ZEDCOR INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Unaudited)

FOR THE THREE & SIX MONTHS ENDED JUNE 30, 2026 AND 2025

Zedcor

ZEDCOR INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited)

(Stated in thousands of Canadian dollars)	As at June 30, 2026	As at December 31, 2025 (audited)
Assets		
Current assets:		
Cash	$ 3,005	$ 2,656
Accounts receivable	17,541	12,582
Current portion of finance lease receivable	915	725
Inventory	823	560
Prepaid expenses and deposits	1,673	1,617
	23,957	18,140
Non-current assets:		
Finance lease receivable	534	382
Prepaid expenses and deposits	934	1,199
Property and equipment (note 3)	138,031	96,475
Right-of-use assets (note 4)	15,885	14,427
Investment (note 5)	1,961	—
Deferred tax	4,160	3,756
	161,505	116,239
Total Assets	$ 185,462	$ 134,379
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 21,609	$ 15,650
Current portion of lease liabilities (note 7)	6,200	4,662
Current debt (note 6)	652	425
	28,461	20,737
Non-current liabilities:		
Lease liabilities (note 7)	12,123	11,475
Long term debt (note 6)	49,013	40,594
	61,136	52,069
Total liabilities	89,597	72,806
Shareholders' equity:		
Share capital (note 8)	188,612	156,486
Contributed surplus	8,510	6,786
Accumulated other comprehensive income (loss)	2,186	(826)
Deficit	(103,443)	(100,873)
	95,865	61,573
Total Liabilities and Shareholders' Equity	$ 185,462	$ 134,379

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

ZEDCOR INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF (LOSS) INCOME AND COMPREHENSIVE (LOSS) INCOME
(Unaudited)

(Stated in thousands of Canadian dollars, except per share amounts)	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Revenues	**$ 22,700**	**$ 13,536**	**$ 42,104**	**$ 25,012**
Direct expenses				
Direct operating costs	4,819	2,994	9,011	5,519
Depreciation of property & equipment (note 3)	4,559	2,047	8,252	3,702
	9,378	5,041	17,263	9,221
Gross margin	**13,322**	**8,495**	**24,841**	**15,791**
Operating expenses				
General and administrative	9,126	5,609	16,691	10,451
Stock based compensation	3,773	879	5,244	1,459
Depreciation of other property & equipment (note 3)	314	275	535	418
Depreciation of right-of-use assets (note 4)	1,361	725	2,572	1,344
Loss on disposal of property & equipment (note 3)	63	4	518	4
Loss (gain) on disposal of right-of-use assets (note 4)	8	—	(1)	25
	14,645	7,492	25,559	13,701
Other expenses				
Finance costs (note 11)	1,051	531	2,067	969
Realized loss on foreign exchange	21	12	88	39
Unrealized loss on foreign exchange	15	—	15	—
Unrealized investment loss (note 5)	86	—	86	—
	1,173	543	2,256	1,008
(Loss) income before income taxes	**(2,496)**	**460**	**(2,974)**	**1,082**
Income taxes				
Deferred tax recovery	204	—	404	—
Net (loss) income	**(2,292)**	**460**	**(2,570)**	**1,082**
Other comprehensive (loss) income				
Unrealized foreign currency translation gain (loss)	**1,799**	**(1,499)**	**3,012**	**(1,497)**
Comprehensive (loss) income	**$ (493)**	**$ (1,039)**	**$ 442**	**$ (415)**
Net (loss) income per share				
Basic	$ (0.02)	$ 0.00	$ (0.02)	$ 0.01
Diluted	$ (0.02)	$ 0.00	$ (0.02)	$ 0.01
Weighted average number of shares outstanding (note 10)				
Basic	110,962,724	104,207,577	109,309,446	102,416,008
Diluted	110,962,724	111,929,086	109,309,446	110,137,517

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

ZEDCOR INC.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Unaudited)

