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

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

The Company classifies all revenue generated through Cubeler and its other platforms as **"Fintech Platform"** revenue. Whereas all interest earned on loans made by ASFC is classified as **"Financial Services"** revenue.

Debentures

From July 1, 2026 up to the date of this MD&A, certain holders of convertible debentures converted 168 units, each carrying a \$1,000 face value, at a conversion price of \$0.25 per common share. As a result of the conversions, the Company issued 672,000 common shares.

As at June 30, 2026, the Company had debentures outstanding amounting of \$6,044,220 (December 31, 2025 - \$5,588,424) as described in Note 12 of the Condensed Interim Consolidated Financial Statements for the three-month and six-month periods ended June 30, 2026 and 2025.

Bonds

On May 30, 2020, the Company placed 400 units of secured corporate bonds at \$1,000 per unit for gross proceeds of \$400,000, redeemable on June 10, 2023. During the year ended December 31, 2025, the Company was in the process of negotiating an extension with certain bondholders until the residual balance of the secured corporate bonds could be repaid in full. While the Company expects to be able to extend the maturity date of these bonds, there can be no assurances that it will be able to do so. Following discussions with bondholders during the second half of the year 2025, the Company successfully negotiated a monthly repayment schedule with certain bondholders to ensure full repayment by the end of 2025. Between

September 1, 2025 and December 31, 2025, the Company was able to repay a total of \$157,500 to bondholders based on the repayment schedule. As of the date of this MD&A, the outstanding balance of the secured corporate bonds was \$162,500. Although the Company was not able to repay the full amount by the end of 2025, it obtained an extension to its repayment schedule into 2026, allowing it to complete the repayment in full. No payment was made during the first and second quarter of 2026. Following the receipt of funds from the private placement that closed on July 17, 2026, the Company was able to repay \$10,000 of the corporate bonds.

Short-term loan payable

No new short-term loans were contracted between July 1, 2026 and the date of the MD&A. The outstanding balance of the short-term loan as of the date of this MD&A was \$Nil. Following the receipt of funds from the private placement that closed on July 17, 2026, the Company was able to repay the short-term loan in full.

Restricted cash

As at June 30, 2026, some of the Company's subsidiaries had bank accounts in China that were classified as restricted cash ("**Restricted Cash**") due to legal proceedings and asset preservation measures initiated by the court in accordance with the Civil Procedure Law of the People's Republic of China. The nature of these legal proceedings was primarily related to labor disputes involving former employees of certain subsidiaries in China, as well as supplier disputes concerning unpaid balances for services provided in prior periods.

As at June 30, 2026, the Company had a Restricted Cash balance totaling \$3,667 (December 31, 2025 - \$3,432), which represents the collective amount of cash restricted in some of its subsidiaries' bank accounts in China. This amount is legally restricted and cannot be utilized by the Company or its subsidiaries for operational or other purposes until the legal proceedings are concluded or the court lifts the restricted order. The total restrictive quota was set to an amount of up to \$1.5 million. The Company was actively defending its position in the litigation, as of the date of this MD&A, and working towards resolving the matter to regain access to the Restricted Cash as soon as possible. It should be noted that the described restrictions only affect the Company's Chinese operating subsidiaries and do not affect any of the bank accounts of the Company's Chinese holdings such as ASL, ASH and Aorong.

The outcome of the litigation and the timeline for the release of the Restricted Cash is unpredictable. As of the date of this MD&A, the Company was actively monitoring the situation and evaluating potential strategies to restore access to the affected bank accounts.

Fair Value Disclosure

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

The fair value of the debentures and the bonds is estimated using a discounted cash flow approach with specific parameters including implied discounted rate between 19% and 32% taking into consideration base rate and spread from the Federal Reserve Economic Data and adding additional premium to consider the burn rate profile of the Company and the transaction cost. The fair value of conversion options is determined using the Black & Scholes model including implied discounted rate between 19% and 32% taking into consideration base rate and spread from the Federal Reserve Economic Data and adding additional premium to consider the burn rate profile of the Company and the transaction cost.

Regarding the equity investments, in the absence of observable market data and based on the analysis of the unobservable inputs specific to Wuxi Xincheng Venture Capital Partnership ("**AVC**"), particularly the immateriality of the attributable loss, the positive net asset value, the ongoing investment activities, the absence of impairment indicators, and management's assertion regarding the portfolio value, it is concluded that the carrying amount of CAD \$835,485 (i.e. RMB 4 million), determined under the cost method, represents

a reasonable approximation of the fair value of the investment in AVC as of June 30, 2026. Therefore, no adjustment to the carrying amount is deemed necessary.

Valuation processes are overseen by the Company's finance team in conjunction with external auditors' opinions. Fair value measurements are reviewed quarterly and approved by senior management. Sensitivity analysis is performed in accordance with an internal model based on scenarios analysis (i.e. a decrease or increase of 5% of the interest rate) at the measurement date and on a recurring basis, and accounts for any significant impact. The valuation methodology is consistent with prior periods and complies with IFRS 13 guidelines. Changes in assumptions or inputs are documented and assessed for material impact. As at the reporting date, no significant impact was identified.

Based on the sensitivity analysis, a 5% change in interest rates would result in an impact of approximately \$27,330 in the six-month period ended on June 30, 2026 which is not considered significant.

Credit Risk

Collateralized loans and other financial assets

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

The Company's impairment model incorporates:

- Provision Matrix: Aging of receivables (current, 30–90 days, 91–180 days, and >180 days overdue).
- Forward-Looking Information: Adjustments to historical default rates based on macroeconomic conditions, industry trends, and customer-specific risk factors.
- Qualitative Indicators: Legal letters issued, deterioration in counterparties' financial condition, and other observable events indicating heightened credit risk.

This methodology ensures that impairment provisions reflect both historical experience and forward-looking expectations, consistent with IFRS 9 requirements.

As of June 30, 2026, the Company continued to actively monitor the portfolio and assess any indicators of changes in the recoverability of credit-impaired financial assets. Based on this evaluation, management determined that certain loans within the Credit & Supply Chain Finance Credit portfolio were subject to increased credit risk and required migration to Stage 3. These loans met the definition of credit-impaired, as several were more than 90 days past due. The Company adjusted its ECL measurement as of December 31, 2025, as it became more evident that the days-past-due status supported the conclusion that default had occurred. During the three-month and six-month period ended June 30, 2026, the Company did not identify any significant new indicators of impairment since initial recognition, as the majority of the portfolio was already classified as credit impaired as of December 31, 2025. The Company continues to monitor changes in key assumptions and will adjust its ECL model if any significant impacts are identified.

Specific to asset-Backed Loans

During the three-month and six-month periods ended June 30, 2026, the Company continues to monitor macroeconomic conditions and any resulting impacts on the Company's credit risk. Specific to ASFC, the asset-backed loans are secured by collateral provided by borrowers at initial recognition, primarily in the form of second-hand vehicles (auto collateral is conservatively valued at 65% of fair market value) and residential

properties (typically maintaining a value above the outstanding loan balance). Collateral values are derived from transactional data sourced from regulatory reporting systems in China. Credit enhancement structures for non-asset-backed loans remained unchanged. These loans are fully guaranteed by specific shareholders or other financial third parties, with no historical defaults or guarantor repayments recorded. Certain asset-backed loans, particularly those secured by residential properties, have not been assigned a loss allowance due to their over-collateralized nature and high recovery potential. Nonetheless, the Company applies a minimum 1% ECL to these exposures as a prudential measure. During the three-month and six-month periods ended June 30, 2026 no significant changes were observed in the quality of that collateral or credit enhancements as a result of deterioration or changes in the collateral policies of the entity'.

The Company's determination to base collateral realization on 100% of the fair market value ("**FMV**") of the residential property despite the subordinate position of its mortgage is supported by a structured and conservative valuation and risk assessment framework.

Prior to loan approval, the Company's credit department conducts a comprehensive due diligence process, which includes:

- Obtaining and verifying the borrower's credit report and property title documents to identify all existing senior mortgages;
- Assessing the FMV of the property using major local real estate transaction platforms; and
- Validating the FMV through internal review by the Company's personnel.

Importantly, the loan-to-value ("**LTV**") ratio is not calculated on the full FMV of the property. Instead, it is determined solely on the residual value, defined as the FMV less the outstanding balances of all prior-ranking mortgages. The Company then limits loan amounts to only 25%–50% of this residual value. This approach creates a substantial safety buffer of 50%–75%, designed to absorb potential fluctuations in property values and realization costs.

As a result, even in a disposal scenario where senior lienholders are repaid first, the net proceeds available to the Company are highly likely to fully cover its credit exposure. Accordingly, the assumption of 100% FMV for collateral realization is conservative, as the lending decision is ultimately based on a deeply discounted, seniority-adjusted collateral value.

Loans receivable

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

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

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

Credit & Supply Chain Finance Credit: Through its ASFC subsidiary, the Company makes loans to Chinese small and medium enterprises ("**SME**") operating primarily in the technology and retail sectors. Before approving a loan, the Company performs an initial credit evaluation of the borrower. The credit evaluation includes the review of the borrower company's credit profile, operating performance, financial statements, tax payments and receipt records, shareholders' structure and their individual credit rating. Based on this initial evaluation, the Company will then proceed to sign a loan agreement with the SME borrowers. To mitigate the default risk in the case of the occurrence of any overdue situations regarding these credit loans, a letter of guarantee must also be signed before a loan is finally granted to an SME borrower. Accordingly, a guarantor must agree to provide a full guarantee to cover any overdue principal and interest on behalf of the borrowers. The Company also performs ongoing monitoring of SME borrowers through visits, phone calls and follow-up on business model developments. 100% of the credit and supply chain finance credit are guaranteed by an entity that is also a non-controlling shareholder of ASFC.

The Company has established a robust staging process aligned with the requirements of IFRS 7.35G. The ECL models explicitly integrates forward-looking macroeconomic data to reflect reasonable and supportable information that is available without undue cost or effort. Specifically, ASFC utilizes two key external indicators. Firstly, the general bankruptcy rate for SMEs in mainland China is monitored and incorporated as a primary driver to adjust the probability of default ("**PD**") and the baseline credit loss percentages applied to the SME loan portfolio. This ensures the loss rates dynamically respond to the prevailing economic stress within this key borrower segment. Secondly, to accurately assess the loss given default ("**LGD**"), ASFC systematically integrate data on the market price fluctuations of collateral. This includes tracking the average price of pre-owned automobiles in Jiangsu Province and Shanghai for the auto-collateralized loans and monitoring residential property market prices in Wuxi City for relevant real estate collateral. These indicators are used to determine the fair value of collateral at each reporting period, directly influencing the calculation of post-collateral recovery estimates and ensuring the ECL allowance reflects current and forecasted market conditions. The Company's loan portfolio constitutes a geographically concentrated market presence. Specifically, all auto-collateralized loans are exclusively secured by pre-owned automobiles located within the jurisdictions of Jiangsu Province (primarily within Wuxi City) and Shanghai. Furthermore, all residential property collateralized loans are secured solely by condominium units located within Wuxi City, Jiangsu Province.

During the six-month period ended June 30, 2026, the Company recorded an additional ECL provision of \$213,073 in the Condensed Consolidated Financial Statements for the six-month periods ended June 30, 2026 and 2025 reflecting the migration of one loan from Stage 1 to Stage 3 in Credit & Supply Chain Finance and two loans from Stage 2 to Stage 3, one in Residential Property and one in Credit & Supply Chain Finance.

The following table presents the gross carrying amount of loans receivable as at June 30, 2026 according to credit quality and ECL impairment stages.

Gross Carrying Amount	Stage 1	Stage 2	Stage 3	Total
Gross Carrying Amount - December 31, 2025				
Auto	\$ -	\$ -	\$ 1,044,561	\$ 1,044,561
Residential Property	\$ -	\$ 14,056	\$ 47,968	\$ 62,024
Credit & Supply Chain Finance Credit	\$ 2,444,515	\$ 200,437	\$ 16,102,268	\$ 18,747,220
Total Gross Carrying Amount	\$2,444,515	\$ 214,492	\$ 17,194,798	\$ 19,853,805
Gross Carrying Amount - Variance				
Auto	\$ -	\$ -	\$ 99,730	\$ 99,730
Residential Property	\$ -	\$ (14,056)	\$ 7,147	\$ (6,909)
Credit & Supply Chain Finance Credit (1)	\$ 487,085	\$ (200,437)	\$ 1,834,218	\$ 2,120,866
Total Gross Carrying Amount	\$ 487,085	\$ (214,492)	\$ 1,941,094	\$ 2,213,687
Gross Carrying Amount - June 30, 2026				
Auto	\$ -	\$ -	\$ 1,144,291	\$ 1,144,291
Residential Property	\$ -	\$ -	\$ 55,115	\$ 55,115
Credit & Supply Chain Finance Credit	\$ 2,931,600	\$ -	\$ 17,936,486	\$ 20,868,086
Total Gross Carrying Amount	\$2,931,600	\$ -	\$ 19,135,892	\$ 22,067,492
ECL provision - Loans Receivable				
As at December 31, 2025				
Auto	\$ -	\$ -	\$ 909,896	\$ 909,896
Residential Property	\$ 2	\$ 42	\$ 480	\$ 523
Credit & Supply Chain Finance Credit	\$ 489	\$ 1,002	\$ 966,136	\$ 967,627
ECL - As at December 31, 2025	\$ 491	\$ 1,044	\$ 1,876,512	\$ 1,878,047
ECL variance				
Auto	\$ -	\$ -	\$ 113,021	\$ 113,021
Residential Property	\$ (2)	\$ (42)	\$ 71	\$ 28
Credit & Supply Chain Finance Credit (2)	\$ 97	\$ (1,002)	\$ 110,053	\$ 109,148
ECL variance	\$ 96	\$ (1,044)	\$ 223,146	\$ 222,197
As at June 30, 2026				
Auto	\$ -	\$ -	\$ 1,022,918	\$ 1,022,918
Residential Property	\$ -	\$ -	\$ 551	\$ 551
Credit & Supply Chain Finance Credit	\$ 586	\$ -	\$ 1,076,189	\$ 1,076,775
ECL - As at June 30, 2026	\$ 586	\$ -	\$ 2,099,658	\$ 2,100,244

- (1) The increase in Gross Carrying Amount of \$2,120,866 in the principal balance of the Credit & Supply Chain Finance Credit ("CSCFC") loans between December 31, 2025 and June 30, 2026 was mainly explained by 1) two new loans contracted during the first quarter of the year 2026 to two new borrowers for approximately \$376,920 CAD, and 2) The increase of \$462,249 of the net capitalized accrued interests during the quarter (Interests collected during the quarter of \$400,948). The rest of the variance (+\$1.3 million) is the impact of foreign exchange during the six-month period when converting from RMB to CAD. During the first quarter of 2026, loans totaling \$476,639 that were

previously classified under Stage 1 and Stage 2 were migrated to higher stages due to increased credit risk, and the related ECL was updated to reflect this deterioration.

