



Consolidated Financial Statements

Intouch Insight Ltd.

Years ended December 31, 2025 and 2024

(Expressed in Canadian Dollars)

Intouch Insight Ltd.
Consolidated Financial Statements
December 31, 2025 and 2024

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The information and representations in these consolidated financial statements are the responsibility of management and have been approved by the Board of Directors. These consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRS Accounting Standards), and, where necessary, reflect management's best estimates and judgments at this time. It is reasonably possible that circumstances may arise which cause actual results to differ.

Intouch Insight Ltd. maintains systems of internal accounting controls, policies and procedures to provide reasonable assurance as to the reliability of the financial records and the safeguarding of its assets.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out these activities primarily through its Audit Committee.

The Audit Committee is comprised of four Directors who are not employees of the Company. The Committee meets periodically throughout the year with management and external auditors to review their respective responsibilities, results of the reviews of internal accounting controls, policies and procedures and financial reporting matters. The external auditors meet separately with the Audit Committee.

The consolidated financial statements have been reviewed by the Audit Committee and approved by the Board of Directors. The consolidated financial statements have been audited by BDO Canada LLP, Chartered Professional Accountants, the external auditor, whose report follows.

April 7, 2026,

"Cameron Watt"

Cameron Watt
Chief Executive Officer

"Cathy Smith"

Cathy Smith
Chief Financial Officer



Independent Auditor's Report

To the Shareholders of Intouch Insight Ltd.

Opinion

We have audited the consolidated financial statements of Intouch Insight Ltd. and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of net income (loss) and comprehensive income (loss), changes in equity, and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of Goodwill and Intangible Assets

Description of the key audit matter

Goodwill and intangible assets with a carrying value of \$5,906,892 before impairment were tested for impairment during the year ended December 31, 2025. An impairment loss of \$1,193,484 was recorded during the year, as detailed in Note 13. Management's accounting policy regarding impairment is included in Note 2(h).



Independent Auditor's Report

Impairment of goodwill and intangible assets is a key audit matter due to the high level of judgement required in assessing the inputs into the valuation models supporting management's assessment of impairment. The most significant judgements incorporated in management's assessment of impairment of the Group's goodwill and other intangible assets include forecasted cash flows, discount rates applied, and the assumptions underlying forecasted growth.

How the key audit matter was addressed in the audit

Our approach to address the matter included the following procedures, among others:

- Evaluated the assessment of the cash-generating units (CGUs) determined by management to be the lowest level of independent cash inflows.
- Tested how management determined the recoverable amount of the goodwill and intangible assets, which include the following:
 - Evaluated the method applied and the value-in-use model.
 - Tested the forecasted cash flows from each CGU, revenue growth rates, and perpetual growth rates by comparing them to current and past performance and current industry, market, and economic trends in order to assess the Group's ability to accurately forecast.
 - With the assistance of professionals with specialized skills and knowledge in the field of valuations, assessed the discount rate applied.
 - Tested underlying data in the value-in-use model.

Other Information

Management is responsible for the other information. The other information comprises:

- The information, other than the consolidated financial statements and our auditor's report thereon, included in the Annual Report, and
- The information included in the Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



Independent Auditor's Report

We obtained the Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

The Annual Report is expected to be made available to us after the date of the auditor's report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



Independent Auditor's Report

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Independent Auditor's Report

The engagement partner on the audit resulting in this independent auditor's report is Richard Yeghiayan.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Ontario
April 7, 2026

INTOUCH INSIGHT LTD.

Consolidated Statements of Net Income (Loss) and Comprehensive Income (Loss)

Years ended December 31, 2025 and 2024

(in Canadian Dollars)

	Note	2025	2024
Revenue	4	\$ 25,394,364	\$ 28,224,202
Cost of services	5	12,631,407	15,656,698
Gross margin		12,762,957	12,567,504
Operating expenses			
Selling	6	2,413,757	2,153,051
General and administrative	7	7,582,968	7,042,007
Product development	8	1,889,827	1,975,843
Impairment of intangible assets and goodwill	13	1,193,484	461,173
Total operating expenses		13,080,036	11,632,074
Income from operating activities		(317,079)	935,430
Non-operating expenses (income)			
Finance costs	23	355,580	404,736
(Gain) Loss in fair value of contingent consideration payable	15	(55,737)	(1,299,343)
Investment tax credits	24	(65,721)	(269,057)
Net (loss) income before income taxes		(551,201)	2,099,094
Income taxes	24		
Deferred tax (recovery) expense		(105,925)	225,476
Current tax expense		389,235	470,826
NET (LOSS) INCOME AND COMPREHENSIVE (LOSS) INCOME		(834,511)	1,402,792
(Loss) Earnings per share	9		
Basic		\$ (0.03)	\$ 0.05
Diluted		\$ (0.03)	\$ 0.05
Weighted average number of shares - basic		25,616,563	25,525,716
Weighted average number of shares - diluted		25,616,563	25,644,322

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

INTOUCH INSIGHT LTD.

Consolidated Statements of Financial Position

As at December 31, 2025 and 2024

(in Canadian Dollars)

Notes	December 31, 2025	December 31, 2024
ASSETS		
<i>Current Assets</i>		
	\$ 1,599,160	\$ 1,245,793
Cash and cash equivalents		
Trade and other receivables	3,745,968	3,763,140
Contract assets	4,200	334,333
Prepaid expenses	280,696	304,806
Total Current Assets	5,630,024	5,648,072
<i>Non-Current Assets</i>		
Property and equipment	520,199	365,081
Deferred tax assets	25,548	-
Intangible assets	3,528,057	4,199,838
Goodwill	1,185,351	1,761,186
Total Non-Current Assets	5,259,155	6,326,105
TOTAL ASSETS	10,889,179	11,974,177
LIABILITIES		
<i>Current Liabilities</i>		
Bank borrowings	\$ 380,000	\$ -
Trade and other liabilities	1,217,648	1,259,446
Contract liabilities	87,762	163,893
Current portion of long-term debt	581,714	606,204
Current portion of lease liabilities	170,574	170,574
Total Current Liabilities	2,437,698	2,200,117
<i>Non-Current Liabilities</i>		
Long-term debt	885,000	1,591,714
Contingent consideration payable	-	15,001
Deferred tax liabilities	-	80,377
Lease liabilities	364,606	176,001
Total Non-Current Liabilities	1,249,606	1,863,093
TOTAL LIABILITIES	3,687,304	4,063,210
SHAREHOLDERS' EQUITY		
Share capital	7,278,916	7,272,952
Contributed surplus	2,149,397	2,029,942
Deficit	(2,226,438)	(1,391,927)
TOTAL SHAREHOLDERS' EQUITY	7,201,875	7,910,967
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	10,889,179	11,974,177

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ON BEHALF OF THE BOARD

"Eric Beutel" Director
Eric Beutel

"W. David Oliver" Director
W. David Oliver

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

INTOUCH INSIGHT LTD.