(Stated in thousands of Canadian dollars)	Share capital	Contributed surplus	Accumulated other comprehensive income (loss)	Deficit	Total
Balance – December 31, 2024	$ 131,317	$ 3,403	$ 861	$ (103,590)	$ 31,991
Stock based compensation	—	1,459	—	—	1,459
Exercise of stock options (note 8)	1,090	(914)	—	—	176
Shares issued, net of share issue costs (note 8)	23,564	—	—	—	23,564
Net income	—	—	—	1,082	1,082
Foreign currency translation loss	—	—	(1,497)	—	(1,497)
Balance – June 30, 2025	$ 155,971	$ 3,948	$ (636)	$ (102,508)	$ 56,775
Stock based compensation	—	3,252	—	—	3,252
Exercise of stock options & restricted share units (note 8)	586	(414)	—	—	172
Shares issued, net of share issue costs (note 8)	(71)	—	—	—	(71)
Net income	—	—	—	1,635	1,635
Foreign currency translation loss	—	—	(190)	—	(190)
Balance – December 31, 2025	156,486	6,786	(826)	(100,873)	61,573
Stock based compensation	—	5,244	—	—	5,244
Exercise of stock options & restricted share units (note 8)	3,683	(3,520)	—	—	163
Shares issued, net of share issue costs (note 8)	28,443	—	—	—	28,443
Net loss	—	—	—	(2,570)	(2,570)
Foreign currency translation gain	—	—	3,012	—	3,012
Balance – June 30, 2026	$ 188,612	$ 8,510	$ 2,186	$ (103,443)	$ 95,865

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

ZEDCOR INC.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOW

(Unaudited)

(Stated in thousands of Canadian dollars)	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Cash provided by (used in):				
Operating activities				
Net (loss) income	$ (2,292)	$ 460	$ (2,570)	$ 1,082
Depreciation of property and equipment (note 3)	4,873	2,322	8,787	4,120
Depreciation of right-of-use assets (note 4)	1,361	725	2,572	1,344
Loss on sale of property & equipment (note 3)	63	4	518	4
Loss (gain) on disposal of right-of-use assets (note 4)	8	—	(1)	25
Foreign currency translation	160	89	91	13
Unrealized investment loss (note 5)	86	—	86	—
Stock based compensation	3,773	879	5,244	1,459
Non-cash interest expense and other financing costs	—	26	—	13
Receipt of finance lease receivable	228	169	361	338
Deferred tax recovery	(204)	—	(404)	—
	8,056	4,674	14,684	8,398
Changes in non-cash working capital (note 12)	(2,861)	(3,485)	(6,622)	(5,545)
Cash flow from operating activities	**5,195**	**1,189**	**8,062**	**2,853**
Investing activities				
Change in non-cash working capital related to investing activities (note 12)	10,034	807	7,568	3,036
Purchase of property and equipment (note 3)	(28,755)	(14,503)	(48,085)	(25,797)
Proceeds from sale of property & equipment (note 3)	115	—	115	—
Purchase of investment (note 5)	—	—	(2,033)	—
Cash flow used in investing activities	**(18,606)**	**(13,696)**	**(42,435)**	**(22,761)**
Financing activities				
Proceeds from debt	16,413	276	8,900	550
Repayment of debt	(138)	(1,014)	(282)	(2,056)
Payment of finance lease liability (note 7)	(1,464)	(877)	(2,502)	(1,694)
Proceeds from share issuance, net of costs (note 8)	(224)	(12)	28,443	23,564
Proceeds from exercise of stock options	97	142	163	176
Cash flow from (used in) financing activities	**14,684**	**(1,485)**	**34,722**	**20,540**
Net change in cash in the period	1,273	(13,992)	349	632
Cash, beginning of period	1,732	20,387	2,656	5,763
Cash, end of period	**$ 3,005**	**$ 6,395**	**$ 3,005**	**$ 6,395**

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

1. CORPORATE INFORMATION

Zedcor Inc. (the "Company") was formed under the laws of Alberta as a corporation on August 10, 2011. The Company is a technology enabled business that is changing how physical security services are provided to businesses. Zedcor operates throughout Canada with equipment and service centers in British Columbia, Alberta, Manitoba, and Ontario. The Company also operates equipment and service centers throughout Arizona, California, Colorado, Florida, Nevada, Tennessee, and Texas with a MobileyeZ™ assembly facility in Houston, Texas. The Company has three main service offerings to customers across all market segments: 1) surveillance and live monitoring through its proprietary MobileyeZ™ security towers; 2) surveillance and live monitoring of fixed site locations; and 3) security personnel.