- (2) During the first quarter of 2026, loans totaling \$214,140 that were previously classified under Stage 2 were migrated to higher stages due to increased credit risk. During the second quarter of 2026, loans totaling \$262,499 that were previously classified under Stage 1 were migrated to higher stages due to increased credit risk. The associated increase in ECL on these now-impaired loans accounted for the majority of the movement in expected credit losses between December 31, 2025 and June 30, 2026.

As of the date of this MD&A, the Company had not collected 100% of the remaining outstanding accrued interest related to the 2025 period from the CSCFC portfolio.

The Company evaluates its credit loan guarantor's financial capacity and liquidity using a combination of qualitative and quantitative information. This includes a review of unaudited financial information, annual tax-filing records, bank statements, and confirmation of the guarantor's ongoing business relationships with selected clients and partners. These procedures are performed on a recurring basis, with financial information and bank statements reviewed quarterly and other supporting documentation reviewed annually. The most recent quarterly review was completed for the quarter ended June 30, 2026. Based on the information available at that date, management did not identify any material deterioration in the guarantor's liquidity position or overall financial condition. The Company also maintains regular communication with the guarantor's management to remain informed of any significant developments.

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

The Company would like to point out that the guarantee was never officially triggered up to the date of this MD&A, but rather that discussions were held with Jiudong (the "Guarantor") on the possibility that the guarantee might be triggered if collection continued to be delayed. The request to initiate discussions between ASFC and the Guarantor was made by the Company. The Company believes that borrowers should be given every opportunity to repay their loans. However, given the lack of movement on the collection of interest the Company requested that the discussions be held and for a resolution in the shortest possible delay. This involved a series of phone conversations and meetings between the Guarantor and the borrowers. In all cases, the Guarantor explained to the borrowers the far-reaching credit implications and the impact on the borrowers' businesses going forward if the Guarantor ended up having to refund the loans on their behalf. Out of the total amount recovered of \$325,673 during the first quarter of 2026, \$231,946 was recovered from 11 borrowers solely through actions undertaken by ASFC without any involvement of the Guarantor, and \$93,727 was recovered from 3 borrowers with assistance from the Guarantor. The Company does not believe that it will need the cooperation of the Guarantor to recover outstanding interest payments in the future because most borrowers have now agreed to repayment plans with ASFC. However, the Company cannot guarantee that there won't be instances in the future where the Guarantor's assistance and cooperation would be

required should the borrowers fail to honour the repayment schedules for both principal and interest, thereby breaching their repayment plan agreements.

Prepayments to third party subcontractors

	June 30, 2026	December 31, 2025
Prepayments at the beginning of the year	\$2,185,952	\$2,163,114
Additions during the period	\$133,008	\$ –
Collection for the balance during period	(\$133,008)	\$ –
Derecognition for the balance in previous year	(\$335,562)	\$ –
Expected credit loss (ECL)	(\$351,518)	\$ –
Foreign exchange	\$78,181	\$22,838
Prepayments at the beginning of the period	\$1,577,053	\$2,185,952

Prepayments to third-party subcontractors decreased by \$608,899 during the six-month period ended June 30, 2026, compared to December 31, 2025. This decrease was driven by several factors. During the quarter, the Company made an additional \$133,000 prepayment related to the i3060 platform project under the technical service contract for the distributed photovoltaic power plant operation and management platform. This prepayment was subsequently converted during the second quarter of 2026.

In addition, the Company derecognized a prior-period prepayment that had been associated with a contract liability. As the related obligation was released during the second quarter of 2026, a reversal of \$335,562 was recorded.

The Company also recognized an additional expected credit loss (ECL) provision during the second quarter due to increased credit risk associated with a subcontractor prepayment. The subcontractor did not meet the agreed repayment plan; however, ongoing discussions have provided additional information regarding the amount expected to be recovered.

The remaining variance is attributable to foreign exchange fluctuations.

Supply-chain subcontractors' prepayments (Prior Periods \$1.6m on the total \$2.2m as of Dec 31, 2025)

Sometimes when an ASST client places an order on the GoldRiver platform that requires value-added services such as warehousing, the client will be required to pre-pay an amount representing a percentage of the total value of the order, including the cost of warehousing. From the prepayment received for the order by ASST, ASST will send a portion of the received amount to the third-party subcontractor who is expected to provide the warehousing service associated with the order. For example, assume the total value of an order is \$100 and ASST receives \$10 as the prepayment for the order. ASST would then send \$4 as prepayment to the third-party subcontractor for the associated order and ASST would keep the remaining \$6. While ASST would record the entire \$10 received from the client under **“Contract liabilities with third-party customers, no interest”** until the order is fully completed, the \$4 prepayment sent to the third-party subcontractor would be recorded under **“Prepayments to third party subcontractors”**. Once all transactions related to the order have been performed, meaning the products have been delivered and inspected, the order is considered to have been fully completed and the warehousing service has been provided, ASST would then invoice the client for the \$100 value of the order and record the \$100 as revenue. However, if for whatever reason the order is not fully

completed, ASST would then have to request that the prepayment made to the third-party subcontractor be returned.

During the 2023 fiscal year, the Company made prepayments to a subcontractor in connection with the setup of the ASST supply chain ecosystem for a total amount of CAD \$1.6 million. These prepayments were funded entirely by cash received from the Company's underlying customer and were intended to be recovered through the subcontractor's future delivery of goods and services over the contract term. Although the Company did not deploy its own cash to fund these activities thereby reducing the potential net financial impact to the Company, this does not eliminate the credit risk associated with the subcontractor's ability to refund the Company and then ultimately the underlying SMEs from which the cash originated.

The Company no longer expects to recover the prepayments to subcontractor amounts through the performance of services. As of the date of this MD&A, recovery was expected to occur in cash, and the prepayments therefore meet the definition of financial assets subject to the credit risk disclosure requirements of IFRS 7. In substance, the Company is exposed to the subcontractor's ability to refund the outstanding balance. Consistent with IFRS 7.31 and 35A–35B, the Company evaluates the credit risk associated with these prepayments by considering historical settlement patterns, internal credit risk assessments, and forward looking information. Management concluded that credit risk remained low, supported by active negotiations and the subcontractor's demonstrated willingness to settle the balance.

The Company assesses expected credit losses on these prepayments in accordance with IFRS 9, taking into account the probability of default, expected timing of recovery, and relevant forward looking information. Although the outstanding balance has aged beyond 365 days, management determined that the risk of default remained limited, given the quality of discussions with the subcontractor and the expectation of full cash recovery.

As at the date of this MD&A, the outstanding prepayment balance was more than 365 days past due. The Company monitors this exposure using aging information, internal credit-risk ratings, and direct communication with the subcontractor. As of December 31, 2025, the Company was expecting the transaction to occur via refund of the prepayment by the latest June 30, 2026. During the period ended December 31, 2025, the Company obtained a guarantee agreement that provides credit enhancement in the event the subcontractor fails to refund the outstanding balance by June 30, 2026. The guarantee was evaluated as strong and enforceable based on due diligence performed by the Company, including an assessment of the guarantor's financial capacity and the legal enforceability of the arrangement.

The Company confirms that the execution of these transactions was conditional on services or merchandise transactions being carried out on the supply-chain infrastructure and on transaction volumes beginning to flow through the ecosystem. As the infrastructure for this specific transaction with ASST had not yet been implemented, the negotiation with the third parties involved in the arrangements resulted in the execution being converted into a formal refund of the prepayment from the subcontractor to the Company's ASST subsidiary. ASST would then negotiate the repayment of the corresponding contract liability with the downstream customers. These refunds form part of the formal refund request initiated in Q2 2025.

Following missed repayment milestones (June 30, 2026) and an assessment of credit risk deterioration under IFRS 9, the Company recognized an approximate 25% (18% after foreign exchange impact) expected credit loss (ECL) provision as of June 30, 2026, representing management's best estimate of recoverable cash flows from ongoing discussions. Management continues to monitor this exposure through active aging analysis, credit ratings, and direct negotiations, and will adjust the provision in subsequent quarters as settlement discussions progress.

The Company's maximum exposure to credit risk, before considering credit enhancements, is CAD \$1.6 million (\$1.25 million net of ECL), without considering the reversal of the underlying contract liability associated with the prepayments made for the ASST supply-chain ecosystem. When considering both the financial asset and the related financial liability, the net impact to the Company is Nil.

For each prepayment made to suppliers/subcontractors, a corresponding contract liability was recorded to reflect the obligation owed to the downstream customer. This liability is presented under “**Contract liabilities with third-party customers**” in Note 10 of the Condensed Consolidated Financial Statements for the three-month and six-month periods ended June 30, 2026 and 2025.

The guarantee was intended to cover 100% of the outstanding balance, and its effect was incorporated into the Company's expected credit loss (ECL) measurement. Following missed repayment milestones and an assessment of increased credit risk under IFRS 9, the impact of the credit enhancement on the ECL model was reassessed and adjusted to reflect the Company's exposure to credit losses. Accordingly, this assessment supports the conclusion that an expected credit loss provision was required. Based on the ongoing discussions with the guarantor and the information available at the time, the Company determined that a 25% provision represented the best estimate of the expected credit loss.

Off-Balance-Sheet Arrangements

The Company has not entered into any off-balance sheet financing arrangements.

LEGAL PROCEEDINGS

On March 6, 2026, the Company announced that the Class Action Lawsuit had been voluntarily dismissed by the plaintiffs without prejudice pursuant to a stipulation of voluntary dismissal agreed to by the parties and filed with the Court on February 24, 2026. The Court administratively closed the case. The Company did not pay any compensation to the plaintiffs, nor does it have any obligations, financial or otherwise, owed to the plaintiffs in connection with the Class Action Lawsuit.

Based on this new information the Company reversed its provision for legal settlement regarding the Class Action Lawsuit that was previously recorded in accounts payable, advances and accrued liabilities within the consolidated statements of financial position as at June 30, 2026 for an amount of USD\$1,200,000.

USE OF ARTIFICIAL INTELLIGENCE

The Company has been using artificial intelligence (AI) in its Chinese operations since 2018. Part of the services provided by the Company in China include facilitating transactions, including matching lending financial institutions with SMEs for loans and other forms of credit. In this capacity, a proprietary AI application developed by the Company is used to help determine the likelihood of loan or credit default by SMEs based on transactional and financial data collected from the Company's platforms and the SMEs' accounting software systems. This use of AI to help lenders make commercial credit decisions has resulted in a credit default rate, excluding the COVID-19 pandemic years, of less than 2% for credit extended based on the system. In addition, the Company provides post-lending monitoring services whereby AI is integrated to camera and surveillance systems to track the movement of goods, inventory levels, and foot traffic in warehouses and factories to alert lenders if there are any indications that the businesses of the SMEs that they've extended credit to might be significantly declining.

The Company is becoming increasingly more active in implementing AI in its North American operations. More specifically, the SMEs registered on the Cubeler Platform use a variety of accounting software packages, which creates challenges when it comes time to making sure all the data gathered through the platform is allocated to the right accounts in order to create the macroeconomic data indexes produced for the Data Products. For example, the Company needs to ensure that the sales caption in one accounting software is categorized the same way in another.

The Company's Chief Analytics Officer was also looking at various possible aspects and combinations of utilization of AI that could provide the best potential inferences of publicly-traded companies' EPS using data coming from private companies operating in the same industrial sectors to develop more data-derived products in the future.

The AI technology used by the Company in China was developed by the Company and is proprietary to the Company. The Company also expects to develop and own the AI applications for its future data-derived products.

In the event that the AI applications used in the Company's Chinese operations failed to work as intended, the consequences would likely be an increase in the credit default rates of the loans and credit extended to SMEs caused by the system that depends on the applications. If the AI applications used in the Company's North American operations failed to work as intended, the ie-Pulse macroeconomic data index series, which are meant to provide a daily picture of economic activity, would provide a false picture of economic activity. This could in turn lead the Company's clients, who would depend on the data to make certain business and economic decisions, to make decisions based on inaccurate information, possibly leading to economic losses. Both instances of AI application failure described above could lead to significant losses of clients for the Company, thereby materially affecting the Company's revenue and operations.

As of the date of this MD&A, the Company was in the process of amending its corporate governance policies to include clear and comprehensive policies, procedures and controls related to accountability, risk management and oversight, in respect of the use of AI in the Company's business operations and product offerings. The Company had not yet developed any contingency plans in case of failures or inaccuracies resulting from AI as of the date of this MD&A. As of the date of this MD&A, there had been no incidents where the AI used in the Company's operations had raised any regulatory, ethical or legal issues.

RISKS AND UNCERTAINTIES

Risk factors that may adversely affect or prevent the Company from carrying out all or portions of its business strategy include the following:

Liquidity and Capital Resources

The Company will require financing in order to meet its long-term business objectives and there can be no assurances that such financing sources will be available as, and when, needed. Historically, capital requirements have been primarily funded through the sale of common shares. Factors that could affect the availability of financing include, but are not limited to, evidence of continued demand for the Company's services, the Chinese geopolitical climate, the Company's ability to expand its services beyond China, the charges filed by the AMF against Mr. Joseph, the state of international debt and equity markets, and investor perceptions and expectations of the fintech space. There can be no assurance that any financing will be available, whether in the amount required, at any time, for any period, or on terms satisfactory to the Company or at all.