Consolidated Statements of Changes in Equity

Years ended December 31, 2025 and 2024

(in Canadian Dollars)

		Number of Common Shares	Share Capital	Contributed Surplus	Retained Earnings (Deficit)	Total Equity
	Note					
Balance as at January 1, 2024	20	25,515,594	\$ 7,227,691	\$ 1,864,083	\$ (2,794,719)	\$ 6,297,055
Issuance of share capital from the exercise of share options	21	88,231	45,261	(21,386)	-	23,875
Share-based compensation		-	-	187,245	-	187,245
Net income and comprehensive income		-	-	-	1,402,792	1,402,792
Balance as at December 31, 2024	20	25,603,825	\$ 7,272,952	\$ 2,029,942	\$ (1,391,927)	\$ 7,910,967
Issuance of share capital related to the exercise of share options	21	105,693	59,403	(38,403)	-	21,000
Share-based compensation		-	-	157,858	-	157,858
Repurchase and cancellation of shares per Normal Course Issuer Bid	20	(126,500)	(53,439)	-	-	(53,439)
Net loss and comprehensive loss		-	-	-	(834,511)	(834,511)
Balance as at December 31, 2025		25,583,018	\$ 7,278,916	2,149,397	\$ (2,226,438)	\$ 7,201,875

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

INTOUCH INSIGHT LTD.

Consolidated Statements of Cash Flows

Years ended December 31, 2025 and 2024

(in Canadian Dollars)

	Note	2025	2024
Cash flows from operating activities			
Net income (loss)		\$ (834,511)	\$ 1,402,792
Adjustments for non-cash items:			
Amortization of property and equipment	12	170,038	187,358
Amortization of intangible assets	13	436,206	452,144
Allowance for (recovery of) doubtful accounts		70,437	(13,174)
Finance costs	23	355,580	404,736
Impairment of intangible assets and goodwill	13	1,193,484	461,173
Loss (gain) in fair value of contingent consideration	15	(55,737)	(1,299,343)
Share-based compensation	20, 21	157,858	187,245
Loss (gain) on disposal of property and equipment		-	(32,015)
Deferred tax expense (recovery)	24	(105,925)	225,476
Net change in non-cash operating working capital	22	183,051	265,627
Net cash flows from operating activities		1,570,481	2,242,019
Cash flows from financing activities			
Net proceeds (repayments) from/to bank borrowings		\$ 380,000	\$ (550,000)
Issuance of share capital net of cash issue costs	20	21,000	23,875
Repurchase of share capital		(53,439)	-
Repayment of short-term debt		-	(181,777)
Rrepayment of long-term debt	17	(731,204)	(478,082)
Payment of lease liabilities	18	(131,376)	(145,437)
Repayment of contingent consideration payable	15	-	(209,005)
Foreign exchange loss (gain) on financing activities		(264)	57,663
Finance costs paid	23	(355,580)	(404,736)
Net cash flows from (used in) financing activities		(870,863)	(1,887,499)
Cash flows from investing activities			
Purchase of assets of ClearPoint	15	(341,075)	-
Purchase of property and equipment	12	(5,176)	(6,862)
Net cash flows from (used in) investing activities		(346,251)	(6,862)
NET INCREASE IN CASH		353,367	347,658
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR		1,245,793	898,135
CASH AND CASH EQUIVALENTS, END OF YEAR		\$ 1,599,160	\$ 1,245,793
Additional Information			
Interest paid		215,412	271,032
Income tax paid (recovered) included in operating activities		-	-

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

INTOUCH INSIGHT LTD.
Notes to the Consolidated Financial Statements
Years ended December 31, 2025 and 2024
(in Canadian Dollars)

1. CORPORATE INFORMATION

Intouch Insight Ltd. ("Intouch" or the "Company") is a publicly listed company and is incorporated under the Canada Business Corporations Act. The Company's shares are listed on the TSX Venture Exchange ("TSX-V") under the symbol INX and on the OTC Markets Group ("OTCQX") under the symbol INXS. The address of Intouch's registered office and its principal place of business is 400 March Road, Ottawa, Ontario, Canada K2K 3H4.

Founded in 1992, Intouch and its subsidiaries offer a portfolio of customer experience management (CEM) products and solutions. These include customer surveys, mystery shopping, mobile forms, operational and compliance audits, and event marketing automation solutions.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The following accounting policies have been used throughout all periods presented in the consolidated financial statements.

(a) Statement of compliance

These consolidated financial statements, including comparatives, have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) in effect at the closing date of December 31, 2025.

On April 7, 2026, the Company's Board of Directors approved these consolidated financial statements and authorized them for issue.

(b) Basis of measurement

The consolidated financial statements have been prepared on a going concern basis and primarily on the historical cost basis, except for certain financial instruments and share-based payment arrangements, which are measured at fair value, and lease liabilities, which are measured at amortised cost.

(c) Basis of consolidation

The consolidated financial statements include the accounts of Intouch Insight Ltd., the ultimate parent, and its wholly owned subsidiaries Intouch Insight Inc, and Intouch Insight Corp. Intouch Insight Inc is incorporated in Canada. Intouch Insight Corp. is incorporated in the United States of America and owns all outstanding shares of both Alta360 Research Inc and its sister company ClearPoint Solutions US, Corp (formerly named Ardent Retail Services Inc.). On December 13, 2024, Brand Equity Builders Inc, the former parent company of Alta360 Research Inc and ClearPoint Solutions US, Corp, was dissolved into Intouch Insight Corp. On the same date, Mystery Researchers LLC (dba SeeLevel HX) was also dissolved into Intouch Insight Corp. In June 2025, in conjunction with the purchase of assets, Ardent Retail Services was legally renamed ClearPoint Solutions US Corp.