The Company is listed on the TSX Venture Exchange under the symbol ZDC.

2. BASIS OF PREPARATION

a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 – Interim Financial Reporting. These condensed consolidated interim financial statements do not include all of the information required for full financial disclosure. The disclosures provided below are incremental to those included in the annual consolidated financial statements and certain disclosures, which are normally required to be included in the notes to annual consolidated financial statements, have been condensed or omitted. The same accounting policies and methods of computation were followed in the preparation to the annual consolidated financial statements as were followed in the preparation of the Company's annual consolidated financial statements for the year ended December 31, 2025. Accordingly, these condensed consolidated interim financial statements should be read in conjunction with the Company's consolidated financial statements and notes thereto for the year ended December 31, 2025.

These condensed consolidated interim financial statements were approved by the Board of Directors on August 12, 2026.

b) Functional and presentation currency and basis of presentation

These condensed consolidated interim financial statements are presented in Canadian dollars which is the Company's presentation currency. Each of the Company's subsidiaries determines its functional currency, and items included in the financial statements of each entity are measured using that functional currency. The functional currency of the Canadian operations is the Canadian Dollar and the functional currency of the United States ("US") operations is the United States Dollar. All financial information presented in Canadian Dollars and has been rounded to the nearest thousand except for share and per share amounts.

The Company's condensed consolidated interim financial statements are prepared under the historical cost convention, with the exception of items that IFRS requires to be measured at fair value.

c) Material accounting policies

The significant accounting policies adopted in the preparation of these condensed consolidated interim financial statements are the same as those set out in the annual audited consolidated financial statements for the year ended December 31, 2025, except for:

IN THOUSANDS OF CANADIAN DOLLARS

Investments in associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Investments in associates and joint ventures are accounted for using the equity method. Under the equity method, the investment is initially recognized at cost. The carrying amount is subsequently increased or decreased to recognize the Company's share of the profit or loss and other comprehensive income of the investee after the date of acquisition. Distributions received from an investee reduce the carrying amount of the investment.

d) Material accounting policies

Certain amendments to IFRS 9, Financial Instruments, and IFRS 7, Financial Instruments: Disclosures have been adopted by the Corporation in the period. The amendment addresses the classification and measurement of financial instruments with an emphasis on clarifying the date of recognition and derecognition of financial assets and liabilities. These amendments are effective for annual periods starting on or after January 1, 2026. There is no material impact on the Company's condensed consolidated interim financial statements as a result of the adoption of these amendments.

3. PROPERTY AND EQUIPMENT

Cost	Security towers & equipment	Automotive & other equipment	Office furniture & equipment	Leasehold improvements	Total
At December 31, 2024	53,617	225	3,006	405	57,253
Additions	62,549	107	1,909	957	65,522
Disposals	(249)	—	(129)	(101)	(479)
Effect of foreign exchange	(1,277)	—	(232)	—	(1,509)
At December 31, 2025	114,640	332	4,554	1,261	120,787
Additions	45,488	207	1,933	457	48,085
Disposals	(301)	(20)	—	(545)	(866)
Effect of foreign exchange	2,992	7	64	37	3,100
At June 30, 2026	162,819	526	6,551	1,210	171,106

IN THOUSANDS OF CANADIAN DOLLARS

Accumulated depreciation	Security towers & equipment	Automotive & other equipment	Office furniture & equipment	Leasehold improvements	Total
At December 31, 2024	12,635	70	1,658	176	14,539
Depreciation	9,252	75	625	226	10,178
Elimination on disposal	(90)	—	(131)	(93)	(314)
Effect of foreign exchange	(91)	—	—	—	(91)
At December 31, 2025	21,706	145	2,152	309	24,312
Depreciation	8,147	47	514	79	8,787
Disposals	(156)	(6)	—	(71)	(233)
Effect of foreign exchange	192	2	11	4	209
At June 30, 2026	29,889	188	2,677	321	33,075