Holding Company with Significant Operations in China

As a holding company that is currently dependent on the operations of its subsidiaries in China, Tenet is subject to risks that could cause the value of its common shares to significantly decline. Chinese laws and regulations governing its current business operations are sometimes vague and uncertain, and they present legal and operational risks which may result in material changes in the operations of the Company's Chinese subsidiaries or a significant depreciation in the value of its common shares. The Chinese government adopted a series of regulatory actions and issued statements to regulate business operations in China in recent years, including cracking down on illegal activities in the securities market, adopting new measures to extend the scope of

cybersecurity reviews, and expanding the efforts in anti-monopoly enforcement. Nevertheless, to the Company's knowledge, neither it nor any of its Chinese subsidiaries have been involved in any investigations on cybersecurity review initiated by any Chinese regulatory authority, nor have any of them received any inquiry, notice or sanction from the Chinese government.

Regulatory Permissions

To operate its business as currently conducted in China, each of the Company's subsidiaries in China are required to obtain a business license from local authorities. Each such Chinese subsidiary has obtained a valid business license, and no application for any such license has been denied or revoked. If any of the business licenses of the Company's subsidiaries are revoked, this would hinder the ability to operate the business, which could materially and adversely affect the business, financial condition, and results of operations.

Repatriation of Profits or Transfer of Funds from China to Canada

As of the date of this MD&A, all the Company's operating subsidiaries are located in China, except Cubeler Inc. (Canada), Tenoris3 Inc. (Canada), Cubeler U.S. Inc. (United States) and Asia Synergy Ltd. (Hong Kong). Accordingly, the repatriation of any profits generated by the Company, which the Company might want to repatriate from China to Canada, or the transfer of any funds that the Company might want to transfer to its Chinese subsidiaries, is subject to the rules and regulations established by the Chinese government that restrict the flow of funds between China and foreign jurisdictions, including the transfer of funds between Chinese subsidiaries and their foreign parent companies. The Company may, from time to time, facilitate the transfer of funds from its Chinese subsidiaries to Canada through transactions involving the purchase and sale of USDC (U.S. Dollar Coin). In such cases the subsidiaries would first send the funds to the personal bank account of a senior executive or director of the Company and the senior executive or director would then purchase the USDC in a peer-to-peer transaction, in compliance with Chinese regulations. The senior executive or director would then convert the USDC to Canadian dollars and send the funds by wire transfer to the Company's Canadian bank account. While it is not illegal for individuals to hold and trade cryptocurrencies such as USDC in China, unlike cash held in a bank account, cryptocurrency holdings are not legally protected. Any losses resulting from holding cryptocurrencies, whether due to fraud or anything else, are entirely the responsibility of the individuals holding the cryptocurrencies. This fund transfer method does not allow the Company to implement the control mechanisms that would ensure the safeguard of the funds throughout the transfer process. Instead, the process relies mostly on process design, timing, and post-transaction safeguards rather than preventive controls, which carries a significant level of risk. There is no opportunity for the segregation of duty as it mainly depends on a single individual in whose bank account the funds must first transition before they can be transferred to the Company. The Company is also unable to monitor the process in real-time while the funds transition through bank and digital asset accounts not directly under its control. Using USDC transactions to transfer funds from its Chinese subsidiaries to Canada therefore carries the risk that part or all the funds may be lost during the process. To help mitigate the risk of loss, the Company's policy when it comes to the transfer of funds using USDC is to conduct a series of small transactions over a period of several days or months. While this strategy has worked for the Company in the past with the successful transfer of a total of approximately \$9.4M between October 2023 and August 2025 without incurring any losses during the transfers, there can be no assurance that such transfers will be successful in the future. The potential loss to the Company in the event of the failure of such a transfer in the future could be substantial and have a material impact on the Company's operations and financial results. Although the Company has taken steps to comply with regulations established by the Chinese government to be able to transfer funds from its subsidiaries to Canada, there can be no assurances that the Company will remain in compliance with those rules and regulations in the future. The Company may therefore not be able to repatriate profits or transfer funds from its Chinese holding or operating subsidiaries to its head office in Canada, which would adversely impact the Company in the future. In the event that the Company is unable to repatriate funds from China, the Company may experience delays in deploying capital to intended purposes which would adversely affect the Company's

operations, revenue and profits. In that event, the Company may have a need for interim or bridge financing, with no assurances it would be able to raise such capital either on favorable terms or at all. Such failure to repatriate funds or a failure to raise additional funds if required would have a material negative impact on the Company.

Operations in Foreign Jurisdictions and Possible Exposure to Corruption, Bribery or Civil Unrest

The Company operates in a foreign jurisdiction (China) where the laws governing corporations differ from the laws of Canada. Chinese laws require each of the Company's subsidiaries located therein to have a legal representative to which certain roles, powers and responsibilities are ascribed. The legal representative's functions and powers are prescribed by state laws, regulations and the articles of association of the entity for which he or she is the legal representative. The legal representative is the person authorized to represent the entity in all legal matters between the government and such entity and to sign legally binding contracts on behalf of such entity. Unlike Canadian laws, which limit liability for individuals involved in corporations and limited liability or registered business entities, Chinese laws make no distinction between the liability of a legal representative versus the liability of the entity he or she represents. The legal representative is responsible for any offence, whether corporate, criminal, civil or other, committed by the entity and must bear any fine, punishment or consequences resulting from the offence.

Companies in China need the signed consent of a majority (over 50%) of its shareholders in order to remove a legal representative. If a company wants to change its legal representative, it first needs to provide written notice to that effect to the legal representative. The company must then go to the China Industry and Commerce Bureau with written proof of majority shareholder consent to make the change and submit the appointment document of the new legal representative. Similarly, the removal of any officer or director of a company requires the consent of the company's shareholders. Such consent must formally be given by a majority (over 50%) of shareholders with a signed resolution of the shareholders at a general meeting of the shareholders. The company must then submit a copy of the resolution along with the required supporting documents (application form, copy of business license, ID card of the individual being removed and copy of amendment of article of association reflecting the change) to the China Industry and Commerce Bureau.

Given the onerous responsibilities and risks associated with the position of legal representative for companies operating in China, the Company may have difficulty in the future to find individuals willing to act as its subsidiary's legal representatives. There can be no assurances that the Company will always have legal representatives for its subsidiaries. Since every company must have a legal representative under Chinese laws, not being able to have a legal representative may force the Company to suspend temporarily or permanently some of its operations in China, which would adversely affect the Company's operations, revenue and profits.

Certain individuals in China may perceive the Company as a potential bribery target. As such, the Company may be approached by local individuals in China, whether businessmen, government officials or others, to offer the Company certain favors that would advance the Company's business interests in exchange for cash, other forms of compensation, or threaten to hinder the Company's progress unless compensated in cash or by other means, all of which would be contrary to Chinese laws and/or Canadian law. The Company's employees or other agents may, without its knowledge and despite its efforts, engage in prohibited conduct under the Company's policies and procedures and anti-bribery laws for which the Company may be held responsible. The Company's policies mandate compliance with these anti-corruption and anti-bribery laws. However, there can be no assurance that the Company's internal control policies and procedures will always protect it from recklessness, fraudulent behavior, dishonesty or other inappropriate acts committed by its affiliates, employees, contractors or agents. If the Company's employees or other agents are found to have engaged in such practices, the Company could suffer severe penalties and other consequences that may have a material adverse effect on its business, financial condition and results of operations.

As a Canadian entity operating in China, the Company is exposed to the state of relations between China and Canada. There are political and/or cultural tensions between these two countries that may impact international commerce. For example, clients may decide to no longer buy the Company's services and partners may decide to cut ties with the Company, all of which would negatively impact the Company's operations, revenue and profits.

Bankruptcy, Dissolution or Liquidation of Chinese Subsidiaries

The Chinese Enterprise Bankruptcy Law provides that an enterprise may be liquidated if the enterprise fails to settle its debts as and when they fall due and if the enterprise's assets are, or are demonstrably, insufficient to clear such debts. Our Chinese subsidiaries hold certain assets that are important to our business operations. If any of our Chinese subsidiaries undergo a voluntary or involuntary liquidation proceeding, unrelated third-party creditors may claim rights to some or all of these assets, thereby hindering our ability to operate our business, which could materially and adversely affect our business, financial condition, and results of operations.

Uncertainties Regarding the Growth and Sustained Profitability of E-Commerce in China

The continued growth in our revenue and profit substantially depends upon the widespread acceptance and use of the Internet as a medium for commerce by businesses in China and elsewhere. In particular, rapid growth in the use of and interest in the Internet and other online services is still a relatively recent phenomenon in China, and we cannot assure you that this acceptance and use will continue to develop or that a sufficiently broad base of customers will adopt, and continue to use, the Internet as a medium of commerce in China. A decline in the popularity of purchasing on the Internet in general, or any failure by us to adapt our platform and improve the experience of our customers in response to trends and consumer requirements, will adversely affect our revenues and business prospects. Moreover, concerns about fraud, privacy, lack of trust and other problems may discourage businesses from adopting the Internet as a medium of commerce. In addition, if a well-publicized breach of Internet security or privacy were to occur, general Internet usage could decline, which could reduce the use of our services and impede our growth. As a result, growth in our customer base depends on attracting customers who have historically used traditional channels of commerce to conduct the types of transactions facilitated by our platform. For our Company to be successful, these customers must accept and adopt new ways of conducting business and exchanging information.

Illegality of Digital Asset Transactions in China

In 2013, financial regulators in China, including the People's Bank of China (the "PBOC") banned banks and payment companies from providing bitcoin related services. In 2017, the PBOC, Ministry of Industry and Information Technology, State Administration for Industry and Commerce, China Banking Regulatory Commission, China Securities Regulatory Commission and China Insurance Regulatory Commission issued "Announcement on Preventing Token Fundraising Risks", prohibiting all organizations and individuals from engaging in initial coin offering transactions. On May 21, 2021, the Financial Stability and Development Committee of the State Council in China called for the need to resolutely control financial risks and crack down on bitcoin mining and trading activities. On June 21, 2021, the PBOC was reported to have held interviews with certain financial institutions in China, and stressed that banks and other financial institutions in China shall strictly implement the "Guarding Against Bitcoin Risks" and the "Announcement on Preventing Token Fundraising Risks" and other regulatory requirements, diligently fulfill their customer identification obligations, and shall not provide account opening, registration, trading, clearing, settlement and other services related to blockchain and cryptocurrency business. On September 24, 2021, all digital asset transactions were banned in China. Ten Chinese government agencies, including the central bank and banking, securities and foreign exchange regulators, reportedly have vowed to work together to root out "illegal" cryptocurrency activity with

the PBOC reportedly stating that it was illegal to facilitate cryptocurrency trading and that it planned to severely punish anyone doing so, including those working for overseas platforms from within China. While we are not engaged in digital asset transactions, the crackdown on such transactions may result in volatility in the fintech sector and may result in increased scrutiny of any financial platforms or financial transactions, which could have a material adverse effect on our business, prospects or operations.

Increases in Labor Costs in China

China's economy has experienced increases in labor costs in recent years. China's overall economy and the average wage in China are expected to continue to grow. We expect that our labor costs, including wages and employee benefits, will continue to increase. Unless we are able to pass on these increased labor costs to our customers by increasing prices for our products or services, our profitability and results of operations may be materially and adversely affected.

Regulation and Censorship of Information Distribution Over the Internet in China

China has recently enacted laws and regulations governing Internet access and the distribution of products, services, news, information, audio-video programs and other content through the Internet. The Chinese government has prohibited the distribution of information through the Internet that it deems to be in violation of Chinese laws and regulations. If any of the content on our online platform were deemed to violate any content restrictions by the Chinese government, we would not be able to continue to display such content and could become subject to penalties, including confiscation of income, fines, suspension of business and revocation of required licenses, which could materially and adversely affect our business, financial condition and results of operations. We may also be subject to potential liability for any unlawful actions or for content we distribute that is deemed inappropriate. It may be difficult to determine the type of content that may result in liability to us, and if we are found to be liable, we may be prevented from operating our website in China.

Oversight of the China Securities Regulatory Commission (the "CSRC") and Other Chinese Government Agencies over Foreign Investment in China-Based Issuers

Although we are incorporated and based in Canada, with operations in China, Chinese authorities may consider us to be a China-based company. In 2021, the General Office of the Communist Party of China Central Committee and the General Office of the State Council jointly issued a document to prevent illegal activities in the securities market and to promote the high-quality development of their capital markets, which, among other things, requires the relevant governmental authorities to strengthen cross-border oversight of law-enforcement and judicial cooperation, to enhance supervision over China-based companies listed overseas, and to establish and improve the system of extraterritorial application of Chinese securities laws. Since this document is relatively new, uncertainties still exist in relation to how soon legislative or administrative regulation-making bodies will respond and what existing or new laws or regulations or detailed implementations and interpretations will be modified or promulgated, if any, and the potential that any impact such modified or new laws and regulations will have on our future business operations. Therefore, the CSRC and other Chinese government agencies may exert more oversight and control over foreign investment in China-based issuers or perceived China-based issuers, especially those in the technology field such as us. Additional compliance procedures may be required in connection with our business operations, and, if required, we cannot predict whether we will be able to obtain the approval of any compliance requirements. As a result, we face uncertainty about future actions by the Chinese government that could cause the value of our common shares to significantly decline.

Failure to Make Adequate Contributions to Various Mandatory Social Security Plans as Required by Chinese Regulations

Under the Chinese Social Insurance Law and the Administrative Measures on Housing fund, we are required to participate in various government sponsored employee benefit plans, including certain social insurance, housing funds and other welfare-oriented payment obligations, and contribute to the plans in amounts equal to certain percentages of salaries, including bonuses and allowances, of our employees up to a maximum amount specified by the local government from time to time at locations where we operate our businesses. The requirement of employee benefit plans has not been implemented consistently by the local governments in China given the different levels of economic development in different locations. If the local governments deem our contribution to be not sufficient, we may be subject to late contribution fees or fines in relation to any underpaid employee benefits, our financial condition and results of operations may be adversely affected. As the interpretation of implementation of labor-related laws and regulations are still involving, we cannot assure you that our practice in this regard will not be violate any labor-related laws and regulations regarding including those relating to the obligations to make social insurance payments and contribute to the housing funds and other welfare-oriented payments. If we are deemed to have violated relevant labor laws and regulations, we could be required to provide additional compensation to our employees and be subject to penalties, and our business, financial condition and results of operations will be adversely affected.