Subsidiaries are fully consolidated from the date on which control is transferred to the Company until the date on which control ceases.

The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the consolidated statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive loss from the date on which control is obtained.

Cost comprises the fair value of assets given, liabilities assumed, and equity instruments issued. Direct costs of acquisitions are recognised immediately as an expense.

All intercompany transactions and balances have been eliminated. All subsidiaries have a reporting date of December 31.

(d) Functional currency and foreign currency translation

These consolidated financial statements are presented in Canadian dollars, the Company's functional and presentation currency. Balances included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates (the "functional currency").

Transactions in foreign currency are translated into the functional currency using the exchange rate in effect on the transaction date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at the reporting date exchange rate are recognized in net earnings. Non-monetary items measured at historical cost are translated using the exchange rate at the transaction date.

INTOUCH INSIGHT LTD.
Notes to the Consolidated Financial Statements
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(in Canadian Dollars)

The functional currency of Intouch Insight Ltd and Intouch Insight Inc is the Canadian dollar, while the functional currency of Intouch Insight Corp, Alta360 Research Inc, and ClearPoint Solutions US Corp is the American dollar.

The financial statements of subsidiaries that have a functional currency different from that of the Company are translated using the rate in effect at the consolidated statement of financial position date for assets and liabilities, and the monthly average exchange rates during the year for revenues and expenses.

(e) Cash and cash equivalents

Cash represents cash deposits held at financial institutions. Cash equivalents include short-term highly liquid investments of sufficient credit quality that are readily convertible to known amounts of cash and have original maturities of three months or less. Cash and cash equivalents are held at major financial institutions and are subject to credit risk to the extent they exceed federal deposit insurance limits.

(f) Property and equipment

Property and equipment are stated at acquisition cost less accumulated amortization and impairment losses. Amortization is provided over the estimated useful lives of the assets using the following annual rates and terms:

Computer equipment	3 years	Straight-line
Survey tablets	5 years	Straight-line
Furniture and equipment	10 years	Straight-line
Leasehold improvements	Term of the lease	Straight-line
Right of Use assets	Term of the lease	Straight-line

An item of property and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in general and administrative expenses. The asset residual values, useful lives and amortization methods are reviewed at each reporting period and adjusted prospectively if appropriate.

(g) Intangible assets

Intangible assets are comprised of customer relationships, software and trademarks which qualified for recognition as intangible assets in a business combination. They are recognized at historical cost (which corresponds to their fair value at the acquisition date) less accumulated amortization and accumulated impairment losses.

The Company amortizes customer relationships on a straight-line basis between a four-year period and a twelve-and-a-half-year period, software over a three-year period and the trademarks between five and ten years.

The useful lives and residual values are reviewed at each reporting date, taking the nature of the asset and its expected use into account.

(h) Impairment testing of intangible assets, goodwill and property and equipment

Intangible assets and property and equipment are reviewed at each reporting date to determine whether events or changes in circumstances indicate that the carrying amount of the asset or related cash generating unit ("CGU") may not be recoverable. If any indication exists, the asset's or CGU's recoverable amount is estimated.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using an after-tax discount rate. The discount factors are determined individually for each CGU and reflect their respective risk profiles as assessed by management. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets.

In respect of intangible assets and property and equipment, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

INTOUCH INSIGHT LTD.
Notes to the Consolidated Financial Statements
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(in Canadian Dollars)

Goodwill represents the excess of the price paid for the acquisition of an entity over the fair value of the net identifiable tangible and intangible assets and liabilities acquired. Goodwill is allocated to the CGU(s) to which it relates.

Goodwill is measured at historical cost and evaluated for impairment at each reporting date. Impairment is determined for goodwill by assessing if the carrying value of a CGU, including the allocated goodwill, exceeds its recoverable amount determined as the greater of the estimated fair value less costs to sell and the value in use. Impairment losses recognized in respect of a CGU are first allocated to the carrying value of goodwill and any excess is allocated to the carrying amount of assets in the CGU. Any goodwill impairment is recorded in income in the period in which the impairment is identified. Any impairment loss in respect of goodwill is not reversed.

There were \$1,193,484 in impairment losses recognized for the year ended December 31, 2025, with \$273,574 recognized for intangible assets, and \$919,910 recognized for goodwill (December 31, 2024- \$461,173 for goodwill).

(i) Revenue recognition

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for the products or services. The Company's contracts often include multiple products and services, which are generally capable of being distinct and accounted for as separate performance obligations.

Nature of services

The Company's hosted software-as-a-service ("SaaS") application, which allows customers to use hosted software over the contract period without taking possession of the software, is provided on a subscription basis, and recognized ratably over the contract period, commencing on the date an executed contract exists and the customer has the right-to-use and access the platform.

The Company's services revenues are provided for data collection, reporting and analysis purposes. Services included vary from providing data collection units for use in the field or independent contractors to visit client locations for the completion of a survey. Revenue for these services is recognized over the period in which the services are performed, as the client simultaneously receives and consumes the benefits of these services.

Professional services are provided for the implementation and configuration of hosted software and ongoing technical services and training. For professional services contracts billed on a fixed price basis, revenue is recognized over time based on the proportion of services performed. Any one-time professional fees for implementation are billed once the services have been provided in full.

Revenue from support services provided to clients on the hosted SaaS application is recognized over the term of the support services agreement.

The Company further elects to apply the practical expedient to not adjust the total consideration over the contract term for the effect of a financing component if the period between the transfer of services to the client and the client's payment for these services is expected to be one year or less.

The timing of revenue recognition often differs from contract payment schedules, resulting in revenue earned but not billed. These amounts are included in contract assets. Contract liabilities are recorded when a customer is invoiced before performance and funds received.

In obtaining these contracts, the Company incurs several incremental costs, such as commissions paid to sales staff. As the amortization period of these costs, if capitalized, would be less than one year, the Company uses the practical expedient in IFRS 15.94 and expenses them as they are incurred.

(j) Leases

At the inception of a lease contract, the Company assesses whether the contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the beginning of the lease. This is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The Company then amortizes this right-of-use asset to the earlier of the end of the useful life of the right-of-use asset or the lease term using the straight-line method as this most closely reflects the expected pattern of consumption of the future economic benefits. The lease period includes periods covered by an option to extend if the Company is reasonably certain to exercise that renewal option. Furthermore, the Company assesses for potential impairment losses at each reporting period.