Net Book Value	Security towers & equipment	Automotive & other equipment	Office furniture & equipment	Leasehold improvements	Total
At December 31, 2025	92,934	187	2,402	952	96,475
At June 30, 2026	132,930	338	3,874	889	138,031

For the six months ended June 30, 2026, the Company disposed of assets with a net book value of $633 (six months ended June 30, 2025 - $4) for proceeds of $115 (six months ended June 30, 2025 - $nil) resulting in a net loss of $518 (six months ended June 30, 2025 – loss of $4).

The Company reviews the carrying value of its long-lived assets and cash generating units ("CGU") at each reporting date to determine whether there is any indication of impairment. As of June 30, 2026 no indicators of impairment were identified for the Security & Surveillance CGU.

4. RIGHT-OF-USE ASSETS

Cost	Properties	Automotive	Equipment	Total
At December 31, 2024	4,611	3,454	422	8,487
Additions	8,238	3,936	—	12,174
Disposals	(154)	(934)	—	(1,088)
Effect of foreign exchange	(108)	(87)	—	(195)
At December 31, 2025	12,587	6,369	422	19,378
Additions	2,528	2,319	—	4,847
Disposals	(1,641)	(246)	—	(1,887)
Effect of foreign exchange	356	141	—	497
At June 30, 2026	13,830	8,583	422	22,835

IN THOUSANDS OF CANADIAN DOLLARS

Accumulated Depreciation	Properties	Automotive	Equipment	Total
At December 31, 2024	1,667	760	198	2,625
Depreciation	1,350	1,673	32	3,055
Disposals	(154)	(652)	—	(806)
Effect of foreign exchange	116	(39)	—	77
At December 31, 2025	2,979	1,742	230	4,951
Depreciation	1,214	1,342	16	2,572
Disposals	(435)	(181)	—	(616)
Effect of foreign exchange	5	38	—	43
At June 30, 2026	3,763	2,941	246	6,950

Net Book Value	Properties	Automotive	Equipment	Total
At December 31, 2025	9,608	4,627	192	14,427
At June 30, 2026	10,067	5,642	176	15,885

During the period ended June 30, 2026 the Company entered into a sublease arrangement related to a leased facility previously recognized as a right-of-use asset. Accordingly, the Company derecognized the related right-of-use asset and recognized a lease receivable representing the net investment in the sublease.

5. INVESTMENT

	Carrying amount
Investment at December 31, 2025	—
Purchase of preferred shares	2,033
Effect of foreign exchange	14
Loss on investment	(86)
Investment at June 30, 2026	1,961

The Company purchased 412,337, or 3.9%, preferred shares in a privately held company, for which there is no active market, for a total of $2,033. The Company has significant influence over the investee, due to the Company having a representative on the board of directors. Therefore the investment is accounted for using the equity method.

IN THOUSANDS OF CANADIAN DOLLARS

6. CREDIT FACILITIES

	Interest rate	Final maturity	Facility maximum	Outstanding as at June 30, 2026	Outstanding as at December 31, 2025
Revolving Operating Loan	Prime + 1.00%	Oct 2028	75,000	48,191	39,898
Equipment Financing	Various	Various	N/A	1,474	1,121
				49,665	41,019
Current portion				(652)	(425)
Long term debt				49,013	40,594

On October 6, 2025, the Company entered into an agreement with a bank in Canada for a $50.0 million revolving operating loan, which was subsequently increased by $25.0 million, to $75.0 million, on February 3, 2026. The Company also has an uncommitted revolver as part of the Revolving Operating Loan for an additional $25.0 million.

The interest is payable at Prime plus the Applicable Margin. The Applicable Margin means, the percentage per annum applicable to the Net Funded Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) ratio. As at June 30, 2026 the Applicable Margin was 1.00% (as at December 31, 2025 – 1.25%). As at June 30, 2026 the Canadian Prime interest rate is 4.45% (as at December 31, 2025 – 4.45%).