Chinese Labor Contract Law

Pursuant to the Chinese labor contract law, employers are subject to stricter requirements in terms of signing labor contracts, minimum wages, paying remuneration, determining the term of employees' probation, and unilaterally terminating labor contracts. In the event that we decide to terminate some of our employees or otherwise change our employment or labor practices, the Chinese labor contract Law and its implementation rules may limit our ability to effect those changes in a desirable or cost-effective manner, which could adversely affect our business and results of operations. As the interpretation and implementation of labor-related laws and regulations are still evolving, we cannot assure you that our employment practices do not and will not violate labor-related laws and regulations in China, which may subject us to labor disputes or government investigations and potentially penalties. If we are deemed to have violated relevant labor laws and regulations, we could be required to provide additional compensation to our employees and our business, financial condition and results of operations could be materially and adversely affected.

Uncertainties Under the Chinese Enterprise Income Tax Law (the "EIT Law")

Under the Chinese EIT Law and its implementation rules, the profits of a foreign invested enterprise generated through operations, which are distributed to its immediate holding company outside China, will be subject to a withholding tax rate of 10%. Pursuant to the Arrangement between the Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and Tax Evasion on Income (or the "Double Tax Avoidance Arrangement"), a withholding tax rate of 10% may be lowered to 5% if the Chinese enterprise is at least 25% held by a Hong Kong enterprise for at least 12 consecutive months prior to distribution of the dividends and is determined by the relevant Chinese tax authority to have satisfied other conditions and requirements under the Double Tax Avoidance Arrangement and other applicable Chinese laws. However, based on the Circular on Certain Issues with Respect to the Enforcement of Dividend Provisions in Tax Treaties, or the "SAT Circular 81," which became effective in 2009, if the relevant Chinese tax authorities determine, in their discretion, that a company benefits from such reduced income tax rate due to a structure or arrangement that is primarily tax-driven, such Chinese tax authorities may adjust the preferential tax treatment. According to Circular on Several Issues regarding the "Beneficial Owner" in Tax Treaties, which became effective in 2018, when determining an applicant's status as the "beneficial owner" regarding tax treatments in connection with dividends, interests, or royalties in the tax treaties, several factors will be taken into account. Such factors include whether the business operated by the applicant constitutes actual business activities, and whether the

counterparty country or region to the tax treaties does not levy any tax, grant tax exemption on relevant incomes, or levy tax at an extremely low rate. This circular further requires any applicant who intends to be proved of being the "beneficial owner" to file relevant documents with the relevant tax authorities. We own majority stakes in our Chinese subsidiaries through our Hong Kong subsidiary. However, we cannot assure you that our determination regarding our qualification to enjoy the preferential tax treatment will not be challenged by the relevant Chinese tax authority, or we will be able to complete the necessary filings with the relevant Chinese tax authority and enjoy the preferential withholding tax rate of 5% under the Double Tax Avoidance Arrangement with respect to dividends to be paid by our Chinese subsidiaries to our Hong Kong subsidiary, in which case we would be subject to the higher withdrawing tax rate of 10% on dividends received.

Chinese Governmental Control of Currency Conversion

The Chinese government imposes control on the convertibility of its currency, the Renminbi, into foreign currencies and, in certain cases, the remittance of currency out of China. We receive a majority of our revenues in Renminbi, which currently is not a freely convertible currency. Restrictions that the Chinese government imposes on currency conversion may limit our ability to use revenues generated in Renminbi to fund our expenditures denominated in foreign currencies or our business activities outside China. Under China's existing foreign exchange regulations, Renminbi may be freely converted into foreign currency for payments relating to current account transactions, which include, among other things, dividend payments and payments for the import of goods and services, by complying with certain procedural requirements. To date, our Chinese subsidiaries have been able to pay a management fee in foreign currencies to Tenet without prior approval from China's State Administration of Foreign Exchange ("SAFE"), by complying with such procedural requirements. Our Chinese subsidiaries may also retain foreign currency in their respective bank accounts for use in payment of international current account transactions. We cannot assure you, however, that the Chinese government will not, at its discretion, take measures in the future to restrict access to foreign currencies for current account transactions. Conversion of Renminbi into or from foreign currencies such as the Canadian dollar for payments relating to capital account transactions, including investments and loans, generally requires the approval of SAFE and other relevant Chinese governmental authorities. Restrictions on the convertibility of the Renminbi for capital account transactions could affect the ability of our Chinese subsidiaries to make investments overseas or to obtain foreign currency through debt or equity financing, including by means of loans or capital contributions from us. If we fail to receive any such required approvals, our ability to use our revenues and to capitalize our Chinese operations may be impeded, which could adversely affect our liquidity and our ability to fund and expand our business.

Substantial Doubt re Ability of our Chinese Operating Subsidiaries to Continue as Going Concern

While we generated a profit for the first time in our history in the third quarter of 2021, substantial doubt remains as to our ability to continue as a going concern. Moreover, even if we achieve sustained profitability, Chinese government restrictions surrounding the transfer of funds outside of the country, as discussed above under **"Repatriation of Profits or Transfer of Funds from China to Canada"**, could restrict our ability to have timely access to profits or cash flows generated by our subsidiaries to meet our financial obligations outside of China and could threaten our ability to continue as a going concern.

Unauthorized Use of the Chops of our Chinese Subsidiaries

In China, a company chop or seal serves as the legal representation of the company towards third parties even when unaccompanied by a signature. Each legally registered company in China is required to maintain a company chop, which must be registered with the local public security bureau. In addition to this mandatory company chop, companies may have several other chops which can be used for specific purposes. The chops of our Chinese subsidiaries are generally held securely by personnel designated or approved by us in accordance with our internal control procedures. To the extent those chops are not kept safe, are stolen or are used by unauthorized persons or for unauthorized purposes, the corporate governance of these entities could be severely and adversely compromised and those corporate entities may be bound to abide by the

terms of any documents so chopped, even if they were chopped by an individual who lacked the requisite power and authority to do so. If any of our authorized personnel obtains, misuses or misappropriates our chops for any reason, we could experience disruptions in our operations. We may also have to take corporate or legal action, which could require significant time and resources to resolve while distracting management from our operations. Any of the foregoing could adversely affect our business and results of operations. Please see “Chops” below for more information.

Difficulties for Overseas Regulators Conducting Investigations or Collecting Evidence within China

Shareholder claims or regulatory investigations that are common in Canada or the United States generally are difficult to pursue as a matter of law or practicality in China. For example, in China, there are significant legal and other obstacles to providing information needed for regulatory investigations or litigations initiated outside China. Although the authorities in China may establish a regulatory cooperation mechanism with the securities regulatory authorities of another country or region to implement cross-border supervision and administration, such cooperation with the securities regulatory authorities in Canada or the United States may not be efficient in the absence of mutual and practical cooperation mechanism. Furthermore, according to Article 177 of the Chinese Securities Law, no overseas securities regulator is allowed to directly conduct investigation or evidence collection or other similar activities within the Chinese territory. No entity or individual may provide documents or information related to securities business activities to overseas entities without prior consent of the competent Chinese securities regulatory authority. While detailed interpretation of or implementation rules under Article 177 have yet to be promulgated, the inability for an overseas securities regulator to conduct investigation or evidence collection activities directly within China may further increase the difficulties shareholders face in protecting their interests.

Service of Legal Process

We are a Canadian company and conduct substantially most of our operations in China, and substantially most of our assets are located in China. Certain of our officers and directors reside in China. As a result, it may be difficult or impossible for you to effect service of process upon us or those persons inside mainland China. It may also be difficult or impossible for you to enforce in U.S. or Canadian court judgments obtained in U.S. or Canadian courts against us and our officers and directors. In addition, there is uncertainty as to whether the courts of China would recognize or enforce judgments of U.S. or Canadian courts against us or such persons predicated upon the civil liability provisions of the securities laws of the United States, Canada or any other state. If you are unable to bring a U.S. or Canadian claim or collect on a U.S. or Canadian judgment, you may have to rely on legal claims and remedies available in China or other overseas jurisdictions where we maintain assets. The claims and remedies available in these jurisdictions are often significantly different from those available in the United States and Canada and difficult to pursue. The recognition and enforcement of foreign judgments are provided for under the Chinese Civil Procedures Law. Chinese courts may recognize and enforce foreign judgments in accordance with the requirements of the Chinese Civil Procedures Law based either on treaties between China and the country where the judgment is made or on principles of reciprocity between jurisdictions. China does not have any treaties or other forms of written arrangement with the United States that provide for the reciprocal recognition and enforcement of foreign judgments. In addition, according to the Chinese Civil Procedures Law, the Chinese courts will not enforce a foreign judgment against us or our directors and officers if they decide that the judgment violates the basic principles of Chinese laws or national sovereignty, security, or public interest. As a result, it is uncertain whether and on what basis a Chinese court would enforce a judgment rendered by a court in the United States or Canada.

Risks relating to auditor oversight

The Company operates in a foreign jurisdiction (China) where the laws governing corporations differ from the laws of Canada. Even though the Company is audited annually by independent auditors, the Canadian Public Accountability Board’s (CPAB) inspection activity of reporting issuers with foreign operations is often limited to

engagement files accessible only in Canada as it currently has no legal means to compel access to work completed by component auditors that are located in China. Without access to component auditor working papers in foreign jurisdictions, CPAB is restricted in fulfilling its mandate. CPAB inspects selected high-risk sections of public accounting firm audit engagement files and evaluates the quality management systems of those firms. Investors should be concerned when foreign laws and regulations impede or reduce the level of auditor oversight that they have come to expect in Canada. Certain countries, including China, continue to prevent CPAB from inspecting the audit work of Canadian public companies conducted in their jurisdictions. CPAB has Memorandums of Understanding (MOUs) with audit regulators in nine countries, however, even with the MOU agreements currently in place, CPAB has no legal authority to compel cooperation from foreign audit regulators or component auditors.

Guarantee Arrangement Risks

The Company benefits from a guarantee provided by its non-controlling shareholder in ASFC subsidiary in respect of certain obligations arising from its loan portfolio in case of default from the borrowers. As credit conditions evolve, including potential deterioration in the performance of the underlying loans, the likelihood that the Company will need to rely on the guarantee may increase.

An increased reliance on the guarantee may expose the Company to heightened counterparty risk and may adversely affect liquidity and financial condition if recoveries under the guarantee are delayed, contested, or otherwise insufficient to cover realized losses. In addition, the guarantee does not eliminate the Company's exposure to credit risk but rather transfers a portion of such risk to the Guarantor, whose financial capacity may be affected by similar macroeconomic or sector-specific factors impacting the Company's borrowers.

In assessing the financial capacity of the Guarantor, the Company may rely, in part, on financial information that has not been independently audited. Such information may not have been prepared in accordance with IFRS or may lack the rigor and internal controls associated with audited financial statements. As a result, there can be no assurance that such information accurately reflects the Guarantor's financial condition, results of operations, or ability to perform its obligations under the guarantee. Any misstatement, omission, or delay in receiving updated financial information could impair the Company's ability to effectively monitor counterparty risk and may result in an overestimation of the Guarantor's financial capacity.

The Company is exposed to the risk that the Guarantor may not have sufficient financial resources to satisfy its obligations under the guarantee, particularly in circumstances where the Guarantor is subject to financial stress, liquidity constraints, or adverse changes in its business environment. Furthermore, even if the Guarantor has the financial capacity to perform, there is a risk that it may fail or be unwilling to fulfill its obligations in a timely manner, whether due to operational challenges, disputes regarding the scope or enforceability of the guarantee, or other factors. Any failure by the Guarantor to perform its obligations when required could have a material adverse effect on the Company's financial position, results of operations, and cash flows.

Certain relationships between the Company and the Guarantor, including overlapping management, ownership, or other affiliations, may give rise to actual or perceived conflicts of interest. These relationships may influence decision-making processes relating to the administration of the guarantee, enforcement actions, or the assessment of the Guarantor's financial condition. Such conflicts could result in less rigorous monitoring of the Guarantor's performance or delayed enforcement of rights under the guarantee. To mitigate these risks, the Company has implemented governance measures, including:

- oversight by independent members of the board of directors;
- segregation of duties between personnel responsible for credit assessment and those involved in managing the relationship with the Guarantor; and

- periodic review of the Guarantor's financial condition and compliance with guarantee terms.

However, there can be no assurance that these measures will be effective in identifying or addressing all conflicts of interest on a timely basis.

Nominee Shareholder Agreement Risks

As stated in the "Corporate Structure" section of this MD&A, the Company owns its 51% stake in its ASFC subsidiary through a series of nominee shareholder agreements ("**NSAs**"). NSAs are functionally equivalent to a variable interest entity (VIE) structure, commonly used by foreign issuers operating in the PRC to facilitate foreign investment. The ownership structure was recommended to the Company at the time of the creation of ASFC because ASFC would be operating in the micro loan industry, which was believed to have foreign ownership restrictions and was subject to strict regulatory guidelines that could be challenging for foreign entities to navigate. The Company's NSAs allow it, as the beneficial owner of the shares in ASFC, to retain all economic rights, such as dividends, capital gains, and voting rights associated with the shares despite not appearing on the government register as the registered shareholder of the shares. While there are advantages to holding shares through the NSAs, there are also certain risks associated with such structures. Owning equity in a company through a nominee shareholder agreement may not be as effective as direct ownership of the shares. If the nominee shareholders were to breach their contractual obligations or act in a manner inconsistent with the interests of the Company, the Company's ability to control ASFC could be materially and adversely affected. Furthermore, while the Company believes that the NSAs would be enforceable, this had not been tested as of the date of this MD&A and therefore there could be no certainty that the NSAs would be enforceable under Chinese law. If Chinese courts or regulatory authorities were to determine that the NSAs do not comply with applicable laws or regulations, the Company may be required to restructure ASFC's operations or could lose the ability to consolidate the financial results of ASFC. The nominee shareholders who hold legal title to the Company's equity interests in ASFC may have potential conflicts of interest with the Company. While such shareholders have entered into agreements intended to ensure that they act solely on behalf of the Company and its interests, there can be no assurance that such individuals will not breach these agreements or that the Company will be able to effectively enforce its contractual rights. The following provides more details on each of the specific risks associated with the Company's NSAs.