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(in Canadian Dollars)

The Company initially measures the lease liability at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company uses the incremental borrowing rate. The Company adjusts the balance at each reporting period using the effective interest method. The lease liability may also be remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in management's estimate of the amount expected to be payable under a residual value guarantee, or if management changes its assessment of whether it will exercise a purchase, extension, or termination option. If remeasured, a corresponding adjustment is also made to the carrying amount of the right-of-use asset, or is recorded in the net earnings if the carrying amount of the right-of-use asset has been reduced to zero.

As permitted under IFRS 16, the Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. For these short-term leases, the Company recognizes the lease payments as an expense on a straight-line basis over the lease term.

The right of use assets and lease obligations recognized relate to the Company's office leases in: Ottawa, Ontario, Canada, and Toledo, Ohio, USA.

Management has estimated the Company's incremental borrowing rate at 5.95% per annum for discounting purposes for the Ottawa lease, and 10% for the Toledo lease.

(k) Equity

Share capital represents the amount received for shares that have been issued less transaction costs directly attributable to the issuance of common shares net of any related income tax benefits.

Contributed surplus within equity, includes amounts in connection with stock-based compensation as well as expired or forfeited warrants.

Deficit includes all current and prior period earnings (losses).

(l) (Loss) earnings per share

The Company presents basic and diluted (loss) earnings per share ("EPS") data. Basic EPS is calculated by dividing the net (loss) earnings attributable to the shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted EPS is determined by adjusting the net (loss) earnings attributable to shareholders and the weighted average number of shares outstanding, for the effects of all potential dilutive shares.

(m) Share-based compensation

The Company accounts for share-based compensation arrangements using the fair value method of accounting. When employees are rewarded using share-based payments, the fair value of employees' services is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is measured at the grant date.

The share-based compensation cost is recorded as an expense in net earnings and credited to contributed surplus.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of awards expected to vest. Estimates are subsequently revised if there is any indication that the number expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior periods if awards ultimately exercised are different to that estimated on vesting.

An award with different vesting dates is considered a separate grant for calculating fair value and the resulting fair value is amortized over the vesting period of the respective grants.

When share options are exercised, any consideration paid by employees is credited to share capital in addition to the amount previously recorded in contributed surplus. The Company's plan does not feature any options for cash settlement.

(n) Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in net loss except for items recognized directly in equity or in other comprehensive loss. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

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Deferred tax is recognized using the liability method in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future and provided that the Company can control the reversal of those differences. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the expected tax rates applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable income against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any tax loss or credit. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable income will be available.

Changes in deferred tax assets or liabilities are recognized as a component of tax recovery or expense in net (loss) income, except where they relate to items that are recognized in other comprehensive (loss) income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive (loss) income or equity, respectively.

(o) Financial instruments

Classification

On initial recognition, the Company determines the classification of financial instruments based on the following categories:

1. Measured at amortized cost
2. Measured at fair value through profit or loss (FVTPL)
3. Measured at fair value through other comprehensive income (FVOCI)

The classification under IFRS 9 is based on the business model under which a financial asset is managed and on its contractual cash flow characteristics. Assets held for the collection of contractual cash flows and for which those cash flows correspond solely to principal repayments and interest payments are measured at amortized cost.

Financial liabilities are measured at amortized cost unless they must be measured at FVTPL (such as derivatives), or if the Company has chosen to evaluate them at FVTPL.

Management has assessed the classification and measurement of the Company's financial instruments as follows:

Financial Instrument	Classification under IFRS 9
Cash and cash equivalents	Amortized cost
Trade and other receivables	Amortized cost
Bank borrowings	Amortized cost
Trade and other liabilities	Amortized cost
Short-term debt	Amortized cost
Long-term debt	Amortized cost
Contingent consideration	FVTPL

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Measurement

Initial recognition – A financial asset or financial liability is initially recorded at its fair value, which is typically the transaction price, plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. In the event that fair value is determined to be different from the transaction price, and that fair value is evidenced by a quoted price in an active market for an identical asset or liability or is based on a valuation technique that uses only data from observable markets, then the difference between fair value and transaction price is recognized as a gain or loss at the time of initial recognition.

Amortized cost – The amount at which a financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit losses. The effective interest method calculates the amortized cost of a financial asset or liability and allocates interest and any transaction costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability to the net carrying amount on initial recognition.

Fair value through profit or loss – Changes in fair value after initial recognition, whether realized or not, are recognized through the consolidated statements of net (loss) income and comprehensive (loss) income. Income arising in the form of interest, dividends, or similar, is recognized through the consolidated statements of net loss and comprehensive loss when the right to receive payment is established, the economic benefits will flow to the Company, and the amount can be measured reliably.

Impairment

In relation to the impairment of financial assets measured at amortized cost, IFRS 9 requires an expected credit loss model. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses (“ECLs”) at each reporting date to reflect changes in credit risk since initial recognition.

The Company has applied the simplified approach for its accounts receivable under IFRS 9 and calculated ECLs based on lifetime expected credit losses considering historical credit loss experience and financial factors specific to the debtors and general economic conditions.

Derecognition

Financial assets – The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset have expired or when contractual rights to the cash flows have been transferred. Gains and losses from the derecognition are recognized in the consolidated net loss and comprehensive loss statements.

Financial liabilities – The Corporation derecognizes a financial liability when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the derecognized financial liability and the consideration paid or payable, including non-cash assets transferred or liabilities assumed, is recognized in the consolidated statements of net loss and comprehensive loss.

(p) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting used for the consolidated financial statements. The Company has determined that it only has one operating and reportable segment.

(q) Critical accounting estimates and judgments

The Company's consolidated financial statements are prepared in accordance with IFRS Accounting Standards recognition and measurement principles that often require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts presented and disclosed in the consolidated financial statements. Management reviews these estimates and assumptions on an ongoing basis based on historical experience, changes in business conditions and other relevant factors as it believes to be reasonable under the circumstances. Changes in facts and circumstances may result in revised estimates, and actual results could differ from those estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Contracts with clients

Contracts with clients often include promises to deliver multiple services. Determining whether such bundled products and services are considered i) distinct performance obligations that should be separately recognized, or ii) non-distinct and therefore should be combined with another good or service and recognized as a combined unit of accounting may require

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significant judgment. In general, the Company's professional services are capable of being distinct as third-party service providers could perform them and do not involve significant customization of the licensed software.