The revolving operating loan has the following quarterly financial covenant requirements:

- A Net Funded Debt to EBITDA ratio of no more than 3.50:1.00, as at the end of each fiscal quarter; and
- A Fixed Charge Coverage Ratio of no less than 1.15:1.00 as at the end of each fiscal quarter.

The revolving operating loan is secured with a first charge over the Company's current and future assets, a general security agreement, and other standard financial and non-financial security. As at June 30, 2026, the Company is in compliance with its financial covenant requirements.

The Company may also enter into specific financing agreements with certain vendors for specific pieces of equipment. These financing agreements are entered into at the time of purchase and granted by various third parties based on the Company's financial condition at the time. They are secured with specific equipment being financed and terms and interest rates are decided at the time of application. As at June 30, 2026, the Company had $1,474 outstanding with respect to these specific financing agreements (as at December 31, 2025 - $1,121).

7. LEASE LIABILITIES

	Properties	Automotive	Equipment	Total
At December 31, 2024	5,633	2,522	49	8,204
Repayments	(2,150)	(1,744)	(49)	(3,943)
Additions	8,238	3,935	—	12,173
Disposals	—	(269)	—	(269)
Effect of foreign exchange	(17)	(11)	—	(28)
At December 31, 2025	11,704	4,433	—	16,137
Repayments	(1,250)	(1,252)	—	(2,502)
Additions	2,614	2,233	—	4,847
Disposals	(652)	(3)	—	(655)
Effect of foreign exchange	352	144	—	496
At June 30, 2026	12,768	5,555	—	18,323

Maturity Analysis	Total
Current	6,200
Long term	12,123
At June 30, 2026	18,323

8. SHARE CAPITAL

Common shares issued and fully paid: (Stated in thousands of Canadian dollars, except number of shares)	Number of shares	$
Balance, December 31, 2024	**96,062,457**	**131,317**
Issued on exercise of stock options	1,067,333	607
Issued on vesting of restricted share units	1,100,772	1,069
Share issuance, net of share issue costs	7,555,500	23,493
Balance, December 31, 2025	**105,786,062**	**156,486**
Issued on exercise of stock options	174,334	252
Issued on vesting of restricted share units	1,367,837	3,431
Share issuance, net of share issue costs	5,084,000	28,443
Balance, June 30, 2026	**112,412,233**	**188,612**

On February 11, 2026 the Company issued 5,084,000 shares at $6.00 per Offered Share for gross proceeds of $30,504 with share issue costs of $2,061. As at June 30, 2026 the company had 112,412,233 shares outstanding (as at December 31, 2025 – 105,786,062 shares outstanding).

IN THOUSANDS OF CANADIAN DOLLARS

9. STOCK BASED COMPENSATION

(a) Stock options

Changes in outstanding and exercisable employee stock options are as follows:

	Number of options	Exercise price	Remaining contractual life in years	Weighted average exercise price
Options as at December 31, 2024	3,441,668	—	3.47	0.92
Options exercised	(1,067,333)	0.33	—	—
Options forfeited	(16,667)	0.58	—	—
Options as at December 31, 2025	2,357,668	—	3.28	1.19
Options exercised	(174,334)	0.89	—	—
Options as at June 30, 2026	2,183,334	—	2.37	1.21
Options vested/exercisable at June 30, 2026	1,516,667	—	—	0.99

(b) Restricted share units

RSUs issued, outstanding, and the weighted average remaining life of the RSUs:

	Number of RSUs	Remaining contractual life in years
RSUs as at December 31, 2024	2,925,003	2.19
RSUs vested & exercised	(1,100,772)	—
RSU forfeited	(684,224)	—
RSUs granted	3,153,500	1.44
RSUs as at December 31, 2025	4,293,507	1.24
RSUs vested & exercised	(1,367,837)	—
RSU forfeited	(182,000)	—
RSUs granted	3,247,500	1.79
RSUs as at June 30, 2026	5,991,170	1.53

The Company may settle any vested RSUs by issuing cash or shares. As at June 30, 2026, the Company intends to settle vested RSU through the issuance of shares and, accordingly, these RSUs are treated as equity settled stock based payments.