The Company's ASFC Chinese financial services subsidiary was created by the Company, and strategic minority partner Jiudong, to serve the Company's purposes of providing an example to other Chinese financial services companies that the Company's data analysis services could be used to safely make loans to SMEs. It was therefore very important that the Company be able to control ASFC's relevant activities, while at the same time respecting China's prevailing regulations at the time of the creation of ASFC, which limited direct foreign ownership of Chinese financial services companies. Following consultations with its Chinese counsel, the Company and Jiudong implemented a nominee shareholder ownership structure for ASFC that would allow the Company to both control ASFC and respect the prevailing Chinese regulations. The Company therefore indirectly owns its 51% stake in ASFC through a total of four nominee shareholder agreements between its Chinese holding subsidiary Wuxi Aorong Ltd. and four separate entities. Two of the nominee shareholder agreements are with two individual shareholders of Jiudong, one with a company belonging to a shareholder of Jiudong and the fourth one with Jiudong itself.

According to ASFC's articles of association, the shareholders of the company are its organ of authority. The shareholders have the power to determine the company's operating principles and investment plans. Given that ASFC's operating principles and investment plans, as a financial service provider, have a direct impact on its revenue and profits, they would qualify as ASFC's relevant activities under IFRS 10. In other words, the shareholders ultimately have decision-making authority over ASFC's relevant activities. ASFC's articles of association go on to say that the shareholders' right to vote is in proportion to their contributed the capital.

Given that the nominee shareholder agreements recognize that the Company is the actual contributor of 51% of ASFC's registered capital and that the nominee shareholders have a contractual obligation to act according to the Company's directions, the Company, through the nominee shareholder agreements, therefore has decision-making authority over ASFC's relevant activities.

The Company's ability to direct the relevant activities of ASFC, through the nominee shareholders, also means that it is able to affect ASFC's financial performance, and by the same token, the return on investment to which it is entitled as a shareholder of ASFC. The Company's collective substantive rights over ASFC satisfy all three major elements of IFRS 10 to conclude that the Company, through its nominee shareholders, has effective control over ASFC. The Company confirms that there were no changes to the judgments or assumptions in determining that it controls ASFC during the reporting period, and no transfers of funds from ASFC to the Company had occurred as of the date of this MD&A.

The Company estimates that if control over ASFC were lost, the potential consequences and accounting impacts would include an approximate \$19 million net loss in the consolidated financial statements due to the deconsolidation of ASFC's net assets, primarily consisting of loans receivable and cash balances. In addition, the Company would lose approximately \$1 million in annual revenues generated by this subsidiary. The total revenue impact would represent approximately 5% of total revenues for Q1-2026, compared to 12% in FY2025.

Structure Legality Risk

The PRC government may determine that the NSAs are not in compliance with applicable PRC laws, rules and regulations. Our contractual arrangements with the nominee shareholders are intended to provide us with effective control and the ability to receive substantially all of the economic benefits and absorb substantially all of the risks arising from ASFC's operations.

Although our PRC counsel has advised that the NSAs are valid and enforceable under current PRC law, there can be no assurance that PRC regulatory authorities or courts will reach the same conclusion. If the NSAs are determined to be in breach of existing or future PRC laws or regulations, the relevant regulatory authorities would have broad discretion in dealing with such breach, including:

- imposing economic penalties;
- discontinuing or restricting the operations of ASFC or its management;
- imposing conditions or requirements in respect of the NSAs with which ASFC or its management may not be able to comply;
- requiring us to restructure our ownership structure or operations;
- taking other regulatory or enforcement actions that could adversely affect our business; and
- revoking business licenses or certificates of ASFC's management, and/or voiding the NSAs.

Any of these actions could materially and adversely affect our ability to manage, operate and derive financial benefits from ASFC, and could cause the value of our securities to decline significantly or become worthless. In addition, changes in PRC laws or their interpretation may further increase the risk that the NSAs could be deemed non-compliant.

Contract Enforceability Risk

Our ability to control ASFC and obtain economic benefits from it depends on the enforceability of the NSAs under PRC law. If ASFC or its nominee shareholders fail to perform their obligations, we may need to incur

substantial costs and resources to enforce such arrangements and rely on legal remedies available under PRC law.

The NSAs are governed by PRC law and provide that disputes will be submitted to arbitration before the Shanghai International Arbitration Center. However, arbitral awards may be difficult to enforce in the PRC, particularly where regulatory considerations or public policy are involved. We cannot be sure that remedies such as specific performance, injunctive relief or damages would be effective in ensuring compliance or recovering losses.

Uncertainties in the PRC legal system, including in the interpretation and enforcement of laws, regulations and policies, may further limit our ability to enforce the NSAs and protect our interests.

Lack of Ownership Risk

We do have direct equity ownership of ASFC through our NSAs, and our control over ASFC is based solely on contractual arrangements. Investors in our securities are not purchasing equity interests in ASFC but rather interests in us (Tenet) that relies on such contractual arrangements.

We conduct ASFC's business in the PRC and generate substantially all of our ASFC-related revenues through the NSAs. However, these arrangements may not be as effective as direct ownership in providing us with control over ASFC. If we are unable to effectively control ASFC, or if the NSAs are terminated or found unenforceable, our ability to achieve our business objectives and grow our revenues could be materially and adversely affected.

Government Intervention Risk

ASFC operates in a sector where the PRC government may restrict foreign investment and may therefore intervene or influence ASFC's operations at any time. Such intervention may relate to the interpretation or enforcement of laws and regulations applicable to our NSAs corporate structure and contractual arrangements.

Any such governmental action could result in a material change in our operations, require us to restructure our corporate arrangements, or otherwise adversely affect the value of our securities.

Tax Risk

ASFC generates revenues through payments received under the NSAs. If the PRC tax authorities determine that these arrangements were not entered into on an arm's length basis, they may adjust our income and expenses for PRC tax purposes.

Such adjustments could result in increased tax liabilities, penalties or other adverse financial consequences. The PRC tax authorities may also conduct transfer pricing reviews of the contractual arrangements, which could further increase our tax exposure.

Conflicts of Interest

The principal nominee shareholders of ASFC, including Mr. Changsheng Zhuo and Mr. Kelong Chen, who are also senior management and directors of ASFC, may have interests that differ from those of the Company. Conflicts of interest may arise that require shareholder or board action to resolve.

We do not have arrangements in place to specifically address such conflicts, nor do we maintain independent governance mechanisms to resolve them. There can be no assurance that these individuals will act in our best interests or that any conflicts will be resolved in our favor. If they fail to do so, or if they breach the NSAs, our business, financial condition and results of operations could be materially and adversely affected.

In addition to being shareholders of the Issuer, Mr. Changsheng Zhuo and Mr. Kelong Chen are also shareholders of Jiudong, the guarantor of the loans, and therefore may have conflicts of interest between their role at ASFC, their ownership of shares of the Issuer, and their ownership of the guarantor. Despite these potential conflicts of interest, the Company does not believe that the roles played by Mr. Chen and Mr. Zhuo in the guarantee provided by Jiudong on ASFC's loans would be sufficient to influence the Company's share price to their potential benefit. ASFC accounts for a limited portion of the Company's activities and cannot, on its own, drive or distort the Company's share price. The Company's market valuation reflects the overall financial condition, growth prospects, risk profile, and operational performance of the Company as a whole. Whether or not some ASFC loans are guaranteed would not have a significant enough impact, nor the scale or market visibility, required to influence the Company's share price movements and therefore confer any meaningful benefit to individual shareholders, including Mr. Chen or Mr. Zhuo."

With respect to the assessment of the guarantee, the Issuer does not rely on Mr. Zhuo or Mr. Chen in their personal capacities. The validity and enforceability of the guarantee are evaluated based on:

- The contractual terms of the guarantee, which are legally binding and enforceable; and
- The recurring liquidity and short-term financial position of the guarantor, assessed through periodic review of its financial statements.

Accordingly, the Company's reliance is on objective contractual rights and financial information, not on the judgment or discretion of the two individuals.

In addition, resolving such conflicts may require legal proceedings, which could be costly, time-consuming and uncertain.

Licensing Dependency

ASFC operates in China through licenses, approvals and permits held by ASFC and its management. We do not directly hold these licenses and permits.

There is no assurance that ASFC will be able to renew or maintain these licenses and permits on commercially reasonable terms, or at all. The NSAs may not be effective in providing us with control over the application for or maintenance of such licenses. If ASFC fails to comply with applicable regulatory requirements, loses required licenses or permits, or becomes unable to perform its obligations, our operations, reputation and business could be materially and adversely affected.

Accounting / Consolidation Risk

We consolidate the financial results of ASFC in our consolidated financial statements as we are considered its primary beneficiary due to the contractual arrangements of the NSAs. In 2025, we derived approximately \$1.2 million of our revenues from ASFC through these arrangements.

If the NSAs are found to be unenforceable, or if we are otherwise deemed not to have effective control over ASFC, we may no longer be able to consolidate its financial results. This would materially affect our financial

statements, and substantially all of our revenues and assets derived from ASFC could be excluded, which could have a material adverse effect on the value of our securities.

Additional Structural and Legal Uncertainty

There are substantial uncertainties regarding the interpretation and application of PRC laws and regulations, including those governing ASFC's business and the enforcement of our contractual arrangements through the NSAs. These laws and regulations are evolving and may be subject to change or differing interpretations, including potential retroactive application.

If we are found to be in violation of applicable PRC laws or regulations related to the NSAs, we may be subject to sanctions or other regulatory actions in the PRC, which could materially and adversely affect our business.

Summary of Risk Factors Related to Nominee Shareholder Agreement Structure

In summary, the risks and uncertainties related to our NSA structure include:

- limited ability of our shareholders to influence ASFC governance;
- potential divergence of interests between ASFC and our company;
- reliance on contractual arrangements rather than equity ownership;
- regulatory risks and uncertainties associated with the NSA structure;
- limitations of contractual arrangements in providing control;
- potential failure by ASFC or its nominee shareholders to perform their obligations;
- potential loss of access to licenses, approvals and assets held by ASFC;
- conflicts of interest involving nominee shareholders and management; and
- potential scrutiny of the contractual arrangements by PRC tax authorities.

The materialization of any of these risks and uncertainties, including if the nominee shareholder structure related to ASFC was deemed not to comply with Chinese regulations, or if the regulations change or are interpreted differently in the future, may cause the Company to lose its contractual rights over ASFC, which may cause an investment in the Company's securities to suffer significant economic losses or even become worthless.

New Data-derived Product Offering Risk in China

The Company recently put a lot of effort into positioning its operations in China to put more emphasis on data and on the development of certain new data-derived products. Although the Company has carefully reviewed China's data privacy regulations and obtained professional advice related to these regulations, there can be no assurance that the Company's intended data-driven product offerings in China will comply with all applicable Chinese data privacy regulations or that the Company will be successful in commercializing these new data-derived products. If the Company is unable to sell and distribute its new data-derived products in China, whether due to regulatory matters or for any other reason, the Company would be deprived of an

important source of new revenue, which could materially and adversely affect the business, financial condition, and results of the Company.

Data-driven Business Model Risk

It is important to note that, despite having generated significant revenue from its Chinese operations in the past, the Company is still a development stage company given that it is considered to be a data-driven company with an unproven product offering. While the Company has conducted extensive market research to assess the potential demand for its ie-Pulse product offering, there are no guarantees that the commercialization of the ie-Pulse product offering will be successful. Given the Company's positioning as a data centric company and the critical role that ie-Pulse and future data-derived products are expected to have on its revenue, the Company's overall business, financial condition and operating results could be materially and adversely affected if it is unable to successfully commercialize ie-Pulse or its future data-derived products.

Mobile app version of the Cubeler platform

Before an app can be published on the App Store in China, the app publisher first needs to submit an application through the official Ministry of Industry and Information Technology ("MIIT") filing system to obtain an Internet Content Provider (ICP) license. The submitted application must include the complete app technical specifications, the publisher's business license and legal entity documentation, the legal representative and network security officer ID information, relevant app screenshots and functionality descriptions. The application and review process typically takes 2 to 4 weeks to complete. Depending on features and functionalities, some apps may require additional licenses before initial publication or prior to the release of any subsequent version. In the Company's case, the Company will be going through the application and app publishing process of the Chinese version of the Cubeler mobile app (the "**Cubeler App**") through its ASDS subsidiary. The initial version of the Cubeler App will offer limited functionalities of the Cubeler platform and will not include instant messaging (IM) capabilities. Apps that offer IM capabilities must also obtain a Value-Added Telecommunications Business (VATB) license before publication. The Company plans to add the IM feature to the Cubeler App at a later date, at which point the Company will resubmit the Cubeler App with the new feature to obtain the VATB license before the release of the upgraded version. The application and review process to obtain the VATB license can take anywhere between 1 to 3 months to complete. In the meantime, initial users of the Cubeler App will be able to communicate through the Networking feature of the app by posting messages where only registered members will be able to read and respond to them.

The Company will also ensure that the Cubeler App meets the following general requirements for all apps to be published in China:

- **Privacy Policy and User Agreement: Must clearly state data usage and permissions**

This requirement will be met by having users accept appropriate terms of use and privacy policy agreements on the login and registration screens of the Cubeler App.

- **Content Security Review Mechanism: Includes sensitive word filtering and public opinion monitoring**

The Cubeler App will not offer news content to its users, nor will anonymous users be able to use the app. All Cubeler App users will be business users whose identities will be verified and cross-checked with their affiliated businesses' registration documents. Any content inputted or uploaded to the app by users will be filtered by an AI based sensitive word filter system.

- **Data Localization and Log Retention: All user data must be stored within mainland China**

The Cubeler App will store all user collected data locally on servers located in China. Once the Company has met all the requirements and obtained the necessary licenses for the Cubeler App, it will create an account on the App Store and submit the Cubeler App and accompanying documents to the App Store for review and approval. The App Store review and approval process in China typically takes 1 to 4 weeks. Once approved, the Company will be notified that the Cubeler App is available for download on the App Store. The Company would like to point out that several of its employees in China have gone through the app publishing process in the past and are therefore very familiar with the process.

The Cubeler mobile app was still in development as of the date of this MD&A. A beta version was released on the App Store in Canada in Q1 2026 with a full release planned by the end of 2026.

The Company plans to allow communications between users in China and users outside of China through the mobile app's networking feature by posting messages in the "**International Business Opportunities**" section of the Cubeler platform where registered members outside of China will be able to read and respond to the messages supported by a built-in translation feature. The Chinese government requirements for the "Content Security Review Mechanism" will be addressed as described above.