Useful lives of intangible assets

The useful lives of intangible assets have been determined based on management's estimated attrition rates related to the associated asset. Any subsequent change in these estimates would affect the amount of amortization recorded over future periods.

Business combinations

The Company applies the acquisition method to account for business combinations. The consideration transferred for acquiring a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Company. The consideration transferred includes the fair value of any liabilities resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent consideration payables assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are expensed as incurred.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in the consolidated statement of loss and comprehensive loss.

Contingent consideration

The Company measures the contingent consideration in a business combination at the estimated fair value at each reporting date. The fair value is estimated based on the range of possible outcomes and the Company's assessment of the likelihood of each outcome.

Assessing the probability of utilizing deferred tax assets and investment tax credits

Deferred tax assets and investment tax credits are recognized for unused tax losses and credits to the extent that it is probable that taxable income will be available against which the losses can be utilized. These estimates are reviewed at every reporting date. Information about assumptions and estimation based upon the likely timing and the level of the reversal of existing timing differences, future taxable income and future tax planning strategies, is included in Note 24. The tax rules in the numerous jurisdictions in which the Company operates are also considered.

Impairment

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases.

In assessing impairment, Management estimates the recoverable amount of each asset or cash-generating unit (CGU) based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate (see Note 2(h)).

Assets are grouped into CGUs at the lowest level of separately identified cash flows. The determination of a CGU is based on management's judgment and is an assessment of the smallest group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets (see Note 13).

3. RECENT ACCOUNTING PRONOUNCEMENTS AND FUTURE CHANGES IN ACCOUNTING POLICIES

Accounting Standards and Amendments Issued But Not Yet Effective

The following new standards and amendments to standards have been issued but are not yet effective for the year ended December 31, 2025 and have not been early adopted by the Company.

Amendments to IFRS 9, Financial Instruments, and IFRS 7, Financial Instruments: Disclosures

In May 2024, the IASB issued *Amendments to the Classification and Measurement of Financial Instruments*, which amend IFRS 9 and IFRS 7. The amendments clarify certain requirements related to the derecognition of financial liabilities settled through an electronic payment system, provide additional guidance in assessing the contractual cash flow characteristics of financial assets, including certain instruments with contingent features, and introduce additional disclosure requirements for certain financial instruments. The amendments are effective for annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted.

The Company is currently assessing the impact of adopting these amendments on its consolidated financial statements.

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IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure in Financial Statements, which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces new requirements for the presentation of information in the financial statements, including specified categories and subtotals in the statement of profit or loss, enhanced requirements for aggregation and disaggregation of information, and disclosures relating to management-defined performance measures. While IFRS 18 is not expected to affect the recognition or measurement of items in the consolidated financial statements, it is expected to have an impact on the presentation and disclosure of certain information.

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. Earlier application is permitted.

The Company is currently assessing the impact of adopting this standard on its consolidated financial statements.

4. REVENUE

Geographical revenue

The Company reports its revenue by the geographical location and nature of revenue of its customers. No significant property and equipment are maintained outside of Canada.

	2025	2024
Canada	\$ 5,113,239	\$ 4,918,322
US	20,231,196	23,210,094
Other	49,929	95,786
Total revenue	\$ 25,394,364	\$ 28,224,202

Nature of Revenue

	2025	2024
Software-as-a-service (SaaS) revenue	\$ 1,660,096	\$ 1,647,844
Event marketing automation revenue	2,155,114	1,814,376
Ardent merchandising revenue	-	2,892,411
Merchandising revenue	149,473	-
Recurring services revenue	21,363,769	21,748,548
Non-recurring services revenue	65,912	121,023
Total revenue	\$ 25,394,364	\$ 28,224,202

Timing of Revenue Recognition

	2025	2024
Services transferred over time	\$ 25,328,452	\$ 28,103,179
Services transferred at a point in time	65,912	121,023
Total revenue	\$ 25,394,364	\$ 28,224,202

Major customers

Revenues from specific clients, each with 10% or more of total Company revenues, are summarized as follows:

	2025	2024
Customer 1	\$ 3,808,411	\$ 3,396,259

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Major trade receivables

Trade receivables from specific clients, each with 10% or more of total Company trade receivables, are summarized as follows:

	2025	2024
Customer 1	\$ 416,393	\$ 494,053

The customers presented may not be the same as in the previous table.

5. COST OF SERVICES

During the year ended December 31, 2025, the Company recorded an amortization expense of \$1,901 (2024 - \$2,965) within cost of services. Salaries and benefits charged to cost of services were \$1,548,924 in 2025 compared to \$1,613,638 in 2024.

6. SELLING EXPENSES

Selling expenses for the Company are broken down as follows:

	2025	2024
Salaries and benefits	\$ 1,189,790	\$ 1,232,966
Marketing expenses	873,913	684,122
Travel expenses	237,236	235,963
Consultant fees	112,818	-
Selling expenses	\$ 2,413,757	\$ 2,153,051

7. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses for the Company are broken down as follows:

	2025	2024
Corporate administration	\$ 1,617,246	\$ 1,310,974
Consultant fees	50,241	2,506
Professional fees	368,782	273,204
Public company fees	247,584	280,023
Salaries and benefits ⁽¹⁾	4,289,421	4,717,747
Gain (loss) on disposal of property and equipment	-	(32,291)
Loss (gain) on foreign exchange	334,913	(136,484)
Bad debt expense (recovery)	70,437	(13,174)
Amortization expense	604,344	639,502
General and administrative expenses	\$ 7,582,968	\$ 7,042,007

⁽¹⁾ Share-based compensation (a non-cash item) of \$157,858 (2024 - \$187,245) has been included in Salaries and benefits

8. PRODUCT DEVELOPMENT EXPENSES

Product development expenses for the Company are broken down as follows:

	2025	2024
Salaries and benefits	\$ 2,077,919	\$ 2,006,751
Investment tax credits and other government contributions towards development	(239,092)	(30,908)
Consultant fees	51,000	-
Product development expenses	\$ 1,889,827	\$ 1,975,843

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9. (LOSS) EARNINGS PER SHARE

The calculation of basic and diluted (loss) earnings per share for the relevant periods is based on the following information:

	2025	2024
Weighted average number of common shares - basic	25,616,563	25,525,716
Additions to reflect the dilutive effect of employee stock options	-	118,606
Weighted average number of common shares - diluted	25,616,563	25,644,322

For the year ended December 31, 2025, nil options (2024- 1,700,000) were excluded from the calculation of diluted common shares as their effect would have been anti-dilutive.