(c) Deferred share units (DSUs)

The Company has 1,000,000 outstanding DSUs as at June 30, 2026 (as at December 31, 2025 – 1,000,000). Of the 1,000,000 outstanding DSUs, 1,000,000 are vested as at June 30, 2026 (as at December 31, 2025 – 666,665).

IN THOUSANDS OF CANADIAN DOLLARS

10. PER SHARE AMOUNTS

Basic and diluted earnings per share have been calculated on the basis of weighted average number of common shares outstanding as outlined below:

	For the three months ended		For the six months ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Net (loss) income for the period	(2,292)	460	(2,570)	1,082
Weighted average number of shares outstanding – basic	110,962,724	104,207,577	109,309,446	102,416,008
Earnings (loss) per share – basic	(0.02)	0.00	(0.02)	0.01
Weighted average number of shares outstanding – basic	110,962,724	104,207,577	109,309,446	102,416,008
Stock based compensation dilution	—	7,721,509	—	7,721,509
Weighted average number of shares outstanding – diluted	110,962,724	111,929,086	109,309,446	110,137,517
Earnings (loss) per share – diluted	(0.02)	0.00	(0.02)	0.01

The Company reported a net loss for the three and six months ended June 30, 2026, therefore shares are considered anti-dilutive and not included within the diluted EPS calculation.

11. FINANCE COSTS

Finance costs are comprised of the following:

	For the three months ended		For the six months ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Bank charges and interest	9	109	61	128
Interest on debt	615	243	1,167	503
Interest on leases	427	179	839	338
	1,051	531	2,067	969

IN THOUSANDS OF CANADIAN DOLLARS

12. CHANGES IN NON-CASH WORKING CAPITAL

Changes in non-cash working capital related to operating activities:

	June 30, 2026	June 30, 2025
Accounts receivable	(4,959)	(3,521)
Inventory	(263)	24
Prepaid expenses and deposits	209	(708)
Accounts payable and accrued liabilities related to operating activities	(1,609)	(1,340)
Accounts payable and accrued liabilities related to investing activities	7,568	3,036
Total change in non-cash working capital	946	(2,509)
Change in non-cash working capital included in operating activities	(6,622)	(5,545)
Change in non-cash working capital included in investing activities	7,568	3,036
Supplementary information:		
Cash interest paid	1,995	956
Taxes recovered	—	—

IN THOUSANDS OF CANADIAN DOLLARS

13. GEOGRAPHICAL INFORMATION

The Company has operations in two countries: (i) Canada and (ii) US. The Company's corporate costs are located in both countries and presented separately. Information regarding the results of the countries in which the Company operates is included below.

The following is a summary of the Company's results by geographic region for the three and six months ended June 30, 2026 and 2025:

Three months ended June 30, 2026	Canada	US	Corporate	Total
Revenues	10,543	12,157	—	22,700
Direct expenses				
Direct operating costs	2,134	2,685	—	4,819
Depreciation of property & equipment	1,735	2,824	—	4,559
	3,869	5,509	—	9,378
Gross margin	6,674	6,648	—	13,322
Operating expenses				
General and administrative	1,571	4,232	3,323	9,126
Stock based compensation expense	—	—	3,773	3,773
Depreciation of other property and equipment	112	69	133	314
Depreciation of right-of-use assets	343	930	88	1,361
Loss on disposal of property & equipment	60	3	—	63
Loss on disposal of right-of-use-assets	—	—	8	8
	2,086	5,234	7,325	14,645
Other expenses				
Finance costs	61	525	465	1,051
Foreign exchange loss (gain)	38	(21)	19	36
Unrealized investment loss	—	—	86	86
	99	504	570	1,173
Income (loss) before taxes	**4,489**	**910**	**(7,895)**	**(2,496)**