The Company's regulatory assessment in connection with cross-border data transmission or communication features of the platform consisted in consulting with its legal counsel in China on the subject. Through those consultations, it was determined that the Company could proceed with the intended features as long as the above-mentioned requirements above were met and the cross-border data transfer rules mentioned below were respected.

The Cubeler App is intended for use only by business owners and business executives. It is not an app destined for the general population. Although Google Play is not accessible to the general public in China, business owners, particularly those involved in trade outside of China, can apply to obtain a VPN from a Chinese telecom service provider that allows them to access Google Play and download apps for business purposes. But understanding that this process may not be known to some of the Company's target clientele, the Company also plans to make the app available in China on some of China's most popular third-party app stores and the app stores of some of the largest Android device manufacturers, such as Baidu, Huawei, Xiaomi, Samsung and Tencent.

Given that the process to have the app published on Google Play and Android app stores is relatively simple, the Company was also expecting it to be available for download on Google Play in North America and on some of the most popular Android app stores in China by the end of 2026.

Conducting Business in Emerging Market Jurisdictions

Through its various subsidiaries, the Company operates in several industrial sectors in China and is therefore subject to each of the regulatory requirements applicable to these industrial sectors. These regulatory requirements include those of a general nature applicable to all the Company's subsidiaries such as the requirement to maintain valid business licences, operate within their approved business scopes, complete periodical filings with regulatory authorities, and obtain sector-specific permits where applicable. But there are also regulatory requirements more specific to foreign ownership and certain sectors of economic activity, which could pose certain risks to the Company's operations in China. Although the Company services businesses operating in various industries through different technology platforms, the common denominator of the Company's operations in China is the gathering, aggregation and analysis of industrial and economic data. The Company gathers and analyses SME data to enable partnering financial institutions to assess SME

creditworthiness more efficiently and to provide customized financing solutions via proprietary platforms. The Company's operations are therefore particularly sensitive to Chinese regulations specific to data processing and data security.

Although it was determined that no specific permit or license is required on the part of the Company to operate in the space, the Company's operations in China are subject to a complex regulatory regime governing data processing, network security. Depending on the level of system integration with its financial institution partners, the Company's business model may also trigger obligations under financial data governance rules, such as the *People's Bank of China's ("PBoC") Guidelines on Financial Data Security* and the *National Financial Regulatory Administration's* supervisory measures on data sharing and third-party risk management by financial institutions. As of the date of this MD&A, an assessment of the Company's business model, validated by local government authorities, determined there was no integration between the Company's platforms and the systems of its financial institution partners, which meant that the Company did not have to ensure that its data management policies align with financial regulators' standards on data classification and outsourcing.

As the operator of a network-based data processing platform, the Company is required to establish internal data protection governance mechanisms (including a data protection officer and incident response system), implement technical safeguards such as encryption, access control, and anonymization, conduct regular cybersecurity and compliance audits, and report data security incidents to local Cyberspace Administration of China ("**CAC**") and industry regulators within the prescribed timeframe.

The Company collects, aggregates and analyses Enterprise Operational Data (**EOD**), which includes business registration details, trial balance accounting data, financial statements, transaction records, supplier and client lists, and credit information. Under the Chinese data classification and hierarchical protection system, data is classified and graded according to its importance to national security, economic interests, and individuals' rights. The most sensitive data that may have a grave impact on national security, the lifeline of the economy, and people's livelihoods is classified as "**core data**". "**Important data**" ranks below "core data" but is still regarded as a high-risk category, whereas "general data" is regarded as common and relatively low risk data. In 2025, it was established that the EOD collected, and expected to be collected in the future, by the Company did not constitute "important data" but rather constituted "general data" under the applicable laws and regulations, which meant that the Company would not need to create a new data science subsidiary specifically to deal with the data. The determination was based on the fact that the data primarily concerns individual SMEs' operational and financial information without direct relevance to national security, critical industries, or large-scale datasets. However, this assessment should be treated with caution. The regulatory authorities, including the CAC, have yet to release an exhaustive definition or quantitative threshold for "important data", and enforcement practice has shown a tendency toward expansive interpretation in sectors deemed sensitive or economically significant. Therefore, it cannot be ruled out that, in the future, regulators may adopt a stricter view - particularly if the Company's aggregated datasets reach a certain scale or are used in ways that affect regional economic stability or financial market integrity. In such eventuality, the Company may have to redesign its data architecture, which may have a material impact in the way the Company operates in China or may prevent the Company from operating at all under its current business model.

The regulatory requirements in China regarding the flow of funds between Chinese operating subsidiaries and their foreign parent companies are also of important relevance to the Company. Under Chinese regulations, foreign-invested enterprise ("**FIE**"), such as the Company's subsidiaries, can legally send money to their foreign parent companies through several established, regulated channels and processes.

While there are several ways Chinese FIEs to send profits to their foreign parent companies, it is highly recommended that Tenet use only the following two ways to achieve its profit repatriation objectives based on

Tenet's ownership structure and business model in China:

1. Dividend Distribution

Tenet would be entitled to receive dividend payments from the net profits of a subsidiary after the close of the subsidiary's financial year under the conditions below and by following the identified steps.

- **Requirements:**

- **Annual Audit:** The subsidiary must complete its annual statutory audit, usually between January and April, to verify net profits.
- **Offset Losses:** The subsidiary's previous years' accumulated losses must be fully covered. Dividends can only be distributed out of accumulated profits.
- **Statutory Reserve Fund:** 10% of after-tax profits must be allocated to a reserve fund until it reaches 50% of the subsidiary's registered capital, which means that not all the subsidiary's profits may be eligible for repatriation.
- **Capital Contribution:** All the subsidiary's registered capital must be fully injected.

- **Steps**

1. **Annual Audit:** The first step in the dividend payment process would be to complete the subsidiary's annual audit. The annual audit involves producing a statutory annual audit report, a corporate income tax (CIT) reconciliation report, and reporting to relevant government bureaus. Relevant procedures and key considerations vary slightly by region and entity type. The tax authorities will also confirm the maximum profit amount that can be repatriated based on the net profit indicated in the financial reports. The annual audit process can only be used to repatriate the profits acquired in the past accounting year. To remit past years' profits, or postpone profit repatriation to next year, due to cashflow concerns, an additional special audit report would be required. This audit verifies the company's financial performance and confirms its official net profit.
2. **Profit Distribution Board Resolution:** The subsidiary's board of directors needs to draft and pass a resolution to formally approve the distribution of the subsidiary's profits to its shareholders, which in this case would be Tenet, specifying the amount to be distributed. For accumulated profit in past years, the resolution would need to have been adopted prior to the special audit.
3. **Tax Clearance:** The subsidiary must ensure that all applicable Chinese taxes, primarily the Corporate Income Tax (CIT), are fully paid. The standard CIT rate is 25%.
4. **Allocation to Statutory Reserves:** Chinese law requires companies to allocate at least 10% of their after-tax profits to a statutory reserve fund until this fund reaches 50% of the company's registered capital. These funds cannot be distributed as dividends.
5. **Withholding Tax Payment:** The subsidiary must ensure to withhold the applicable tax and complete the required filing with the tax bureaus in charge within seven days that the tax obligation arises. Although it is possible to pay all withholding tax at once during the annual CIT reconciliation process, this would not be recommended considering the compliance risks that this might pose.

6. **Bank Application:** The final step in the process would be for the subsidiary to take all the required documentation, including the audit report, tax receipts, and board resolution, to the subsidiary's bank to submit an application to process the foreign exchange and execute the dividend payment transfer to the foreign parent company.

The overall regulatory framework governing outbound dividend payments has remained materially stable in recent years, with no substantive changes to the basic remittance mechanism. Before distributing dividends, the FIE must confirm that it has sufficient distributable dividends based on an annual statutory audit, after offsetting accumulated losses and allocating the required statutory reserve in accordance with the applicable laws. The dividend distribution must be duly approved by the board of directors or shareholders pursuant to the company's articles of association.

For tax purposes, the FIE is required to withhold and remit enterprise income tax on the dividend, generally at a rate of 10%. Upon completion of the tax filing and payment, and after obtaining the relevant tax payment certificate, the FIE may apply to its bank to remit the dividends overseas by submitting supporting documents, such as the board resolution, audited financial statements, dividend calculation schedule, and tax certificate.

As dividend payments fall under current account transactions, no ODI filing or capital account registration is required. There is no quota or cap on outbound dividend payments under applicable laws, provided that the company has sufficient lawful distributable dividends and has fulfilled the required procedures.

In terms of timing, in practice, if the audit has already been completed and documentation is in order, the entire dividend remittance process can usually be completed within approximately two to three weeks, subject to the specific circumstances of the company and the bank's review process.

2. Intercompany Payments (Service Fees & Royalties)

It is also recommended that Tenet utilizes the fact that it has licensed technology to its subsidiaries as a means to legally repatriate funds from its subsidiaries to Canada. Remitting money for services or intellectual property provided by the parent company is another common, more flexible, way than annual dividend payments for FIEs to send funds to their foreign parents. Such payments can either be in the form of service fees or royalties. Both types of payment involve the same following steps.

1. **Contract registration with local tax bureau:** The first step in the process involves the registration of the service or royalty contract with the subsidiary's local tax bureau. The contract must be genuinely beneficial to the FIE and meet the "arm's length" principle (priced as if between independent parties).
2. **Withholding Tax Payment:** Services rendered outside China are exempt from CIT, while services rendered or deemed to be rendered in China will be subject to CIT at 25%, calculated on the deemed profit rate of 15% to 50%. The subsidiary should specify the offshore services that it received in the relevant service agreements, and be prepared to clarify the nature of the services in case the tax bureau decides to investigate. The subsidiary needs to complete applicable withholding value-added tax (VAT) and withholding CIT filings, respectively, within the mandated period.
3. **Bank Application:** The final step in the process would be for the subsidiary to take all the required documentation – such as service/royalty contract, invoice from service provider or any other documents that can prove the authenticity and rationality of the transaction – to the subsidiary's bank to submit an application to process the foreign exchange and execute the

service fee or royalty payment transfer to the foreign parent company. In practice, the bank will usually examine the rationality and the authenticity of the transaction, following guidance issued by the SAFE (State Administration of Foreign Exchange).

Under Chinese laws, a local company may pay intercompany management fees or royalty fees to its overseas affiliate as current account service or royalty payments, subject to compliance with applicable corporate, tax, and foreign exchange regulations and the bank's authenticity review requirements. The regulatory framework governing such outbound payments has remained materially stable in recent years.

First, the parties must enter into a valid written agreement clearly setting out the scope of services or licensed rights, pricing, payment terms, etc. The services rendered or intellectual property licensed must be genuine and commercially reasonable. Payments for services or royalties can usually be remitted quarterly or semi-annually. In practice, both the tax authorities and the bank will review the authenticity and substance of the transaction to ensure that the fees are not disguised profit distributions or improper capital transfers.

From a tax perspective, cross-border management fees generally fall within the scope of VAT on cross-border services, which is typically withheld and remitted by the local payer at a rate of 6% (plus surcharges). In addition, enterprise income tax withholding at a standard rate of 10% generally applies to service fees and royalties paid to non-resident enterprises. The local payer is responsible for completing the relevant tax filings and obtaining the tax payment certificates prior to remittance.

For foreign exchange and payment purposes, the bank will typically require supporting documents, including the agreement, invoice, tax payment certificates, and supporting evidence of services rendered or IP use. There is no quota or cap on outbound management fee or royalty payments under applicable law, provided that the transaction is genuine, commercially reasonable, and compliant with tax and foreign exchange requirements.

ASFC, officially registered in China as Yixing Yadong Science and Technology Micro-Credit Co., Ltd., was given approval by the Financial Affairs Office of The People's Government (FAOPG) of Jiangsu Province on May 2, 2018 to begin its commercial lending operations in Jiangsu province. The approval, still valid and in effect as of the date of this MD&A, allows ASFC to make small business loans, finance the leasing of equipment, make venture investments to medium, small and micro enterprises in the science and technology industry, provide guarantees for financing purposes, business agency services for financial institutions. In addition to these services, ASFC may engage in any other businesses authorized by the FAOPG of any other province where ASFC applies to operate. As of the date of this MD&A, ASFC had not applied to operate in any other province and was only servicing businesses either based in Jiangsu province or with at least one office location in the province. ASFC does not require any other licenses or authorizations for its intended operations. Other than the \$20M originally contributed at the creation of ASFC, no additional funding was used by ASFC to originate loans, and that the same restrictions applicable to raising funds by its Chinese subsidiaries.

Reliance on a small number of major suppliers and customers in China

In 2026, approximately 98% of the Company's total revenues were generated from one customer (Chengdu Honglongyi Trading Co., Ltd.), and 100% of product purchases were sourced from three suppliers. On the supplier side, 77% of the goods/services were sourced from Xizang Jiamao Trading Co., Ltd., 21% from Tibet Bosi Modern Trading Co., Ltd. and 2% from Wuxi Manding Technology Co., Ltd. This reliance on so few customers and suppliers represents a significant risk to the Company's revenues. While the Company plans to take initiatives to diversify its customer and supplier base to help mitigate this risk in the future, there can be no guaranties that the Company will be successful, which means that losing one or more customer(s) or supplier(s) could have a significantly negative impact on the Company's revenue in the future.

The relationships with most of the Company's customers and suppliers were established through standard, arm's length business development activities conducted by the Company's operational team in Mainland China. The sources of these relationships vary according to the Company's diverse service offerings:

- **Fintech & Supply Chain Platform:** Customers and suppliers are typically registered counterparties on the Company's proprietary platforms (e.g., GoldRiver, LinkSteel), engaging in bundled supply chain services or raw material trading.
- **SaaS & IT Services:** Clients for software and technology services are acquired through direct sales and marketing efforts.
- **Financial Services:** Borrowers for the lending business (ASFC) are sourced through a combination of the platform's user base and referrals from partner institutions. Certain facilitation service clients (e.g., ASCS) may involve independent operational teams.

All these relationships are governed by commercial agreements negotiated on market terms and are conducted in the ordinary course of the Company's business.

The Company has determined whether any of these suppliers and customers qualify as related parties. In addition, the Company maintains an internal tracker, updated on a quarterly basis, to monitor all related party transactions by entity. None of the Company's suppliers were related parties in 2026 and less than 1% of the Company's revenues recognized in 2026 were generated from related parties.