10. EMPLOYEE REMUNERATION

Employee remuneration expenses for the Company are broken down as follows:

	2025	2024
Salaries and benefits	\$ 8,948,196	\$ 9,383,857
Share-based compensation	157,858	187,245
Total salaries, benefits and share-based compensation	\$ 9,106,054	\$ 9,571,102

11. TRADE, OTHER RECEIVABLES, CONTRACT ASSETS, AND CONTRACT LIABILITIES

Trade and other receivables consist primarily of trade receivables from billings of services, and sale of software applications, license and user fees as well as other receivables. The Company's standard payment terms range from 30 to 60 days from the date of invoice issuance, negotiated based on transaction specifics and market norms. Contract assets consist of services in process not yet billed.

	As of December 31, 2025	As of December 31, 2024
Trade accounts receivable, gross	\$ 3,764,209	\$ 3,752,251
Provision for expected credit losses	(18,241)	-
Trade accounts receivable, net	3,745,968	3,752,251
Sales taxes recoverable	-	10,889
Other receivables	-	-
Contract assets	4,200	334,333
Trade, other receivables and contract assets	\$ 3,750,168	\$ 4,097,473

Trade receivables past due but not impaired can be shown as follows:

	Trade receivables days past due					Total
	Current	1- 30 days	Over 30 days	Over 60 days		
December 31, 2025	\$ 2,305,179	\$ 768,261	\$ 270,798	\$ 419,971	\$ 3,764,209	
December 31, 2024	\$ 1,946,460	\$ 945,801	\$ 493,109	\$ 366,881	\$ 3,752,251	

	As of December 31, 2025	As of December 31, 2024
1 - 60 days past due	\$ 1,039,059	\$ 1,438,910
Greater than 60 days past due	419,971	366,881
	\$ 1,459,030	\$ 1,805,791

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The gross carrying amount (less the provision for expected losses) is expected to be collected in full within 60 days or less from invoice date.

Management considers that the above-stated financial assets, including those 1-60 days and greater than 60 days, are of good credit quality. See Notes 26 and 27 for a discussion of the Company's credit risk management activities.

The amounts recognized in the consolidated statements of financial position relating to contracts in progress at year-end are determined as follows:

	As of December 31, 2025	As of December 31, 2024
Revenue recognized for the year	\$ 25,394,364	\$ 28,224,202
Less: Billings	25,477,926	28,053,762
	\$ (83,562)	\$ 170,440
Contract assets	\$ 4,200	\$ 334,333
Contract liabilities	\$ 87,762	\$ 163,893

Contract balances

The contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date on services revenues. There was \$nil of impairment on the amount of contract assets as of December 31, 2025 (December 31, 2024 – \$nil). The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the customer.

The contract liabilities primarily relate to the advance consideration received from customers for services, for which revenue is recognized later over time. As of December 31, 2025, the deferred income is \$87,762 (December 31, 2024 – \$163,893). This will be recognized as revenue when the Company transfers control of promised services to those customers, which is expected to occur over the next year.

An amount of \$158,293 recognized in contract liabilities at the beginning of the period has been recognized as revenue for the period ended December 31, 2025 (2024 – \$370,770).

	2025	2024
Balance, beginning of year	\$ 163,893	\$ 376,370
Amounts invoiced and revenue deferred	82,162	158,293
Recognition of deferred revenue included in the balance at the beginning of year	(158,293)	(370,770)
Balance, end of year	\$ 87,762	\$ 163,893

All contracts do not extend beyond one year. Therefore, the amounts are expected to be recognized within the next year.

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12. PROPERTY AND EQUIPMENT

The following tables summarize the changes in the carrying amount of property and equipment:

	Computer Equipment	Survey Tablets	Furniture and Equipment	Leasehold Improvements	Right of Use Assets	Total
Cost:						
At December 31, 2023	\$ 347,977	\$ 1,528,148	\$ 228,825	\$ 197,180	\$ 1,555,977	\$ 3,858,107
Additions	1,449	5,413	-	-	247,213	254,075
Disposals ¹	-	-	(39,439)	-	(986,384)	(1,025,823)
At December 31, 2024	349,426	1,533,561	189,386	197,180	816,806	3,086,359
Additions	5,176	-	-	-	-	5,176
Lease modification – remeasurement ²	-	-	-	-	399,911	399,911
Removal	(329,404)	-	-	-	-	(329,404)
Lease modification – derecognition ²	-	-	-	-	(569,592)	(569,592)
At December 31, 2025	\$ 25,198	\$ 1,533,561	\$ 189,386	\$ 197,180	\$ 647,125	\$ 2,592,450
Accumulated Amortization:						
At December 31, 2023	\$ 330,437	\$ 1,522,980	\$ 193,051	\$ 180,785	\$ 910,139	\$ 3,137,392
Amortization	6,672	2,964	19,265	7,287	151,169	187,357
Disposals ¹	-	-	(32,445)	-	(571,026)	(603,471)
At December 31, 2024	337,109	1,525,944	179,871	188,072	490,282	2,721,278
Amortization	7,525	1,901	9,515	7,286	143,811	170,038
Removal	(329,404)	-	-	-	-	(329,404)
Lease modification – derecognition ²	-	-	-	-	(489,661)	(489,661)
At December 31, 2025	\$ 15,230	\$ 1,527,845	\$ 189,386	\$ 195,358	\$ 144,432	\$ 2,072,251
Carrying amounts:						
At December 31, 2024	\$ 12,317	\$ 7,617	\$ 9,515	\$ 9,108	\$ 326,524	\$ 365,081
At December 31, 2025	\$ 9,968	\$ 5,716	\$ -	\$ 1,822	\$ 502,693	\$ 520,199

1 Part of the termination of the Laval lease, and the termination and renewal of the Toledo lease (Note 18).

2 Part of the renewal of the Kanata lease (Note 18).

All the above assets are pledged as security for debt obligations as identified in Note 19. There were no impairment indicators as of the end of December 2025. Amortization of \$1,901 (2024 - \$2,965) is included in cost of services while an amount of \$168,137 (2024 - \$184,393) is included in general and administrative expenses.