IN THOUSANDS OF CANADIAN DOLLARS

Six months ended June 30, 2026	Canada	US	Corporate	Total
Revenues	20,236	21,868	—	42,104
Direct expenses				
Direct operating costs	4,040	4,971	—	9,011
Depreciation of property & equipment	3,212	5,040	—	8,252
	7,252	10,011	—	17,263
Gross margin	12,984	11,857	—	24,841
Operating expenses				
General and administrative	3,097	7,347	6,247	16,691
Stock based compensation expense	—	—	5,244	5,244
Depreciation of other property and equipment	223	83	229	535
Depreciation of right-of-use assets	645	1,469	458	2,572
Loss on disposal of property & equipment	60	458	—	518
Gain on disposal of right-of-use-assets	—	—	(1)	(1)
	4,025	9,357	12,177	25,559
Other expenses				
Finance costs	120	658	1,289	2,067
Loss (gain) on foreign exchange	101	(21)	23	103
Unrealized investment loss	—	—	86	86
	221	637	1,398	2,256
Income (loss) before taxes	**8,738**	**1,863**	**(13,575)**	**(2,974)**

IN THOUSANDS OF CANADIAN DOLLARS

Three months ended June 30, 2025	Canada	US	Corporate	Total
Revenues	9,200	4,336	—	13,536
Direct expenses				
Direct operating costs	1,807	1,187	—	2,994
Depreciation of property & equipment	1,120	927	—	2,047
	2,927	2,114	—	5,041
Gross margin	6,273	2,222	—	8,495
Operating expenses				
General and administrative	1,349	2,026	2,234	5,609
Stock based compensation expense	—	—	879	879
Depreciation of other property and equipment	104	94	77	275
Depreciation of right-of-use assets	268	394	63	725
Loss on disposal of right-of-use assets	4	—	—	4
	1,725	2,514	3,253	7,492
Other expenses				
Finance costs	44	280	207	531
Foreign exchange loss	12	—	—	12
	56	280	207	543
Income (loss) before taxes	**4,492**	**(572)**	**(3,460)**	**460**

IN THOUSANDS OF CANADIAN DOLLARS

Six months ended June 30, 2025	Canada	US	Corporate	Total
Revenues	17,319	7,693	—	25,012
Direct expenses				
Direct operating costs	3,542	1,977	—	5,519
Depreciation of property & equipment	2,123	1,579	—	3,702
	5,665	3,556	—	9,221
Gross margin	11,654	4,137	—	15,791
Operating expenses				
General and administrative	2,501	3,652	4,298	10,451
Stock based compensation expense	—	—	1,459	1,459
Depreciation of other property and equipment	240	94	84	418
Depreciation of right-of-use assets	532	637	175	1,344
Loss on sale of equipment	4	—	—	4
Loss on disposal of right-of-use assets	25	—	—	25
	3,302	4,383	6,016	13,701
Other expenses				
Finance costs	97	294	578	969
Foreign exchange loss	39	—	—	39
	136	294	578	1,008
Income (loss) before taxes	**8,216**	**(540)**	**(6,594)**	**1,082**

The following is a summary of the Company's property and equipment and right-of-use assets by country and for its corporate assets as at June 30, 2026 and June 30, 2025:

As at June 30, 2026	Canada	US	Corporate	Total
Property and equipment	44,674	89,009	4,348	138,031
Right-of-use assets	2,482	9,320	4,083	15,885

As at June 30, 2025	Canada	US	Corporate	Total
Property and equipment	29,426	32,376	920	62,722
Right-of-use assets	1,819	4,636	473	6,928

14. FINANCIAL INSTRUMENTS

The fair value of the Company's financial instruments consisting of cash, accounts, receivable, deposits, accounts payable and accrued liabilities, and debt approximate their carrying value as at June 30, 2026, due to their short-term maturities, floating interest rates and that the interest rates for the debt approximates market interest rates. Debt is measured at amortized cost.

15. SUBSEQUENT EVENTS

Subsequent to the end of the quarter, Company granted 2,100,000 RSUs to officers of the Company under its equity compensation plan. The RSUs vest in three equal tranches annually over a three-year period from the grant date, subject to continued service. The Company will recognize stock based compensation expense over the applicable vesting period commencing on the grant date.