Management has determined that the Company is exposed to a significant concentration of credit risk due to its reliance on one customer. Should this customer substantially change its dealing with the Company, management is of the opinion that revenues and any financial assets would be significantly impacted and continued viable operations would be doubtful. On June 30, 2026, amounts due from this customer totaled approximately \$45.3 million representing 99% of total accounts receivable, net of expected credit losses. As of the date of this MD&A, 80% of these accounts receivable were collected.

Level of understanding of carrying on business operations in China of the independent board members and, reliance on non-independent board members, related risks and plans to address such reliance

Mr. Yves Renaud, who is an independent board member of the Company and also chairs the Company's audit committee, has a good understanding of how business is conducted in China having traveled to China in the past with members of the Company's Canadian management team. While none of the independent board members of the Company are fluent in Chinese, all of the Company's board meetings are conducted in English and all relevant documents, such as partnership agreements, major contracts or business proposals, originally written in Chinese, that require the board members' attention are translated to English using existing software or translation services. The Company understands that the fact that its independent board members rely, to a certain extent, on the Company's management for their understanding of the Company's operations in China, limits their ability to be truly independent. The Company is planning to address this reliance by adding at least one more independent board member to its board of directors that is fluent in Chinese, travels to China regularly and has extensive experience conducting business in China.

Related Parties

Dealing with related parties also poses certain risks to the Company and its shareholders. Following is a copy of the Company's related party policy, which provides the guidelines under which the Company identifies, evaluates and approves related party transactions to help mitigate their potential risks to the Company:

1 OBJECTIVE OF THE POLICY

- 1.1 This Related Party Transaction Policy (the "**Policy**") is established by Peak Fintech Group Inc. (the "**Corporation**") as part of the Corporation's corporate governance practices. The purpose of this Policy is to provide guidelines and procedures by which the Corporation is to conduct transactions with related parties. The Corporation's board of directors (the "**Board**") recognizes that transactions with related parties may cause prejudice to the Corporation and its shareholders and that adequate safeguards for the protection of the interests of the Corporation and its shareholders is of the utmost importance.

2 DEFINITIONS

- 2.1 All capitalized terms in this Policy shall have the meanings ascribed to them below:

"**Board**" shall have the meaning ascribed to it in paragraph 1.1;

"**Chairman**" shall mean the chairman of the Board;

"**Close Family Member**" shall mean a spouse, a child, a parent, a blood relative living at the same civic address, or a life partner living at the same civic address;

"**Corporation**" shall have the meaning ascribed to it in paragraph 1.1;

"**Director**" shall mean a current member, whether independent or not, of the Board;

"**Executive Officer**" shall mean any named officer of the Corporation whose title begins with Chief, for example, the Chief Executive Officer, the Chief Executive Officer of China, the Chief Financial Officer, the Chief Operating Officer, the Chief Technology Officer and the Chief Analytics Officer, and any President or General Manager of a subsidiary of the Corporation;

"**Exempt Transaction**" shall mean a transaction involving the indemnification, the advancement of expenses or the reimbursement of reasonable business expenses of a Related Party made pursuant to the Corporation's articles or by-laws; a transaction entered into between the Corporation and a Subsidiary for the compensation of Executive Officers; or a transaction offered to all shareholders of the Corporation in which all shareholders of the Corporation receive the same benefits as Related Parties on a pro rata basis;

"**Material Transaction**" shall mean a transaction entered into by the Corporation that is not an Exempt Transaction whereby the Corporation stands to either spend or receive at least CAD\$100,000 over the course of a 12-month period or less;

"**Policy**" shall have the meaning ascribed to in paragraph 1.1;

"**Related Party**" shall mean:

- a) a Director or an Executive Officer;
- b) a Close Family Member of a Director or an Executive Officer;
- c) an individual known to directly or indirectly own 10% or more of the outstanding voting shares of the Corporation;
- d) an entity of which a majority of the outstanding voting shares are controlled by any person described in a), b) or c) above; and
- e) an entity of which any person described in a), b) or c) above is either a director, an executive officer or the beneficiary owner of an equity interest of 10% or greater.

“Related Party Transaction” shall mean a Material Transaction with a Related Party; and

“Subsidiary” shall mean a legal entity in which the Corporation controls a majority of the voting shares.

3 IDENTIFYING AND REPORTING RELATED PARTY TRANSACTIONS

- 3.1 Identifying and reporting Related Party Transactions is the responsibility of every Director and Executive Officer who has become aware that a proposed transaction may potentially constitute a Related Party Transaction. Any such potential transaction must be reported to the Chairman before the transaction can be entered into by the Corporation. The Chairman shall promptly arrange for the Board to meet to discuss the transaction and determine if the proposed transaction meets the criteria set out in this Policy to qualify as a Related Party Transaction.
- 3.2 All the relevant facts related to the transaction will be presented to the Board during the meeting. Based on the information presented, the Board will decide whether the contemplated transaction qualifies as a Related Party Transaction. The Committee (or the Chair) shall approve only those Related Party Transactions that are in, or are not inconsistent with, the best interests of the Company and its stockholders, as the Committee (or the Chair) determines in good faith.

4 REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

- 4.1 If a proposed transaction is deemed to be a Related Party Transaction by the Board, the Board will conduct a thorough review of the proposed Related Party Transaction before voting on whether or not to approve the proposed Related Party Transaction.
- 4.2 No Director shall participate in a vote to consider the approval of any Related Party Transaction with respect to which such Director is the Related Party to the Related Party Transaction.
- 4.3 The Board may approve a Related Party Transaction only if the Board determines in good faith that, in all circumstances and after considering all available facts presented to the Board, the Related Party Transaction is in the best interests of the Corporation and its shareholders.
- 4.4 If it is not practicable for the Board to approve a Related Party Transaction in advance, the Corporation and the Related Party may enter into the Related Party Transaction on the express condition that the Related Party Transaction is subject to and will be effective only upon the ratification thereof by the Board.
- 4.5 If the Corporation becomes aware of a Related Party Transaction that has not been approved under this Policy, the Related Party Transaction shall be reviewed and, if appropriate, ratified by the Board

in accordance with the procedures set forth in this Policy. If the Board determines not to ratify a Related Party Transaction that has been entered into without approval, the Board may require the Corporation to take such action in relation to the Related Party Transaction as it deems necessary or desirable in the circumstances, including immediate discontinuance or rescission of the Related Party Transaction or require that amendments be made to the Related Party Transaction to make it acceptable for ratification by the Board.

5 DISCLOSURE OF RELATED PARTY TRANSACTIONS

All Related Party Transactions that are required to be disclosed in the Company's public filings shall so be disclosed in accordance with applicable Canadian securities laws and regulations.

Specific sector volatility risks

The Company is exposed to the risks associated with operating in, or having exposure to, customers in certain industries in accordance with items 1.2 and 1.4(g) of Form 51-102F1.

A number of the Company's customers operate in industries that are exposed to commodity price fluctuations and broader economic cycles. Continued volatility in commodity prices, including steel, energy or other industrial commodities, or deterioration in economic conditions, may adversely affect the ability of these customers to meet their financial obligations to the Company. While the Company's customer base is diversified across industries, adverse conditions in one or more materially exposed sectors may still affect overall loan performance, credit losses, liquidity and profitability.

The Company's assessment of credit risk incorporates the potential for deterioration in economic conditions affecting specific sectors. Certain SME customers with exposure to the steel commodity sector have experienced liquidity constraints and operating challenges due to external volatility. Although not all of the Company's customers operate in these sectors, continued instability or prolonged downturns in the steel or other commodity markets could increase credit losses, require larger allowances for expected credit loss, and adversely affect the Company's net income and capital.

The Company is exposed to risks associated with operating in the construction and real estate industries in China through one of its major customers. Key construction-industry risk factors in China include the following:

- Prolonged property-market downturn reducing new project starts and developer liquidity
- Local-government funding constraints limiting infrastructure spending and delaying public projects
- High leverage across the sector increasing refinancing and liquidity risk
- Slow receivables collection and persistent working-capital pressure
- Volatile material prices and supply-chain disruptions affecting cost control
- Frequent regulatory changes in safety, quality, and environmental standards raising compliance costs
- Execution risks including safety incidents, quality failures, and schedule overruns
- Coordination challenges in industrialized/modern construction methods

- Macroeconomic cyclical amplifying demand uncertainty

Rising environmental and decarbonization requirements increasing capex and operating costs.

CORPORATE LAW AND GOVERNANCE IN CHINA

Legal Representatives

The laws of the People's Republic of China ("PRC" or "China") require that each of the Company's Chinese subsidiaries have a legal representative to whom certain roles, powers and responsibilities are ascribed. The legal representative's functions and powers are prescribed by state laws, regulations and the articles of association of the pertinent entity. The legal representative is the person authorized to represent the company in all legal matters between the government and the company and to sign legally binding contracts on behalf of the company. Unlike Canadian law, which limits liability for individuals involved in corporations and limited liability or registered business entities, Chinese law makes no liability distinction between the legal representative and the company. The legal representative is responsible for any offense, whether corporate, criminal, civil or other, committed by the company and must bear any fine, punishment or consequences resulting from the offence. The legal representative may be held personally accountable for actions carried out by the applicable Chinese company. The legal representative is exposed to personal risks for acts and omissions, either individually or by the company and its employees. Such risks include civil, administrative, or criminal liability. The following persons are the legal representatives of the Company's Chinese subsidiaries:

No.	Subsidiary Name	Legal Representative
1.	Asia Synergy Holdings Ltd.	Liang Qiu
2.	Asia Synergy Technologies Ltd.	Bin Xu
3.	Asia Synergy Supply-chain Technologies Ltd	Bin Xu
4.	Zhejiang Xinjiupin Oil & Gas Management Co., Ltd	Bin Xu
5.	Asia Synergy Data Solutions Ltd.	Bin Xu
6.	Beijing Xinxiangtaike Technology Service Co., Ltd.	Zhangxuan Wu
7.	Wuxi Aorong Ltd.	Liang Qiu
8.	Asia Synergy Financial Capital Ltd	Kelong Chen
9.	Huikie Internet Technology Co., Ltd.	Zhangxuan Wu
10.	Kailifeng New Energy Technology Co., Ltd.	Liang Qiu
11.	Shanghai Xinhui Supply Chain Management Ltd.	Bin Xu
12.	Jiangsu Supairui IOT Technology Co., Ltd.	Yifei Zhang
13.	Wuxi Suyetong Supply Chain Management Co. Ltd.	Yifei Zhang
14.	Jiangsu Steel Chain Technology Co., Ltd.	Bin Xu

The articles of the subsidiaries do not provide for any variation to the role, powers and responsibilities of the legal representative, other than those as typically provided under Chinese law. The legal representative represents the company and is responsible for performing duties and powers on behalf of the company in accordance with applicable Chinese laws and the company's articles of association ("AoA"). Most company registration or change filing-related formalities require the wet signature of the legal representative, however the legal representative also is typically provided a personal seal which serves as a formal signature for some other authorities or bank formalities. The legal representative's name is recorded on the company's business license, which is publicized online.

There are certain procedures to be followed to legally remove a legal representative, directors and officers of an entity under Chinese law. If the chairman of the board or executive director of the company concurrently

serve as the legal representative according to the company's AoA, the shareholders of the company are entitled to re-appoint a new chairman of the board or executive director to replace the prior legal representative by shareholder resolution. If the general manager concurrently serves as the legal representative according to a company's AoA, the board or executive director is entitled to re-appoint a new general manager to replace the prior legal representative by resolution. Upon appointment, the newly appointed person will automatically serve as the legal representative pursuant to the AoA. In addition, the company shall prepare application documents related to the change of legal representative and submit them to the local company registration authority where the company is domiciled. Local company registration authorities will then issue a new business license, which contains the name of new the legal representative.

To mitigate against the risk that Tenet may have difficulty terminating the legal representatives of each of its other Chinese subsidiaries (see list of legal representatives set out above for a list of the subsidiaries and their respective legal representatives), each of the legal representatives has signed and affixed the Company Chop of the subsidiary of which they are a legal representative to an undated termination letter removing him or her (as the case may be) as the legal representative, and from any other position they hold, of such subsidiary, which letters are being kept with Wildeboer Dellelce LLP, Tenet's Canadian corporate and securities legal counsel, at its offices in Toronto, Canada. The termination letters contain a clause on assumption of liability and indemnification of the applicable subsidiary against any and all loss, liability or expense arising out of the use of the various chops of the applicable subsidiary following the date of the termination letter.

Supervisors

According to Chinese laws, a limited liability entity shall have a board of supervisors, which shall comprise not less than three members, or one to two supervisors instead of establishing a board of supervisors, if it has relatively fewer shareholders or a relatively smaller scale. Each of the above-mentioned entities has one supervisor.

Minute Books, Corporate Seals and Corporate Records

The locations of the minute books, corporate seals and corporate records of each entity are as follows:

No.	Entity	Minute Books	Corporate Seals	Corporate Records
1.	Asia Synergy Holdings Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Under 3rd party independent custody of K&L Gates ("Gates")	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)
2.	Asia Synergy Technologies Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Under 3rd party independent custody of K&L Gates ("Gates")	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)
3.	Asia Synergy Supply- chain Technologies Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Under 3rd party independent custody of K&L Gates ("Gates")	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)
4.	Zhejiang Xinjiupin-Oil & Gas Management Co.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Under 3rd party independent custody of K&L Gates ("Gates")	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)

No.	Entity	Minute Books	Corporate Seals	Corporate Records
5.	Asia Synergy Data Solutions Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Under 3rd party independent custody of K&L Gates ("Gates")	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)
6.	Beijing Xinxiangtaike Technology Service Co., Ltd.	Beijing Xinxiangtaike Technology Service Co., Ltd.	Beijing Xinxiangtaike Technology Service Co., Ltd.	Beijing Xinxiangtaike Technology Service Co., Ltd.
7.	Wuxi Aorong Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Under 3rd party independent custody of K&L Gates ("Gates")	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)
8.	Asia Synergy Financial Capital Ltd.	Asia Synergy Financial Capital Ltd.	Asia Synergy Financial Capital Ltd.	Asia Synergy Financial Capital Ltd.
9.	Huike Internet Technology Co., Ltd.	Huike Internet Technology Co., Ltd.	Huike Internet Technology Co., Ltd.	Huike Internet Technology Co., Ltd.
10.	Kailifeng New Energy Technology Co., Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)
11.	Shanghai Xinhui Supply Chain Management Co., Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)
12.	Jiangsu Supairui IOT Technology Co., Ltd.	Jiangsu Supairui IOT Technology Co., Ltd.	Jiangsu Supairui IOT Technology Co., Ltd.	Jiangsu Supairui IOT Technology Co., Ltd.
13.	Wuxi Suyetong Supply Chain Management Co., Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)
14.	Jiangsu Steel Chain Technology Co., Ltd.	Jiangsu Steel Chain Technology Co., Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Jiangsu Steel Chain Technology Co., Ltd.