As part of the disposal of the Laval lease (Note 18), furniture and equipment with a cost of \$39,439 and accumulated amortization of \$32,445 was disposed for \$nil proceeds. The right-of-use asset with a cost of \$679,784 and accumulated amortization of \$512,877 was disposed for \$nil proceeds.

On August 31, 2024, the Toledo lease was terminated, and a new lease commenced on September 1, 2024. The right-of-use asset with a cost of \$306,600 and accumulated amortization of \$58,149 was disposed for \$nil proceeds.

On April 1, 2025, the Kanata lease was extended to March 2030. As part of the extension, the existing right-of-use asset with a cost of \$569,592 and accumulated amortization of \$489,661 was remeasured to a cost of \$399,911.

The Company has office leases in Ottawa, Ontario, Canada, and Toledo, Ohio, USA, capitalized as right-of-use assets in line with the requirements of IFRS 16:

- Ottawa, Ontario, Canada has a balance of \$351,475, ending March 2030, with a cost of \$399,911 and accumulated depreciation of \$62,025.
- Toledo, Ohio, USA has a balance of \$164,809, recognized on September 1, 2024, leased for 3 years starting September 1, 2024, including a right to extend for one additional year, with a cost of \$247,214 and accumulated depreciation of \$82,405.

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13. INTANGIBLE ASSETS AND GOODWILL

Cost:	Acquired	Acquired customer	Software	Total intangible	
	Trademarks	relationships		assets	Goodwill
At December 31, 2023	\$ 416,646	\$ 7,367,264	\$ 706,216	\$ 8,490,126	\$ 2,622,770
Additions	-	-	-	-	-
At December 31, 2024	\$ 416,646	\$ 7,367,264	\$ 706,216	\$ 8,490,126	\$ 2,622,770
Additions	\$ -	38,000	-	38,000	344,075
At December 31, 2025	\$ 416,646	\$ 7,405,264	\$ 706,216	\$ 8,528,126	\$ 2,966,845
Accumulated Amortization:					
At December 31, 2023	\$ 192,136	\$ 2,939,792	\$ 706,216	3,838,144	\$ 400,411
Amortization	31,993	420,151	-	452,144	-
Impairment	-	-	-	-	461,173
At December 31, 2024	\$ 224,129	\$ 3,359,943	\$ 706,216	4,290,288	\$ 861,584
Amortization	24,979	411,227	-	436,206	-
Impairment	-	273,574	-	273,574	919,910
At December 31, 2025	\$ 249,108	\$ 4,044,745	\$ 706,216	\$ 5,000,069	\$ 1,781,494
Carrying Amounts:					
At December 31, 2024	\$ 192,517	\$ 4,007,321	\$ -	\$ 4,199,838	\$ 1,761,186
At December 31, 2025	\$ 167,538	\$ 3,360,519	\$ -	\$ 3,528,057	\$ 1,185,351

Amortization expense is recorded in general and administrative expenses (Note 7). The remaining amortization period of the customer relationships ends between December 31, 2026 and March 31, 2036.

Impairment

The Company performed an impairment test for all acquired companies (the separate cash-generating units "CGUs" are: RetailTrack, PerformaLogics/MobilForce, SeeLevel, Alta/Ardent, ClearPoint and Statopex). Each CGU is made up of distinct accounts receivable, accounts payable, and intangible assets and goodwill related to each of the acquired businesses.

The Company's intangible assets consist of customer relationships, software and trademarks. The nature of these assets and their useful lives are described in Note 2(g). The Company has no indefinite-life intangible assets.

The total carrying amount of goodwill and intangibles for these CGUs as of December 31, 2025 is as follows:

CGU:	Intangibles	Goodwill	Total
RetailTrack	\$ 411	\$ -	\$ 411
PerformaLogics and MobilForce	32,071	-	32,071
SeeLevel	1,804,670	841,276	2,645,946
Alta/Ardent	1,656,705	-	1,656,705
ClearPoint	34,200	344,075	378,275
Carrying Value - December 31, 2025	\$ 3,528,057	\$ 1,185,351	\$ 4,713,408

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As of December 31, 2024, the total carrying amount of goodwill and intangibles for these CGUs is as follows:

CGU:	Intangibles	Goodwill	Total
Statopex	\$ 186	\$ -	\$ 186
RetailTrack	904	-	904
PerformaLogics and MobilForce	64,143	-	64,143
SeeLevel	2,026,630	841,276	2,867,906
Alta/Ardent	2,107,975	919,910	3,027,885
Carrying Value - December 31, 2024	\$ 4,199,838	\$ 1,761,186	\$ 5,961,024

Recoverable Amount of CGUs

The recoverable amount of each significant CGU was determined based on value-in-use calculations, as these were higher than fair value less costs of disposal. These calculations cover detailed four to five-year forecasts based on past financial results and the Company's assessment of the future performance of each CGU.

The key assumptions used in the value-in-use calculations are as follows:

- Perpetual growth rate of 2%.
- After-tax discount rates applied to the CGUs are as follows:
 - Alta/Ardent: 19.65%
 - SeeLevel: 27.82%
 - PerformaLogics/MobilForce: 33.17%
 - ClearPoint: 30.55%

Impairment Review

In 2025, the Company recognized an impairment loss of \$1,193,484 related to the Alta/Ardent CGU as a result of the loss of a specific client program. The impairment loss was recognized in the statement of net (loss) income and comprehensive (loss) income.

In 2024, the Company recognized impairment losses totaling \$461,173, comprised of \$163,211 related to the SeeLevel CGU and \$297,962 related to the Alta/Ardent CGU, each as a result of the loss of a specific client program. These impairment losses were recognized in the statement of net income (loss) and comprehensive income (loss).

There were no impairment reversals recognized in 2025 or 2024.

There were no changes in the composition of the Company's CGUs, no changes in the aggregation of assets within those CGUs, and no changes in reportable segments during the year.