Chops

Under current PRC laws and also as a PRC traditional practice, chops are used very frequently and in a large scale, both in daily life and in official occasions. Chops serve as the symbol of the authenticity and credibility of a person or a company in many ways, especially in business operations. In general, as to a company established and existing under PRC laws, certain chops are required in its business operation, although the signature of the legal representative or the authorized representative of a company will also be acceptable in many cases. Stamping a seal by chops on a document will be deemed as a promise to perform the rights or obligations provided in the document, which means from the legal perspective that a company shall be

responsible for its behaviors or promises as its chops are stamped on the document.

Each of the above entities has a Company Chop, Finance Chop, Invoice Chop, Legal Representative Chop and Contract Chop. The specified purposes of the types of chops are detailed below:

1. **Company Chop.** The Company Chop is used by an authorized person at the company and is required for the daily operations of the entity. It is required when any important document is signed and is also used to provide legal authority when opening a bank account. All letters, official documents, contracts, and introduction letters issued in the name of the company, certificates, or other company materials can use the official chop, which will legally bind the company. Under Chinese laws, the use of the Company Chop alone or the signature of the parties to the contract alone is sufficient to bind a Chinese entity.
2. **Financial Chop.** The Financial Chop is used for opening a bank account, issuing checks, authenticating financial documents, such as tax filings and compliance documents, and for most bank-related transactions by the financial controller / officer of the company.
3. **Invoice Chop.** The Invoice Chop is used by the company to issue invoices to its customers in China.
4. **Legal Representative Chop.** The Legal Representative Chop is evidence of the Legal Representative's signature and may be used in place of a signature, or alongside the Legal Representative's actual signature.
5. **Contract Chop.** The Contract Chop is used by the company to sign contracts with its employees or execute agreements between salespeople and clients. It grants less authority than the Company Chop.

No.	Entity	Company Chop	Finance Chop	Invoice Chop	Legal Representative Chop	Contract Chop
1.	Asia Synergy Holdings Ltd.	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")	Director of Finance, Tenet China (Mr. Bin XU)	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")
2.	Asia Synergy Technologies Ltd.	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")	Director of Finance, Tenet China (Mr. Bin XU)	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")
3.	Asia Synergy Supply-chain Technologies Ltd.	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")	Director of Finance, Tenet China (Mr. Bin XU)	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")

No.	Entity	Company Chop	Finance Chop	Invoice Chop	Legal Representative Chop	Contract Chop
4.	Zhejiang Xinjiupin-Oil & Gas Management Co.Ltd.	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")	Director of Finance, Tenet China (Mr. Bin XU)	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")
5.	Asia Synergy Data Solutions Ltd.	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")	Director of Finance, Tenet China (Mr. Bin XU)	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")
6.	Beijing Xinxiangtaike Technology Service Co., Ltd.	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")	Legal Representative (Mr. Zhangxuan WU)	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")
7.	Wuxi Aorong Ltd.	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")	Director of Finance, Tenet China (Mr. Bin XU)	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")
8.	Asia Synergy Financial Capital Ltd.	HR Manager (Ms. Ruiyun WU)	HR Manager (Ms. Ruiyun WU)	HR Manager (Ms. Ruiyun WU)	HR Manager (Ms. Ruiyun WU)	HR Manager (Ms. Ruiyun WU)
9.	Huikete Internet Technology Co., Ltd.	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")	Legal Representative (Mr. Zhangxuan WU)	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")
10.	Kailifeng New Energy Technology Co., Ltd.	HR Manager (Ms. Huan XIONG)	HR Manager (Ms. Huan XIONG)	Director of Finance, Tenet China (Mr. Bin XU)	HR Manager (Ms. Huan XIONG)	HR Manager (Ms. Huan XIONG)
11.	Shanghai Xinhui Supply Chain Management Co., Ltd.	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")	HR Manager (Ms. Huan XIONG)	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")

No.	Entity	Company Chop	Finance Chop	Invoice Chop	Legal Representative Chop	Contract Chop
12.	Jiangsu Supairui IOT Technology Co., Ltd.	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")	HR Manager (Ms. Huan XIONG)	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")
13.	Wuxi Suyetong Supply Chain Management Co., Ltd.	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")	HR Manager (Ms. Huan XIONG)	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")
14.	Jiangsu Steel Chain Technology Co., Ltd.	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")	Chief Accountant (Ms. Min DENG)	Under 3rd party independent custody of K&L Gates ("Gates")	Under 3rd party independent custody of K&L Gates ("Gates")

Pursuant to a Retainer Agreement for Special Legal Services between Shanghai Xinfei Shiye Co., Ltd. (also known as "**Asia Synergy Holdings Ltd.**") (the "**Contracting Subsidiary**"), a subsidiary of the Company, and its Chinese counsel, MHP, dated effective December 12, 2023 (the "**Custodian Agreement**"), the Contracting Subsidiary appointed MHP as its custodian and the custodian of its selected affiliates in China to hold and safeguard the Chops, and to affix such Chops to purchase orders, contracts, agreements, constating documents or any other agreements pursuant to directions from the Contracting Subsidiary. On November 28, 2025, the Company announced that MHP had been replaced as a party to the Custodian Agreement by Jiangsu Shenque Law Firm. On August 21, 2026, the Company announced that Jiangsu Shenque Law Firm had been replaced as a party to the Custodian Agreement by K&L Gates, by virtue of a custodian agreement signed with the Company. Access to the Chops is controlled by the custodian in accordance with the Custodian Agreement and the Custodian Agreement may only be amended by the Contracting Subsidiary and the custodian. It should be noted that as a financial services company, the Company's Asia Synergy Financial Capital ("ASFC") could not be included in the Custodian Agreement because Chinese financial regulations mandate that financial services companies must keep their chops on premise. The Company's Kailifeng New Energy Technology ("KNET") subsidiary was also omitted from the Custodian Agreement because the Company ceased being a majority shareholder in KNET in July 2024.

Tenet has provided an undertaking to the Ontario Securities Commission that in the event that the Custodian Agreement is terminated or in the event that the Contracting Subsidiary appoints a new custodian, the Company will issue a press release forthwith and file a material change report in accordance with applicable securities laws. The undertaking given by the Company to the OSC also requires the appointment of an internationally reputable custodian for the safekeeping of the Company chops and legal representative chops for all the Chinese subsidiaries listed in the table below. As of the date of this MD&A, the Company issued a press release announcing the appointment of a new custodian namely K&L Gates and also filed a material change report.

Each of the Company's China entities maintains logs to evidence use of each chop. The locations of such logs were as follows as of the date of this MD&A:

No.	Entity	Locations of Logs of Use of Chops
1.	Asia Synergy Holdings Ltd.	For all chops other than invoice chop: K&L Gates ("Gates") Address: Suite 3708, Park Place, 1601 Nanjing Road West, Jing An District, Shanghai, 200040, China For invoice chop: Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.) Address: Suite 6-2701, Hengda Fortune Center B Building, Economic Development District, Wuxi, China
2.	Asia Synergy Technologies Ltd.	For all chops other than invoice chop: K&L Gates ("Gates") Address: Suite 3708, Park Place, 1601 Nanjing Road West, Jing An District, Shanghai, 200040, China For invoice chop: Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.) Address: Suite 6-2701, Hengda Fortune Center B Building, Economic Development District, Wuxi, China
3.	Asia Synergy Supply-chain Technologies Ltd.	For all chops other than invoice chop: K&L Gates ("Gates") Address: Suite 3708, Park Place, 1601 Nanjing Road West, Jing An District, Shanghai, 200040, China For invoice chop: Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.) Address: Suite 6-2701, Hengda Fortune Center B Building, Economic Development District, Wuxi, China
4.	Zhejiang Xinjiupin-Oil & Gas Management Co.	For all chops other than invoice chop: K&L Gates ("Gates") Address: Suite 3708, Park Place, 1601 Nanjing Road West, Jing An District, Shanghai, 200040, China For invoice chop: Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.) Address: Suite 6-2701, Hengda Fortune Center B Building, Economic Development District, Wuxi, China

No.	Entity	Locations of Logs of Use of Chops
5.	Asia Synergy Data Solutions Ltd.	For all chops other than invoice chop: K&L Gates ("Gates") Address: Suite 3708, Park Place, 1601 Nanjing Road West, Jing An District, Shanghai, 200040, China For invoice chop: Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.) Address: Suite 6-2701, Hengda Fortune Center B Building, Economic Development District, Wuxi, China
6.	Beijing Xinxiangtaike Technology Service Co., Ltd.	For all chops other than invoice chop: K&L Gates ("Gates") Address: Suite 3708, Park Place, 1601 Nanjing Road West, Jing An District, Shanghai, 200040, China For invoice chop: Address: Suite 2144, 2nd Floor, Building No.3, Block No. 18, Keyuan Road, Beijing Economic-Technological Development Area, Daxing District, Beijing, China
7.	Wuxi Aorong Ltd.	For all chops other than invoice chop: K&L Gates ("Gates") Address: Suite 3708, Park Place, 1601 Nanjing Road West, Jing An District, Shanghai, 200040, China For invoice chop: Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.) Address: Suite 6-2701, Hengda Fortune Center B Building, Economic Development District, Wuxi, China
8.	Asia Synergy Financial Capital Ltd.	For all chops: Asia Synergy Financial Capital Ltd. Address: Suite 6-2701, Hengda Fortune Center B Building, Economic Development District, Wuxi, China
9.	Huike Internet Technology Co., Ltd.	For all chops other than invoice chop: K&L Gates ("Gates") Address: Suite 3708, Park Place, 1601 Nanjing Road West, Jing An District, Shanghai, 200040, China For invoice chop: Huike Internet Technology Co., Ltd. Address: Suite 2144, 2nd Floor, Building No.3, Block No. 18, Keyuan Road, Beijing Economic-Technological Development Area, Daxing District, Beijing, China

No.	Entity	Locations of Logs of Use of Chops
10.	Kailifeng New Energy Technology Co., Ltd.	For all chops: Share Service Center of Finance Address: Suite 6-2701, Hengda Fortune Center B Building, Economic Development District, Wuxi, China
11.	Shanghai Xinhuzhi Supply Chain Management Co., Ltd.	For all chops other than invoice chop: K&L Gates ("Gates") Address: Suite 3708, Park Place, 1601 Nanjing Road West, Jing An District, Shanghai, 200040, China For invoice chop: Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.) Address: Suite 6-2701, Hengda Fortune Center B Building, Economic Development District, Wuxi, China
12.	Jiangsu Supairui IOT Technology Co., Ltd.	For all chops other than invoice chop: K&L Gates ("Gates") Address: Suite 3708, Park Place, 1601 Nanjing Road West, Jing An District, Shanghai, 200040, China For invoice chop: Jiangsu Supairui IOT Technology Co., Ltd. Address: Suite 1310, Building No. 1, Mingdu Mansion, Huishan District, Wuxi, China
13.	Wuxi Suyetong Supply Chain Management Co., Ltd.	For all chops other than invoice chop: K&L Gates ("Gates") Address: Suite 3708, Park Place, 1601 Nanjing Road West, Jing An District, Shanghai, 200040, China For invoice chop: Address: Suite 6-2701, Hengda Fortune Center B Building, Economic Development District, Wuxi, China
14.	Jiangsu Steel Chain Technology Co., Ltd.	For all chops other than invoice chop: K&L Gates ("Gates") Address: Suite 3708, Park Place, 1601 Nanjing Road West, Jing An District, Shanghai, 200040, China For invoice chop: Address: Suite 1800-04, Jiangsu Gaochun Development Zone Dongba Information New Material Industrial Park, Gaochun District, Nanjing, China

GOVERNANCE, CONTROLS AND PROCEDURES

To equip the Company with better protocols, policies and procedures, and help manage the growth of its business, the Company took several steps to bolster its governance measures. These steps include: (i) the creation of the position of General Counsel, (ii) the adoption of revised human resources policies, with respect to discrimination and harassment, health and safety, and personal data, (iii) the re-calibration of the

Company's corporate governance charter and the adoption of a corporate whistleblower policy and a delegation of authorities, and (iv) the Company retained Richter LLP in Canada and Ernst & Young in China to help implement general internal controls over its processes and operations. . Assuming it will be financially feasible to do so in the future, the Company plans to resume the work to complete those initiatives and continue to improve upon its corporate governance and be compliant with best practices.

Disclosure controls and procedures

Management's responsibility is to maintain appropriate information systems, procedures and controls to provide reasonable assurance that information that is publicly disclosed is complete, reliable and timely. The Chief Executive Officer (the "CEO") and Chief Financial Officer (the "CFO") of the Company, along with the assistance of senior management under their supervision, are responsible for designing and implementing disclosure controls and procedures to provide reasonable assurance that material information relating to the Company is made known to the CEO and CFO, and for the design of internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Limitations of Disclosure Controls and Procedures and Internal Control over Financial Reporting

The Company's management, including the CEO and the CFO, believe that due to inherent limitations, any disclosure controls and procedures or internal control over financial reporting, no matter how well designed and operated, can provide only reasonable, not absolute, assurance of achieving the desired control objectives. These inherent limitations include, among other items:

- i. that management's assumptions and judgments could ultimately prove to be incorrect under varying conditions and circumstances;
- ii. the impact of any undetected errors; and
- iii. that controls may be circumvented by the unauthorized acts of individuals, by collusion of two or more people, or by management override. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Additional information about the Company can be found at www.sedarplus.com

August 26, 2026.

(s) Maxime Couturier

(s) Johnson Joseph

Maxime Couturier, Chief Financial Officer

Johnson Joseph, President & CEO