For CGUs with significant carrying amounts of goodwill relative to the Company's total carrying amount of goodwill, the carrying amount of goodwill allocated, the carrying amount of indefinite-life intangible assets allocated, and the basis on which recoverable amount was determined were as follows:

	Goodwill	Indefinite-life intangible assets	Recoverable amount basis
SeeLevel	\$ 841,276	\$ -	Value in use
ClearPoint	344,075	-	Value in use
Total	\$ 1,185,351	-	

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Comparative information as of December 31, 2024 was as follows:

	Goodwill	Indefinite-life intangible assets	Recoverable amount basis
SeeLevel	\$ 841,276	\$ -	Value in use
Alta/Ardent	919,910	-	Value in use
Total	\$ 1,761,186	-	

14. ACQUISITION OF ASSETS OF CLEARPOINT SOLUTIONS US, LLC

On July 3, 2025, the Company closed the acquisition (the Acquisition) of the assets of ClearPoint Solutions US, LLC (ClearPoint). ClearPoint is a merchandising company specializing in in-store services such as merchandising and re-branding since 2022. The definitive agreement was signed on June 16, 2025.

The purchase price for the Acquisition is approximately US\$250,000 in cash of which, US\$250,000 was payable at closing along with a profit-sharing agreement payable over the next four years based on the gross profits of the merchandising business. The Company is financing the Acquisition from its existing cash. No finder's fees are payable by the Company.

This acquisition is in line with the Company's strategic goal of renewing its presence in the merchandising market, creating a new avenue for growth in services revenues.

The purchase consideration comprised the following:

Cash	\$ 341,075
Contingent consideration	41,000
Total purchase consideration	\$ 382,075

The Company allocated the purchase consideration as follows:

Customer Relationships	\$ 38,000
Goodwill	\$ 344,075
Total purchase price	\$ 382,075

Goodwill includes an estimate related to the assembled workforce.

The contingent consideration represents the discounted value of the earn-out.

For the post-acquisition period in 2025, ClearPoint contributed revenue of \$120,296 and \$157,676 in net losses to the Company's consolidated results. Had the acquisition occurred on January 1, 2025, management estimates that the Company's proforma consolidated revenue would have increased by \$562,425 and the net losses would have increased by \$316,328 for 2025.

15. CONTINGENT CONSIDERATION

As part of the acquisition of BEB and its subsidiaries Alta and Ardent, future consideration is payable over four years following the closing, based on a percentage of Alta customer experience revenues from existing and identified prospective customers. The first US\$3 million of annual eligible revenues are exempt from contingent consideration. Between US\$3 million and US\$5 million of annual eligible revenues, the percentage for the contingent consideration is 20%. For annual eligible revenues over US\$5 million, the percentage is 10%. An additional contingent consideration of 50% of gross profits, modified to 20% of gross profits effective July 1, 2025 from the Ardent or ClearPoint field services business is due over the first 48 months post-acquisition; this was valued at zero at the time of acquisition.

As of December 31, 2025, \$209,005 (2024- \$209,005) of the contingent consideration was paid. In addition, the fair value of the future consideration was \$nil (all non-current). As of December 31, 2024, the fair value of the future consideration was \$15,001 (all non-current).

As part of the acquisition of ClearPoint Solutions US, Corp, future consideration is payable over four years following the closing, based on 50% gross profits. From July 1, 2025 to September 30, 2027 the amount payable is split between the former owners of Ardent Retail Services Inc. and ClearPoint Solutions US Corp., and from October 1, 2027 to July 3, 2029 50% of gross profits are payable to the former owner of ClearPoint Solutions US, Corp.

The Company employs a discounted cash flow model when determining the amount of this future consideration. The duration of the cash flow projections is based on estimates of the revenues to be earned from the customer over the four years following the closing of the acquisition. The probabilities for the estimates equal 100% for each 12 months, and the discount rate is 19.65%.

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As of December 31, 2025, \$nil of the contingent consideration was paid. In addition, the fair value of the future consideration was \$nil (all non-current).

16. TRADE AND OTHER LIABILITIES

	As of December 31, 2025	As of December 31, 2024
Trade payables	\$ 677,359	\$ 635,523
Accrued liabilities and interest payable	540,288	623,923
Total accounts payable and accrued liabilities	\$ 1,217,647	\$ 1,259,446

17. LONG-TERM DEBT

	2025	2024
Promissory Notes	\$ 221,714	\$ 467,918
Long-Term Bank Loan	1,245,000	1,730,000
	\$ 1,466,714	\$ 2,197,918
Less: Current portion	(581,714)	(606,204)
	\$ 885,000	\$ 1,591,714

The following table shows the movement for the long-term debt for 2025:

	Interest Rate	December 31, 2024	Principal Paid	Interest Charged	Interest Paid	December 31, 2025
Promissory Notes	8.5% per annum	\$ 467,918	(246,204)	28,383	(28,383)	221,714
Long-Term Bank Loan	Floating base rate + 0.6% (7.15%)	\$ 1,730,000	(485,000)	113,575	(113,575)	1,245,000
		\$ 2,197,918	(731,204)	141,958	(141,958)	1,466,714

a) Promissory Notes

As of December 31, 2023, the Company has outstanding long-term debt arising from promissory notes issued in connection with the acquisition of BEB on October 1, 2023. The promissory notes have a total principal amount of US\$500,000 (C\$676,000). The annual interest rate is 8.5%, and the term is for 2.75 years.

Monthly payments are on the first of the month and commenced on January 1, 2024. The first payment was interest-only; subsequent payments are blended payments (interest and principal), with the final payment due on October 1, 2026.

As of December 31, 2025, the total outstanding balance is US\$163,990 (C\$221,714), all classified as short-term.

As of December 31, 2024, the total outstanding balance is US\$346,093 (C\$467,918), with US\$182,103 (C\$246,204) classified as short-term, and US\$163,990 (C\$221,714) as long-term.

b) Long-Term Bank Loan

On October 3, 2023, the Company received a long-term loan of \$2 million from a chartered Canadian bank to finance the acquisition of BEB. The annual interest rate is a floating base rate plus 0.6% (December 31, 2025- 6.55% + 0.6% = 7.15%, December 31, 2024- 7.55% + 0.6% = 8.15%), and the term is for 4.75 years.

Repayments are monthly on the 15th of the month and commenced in October 2023. The first six payments were interest-only; subsequent payments are blended payments (interest and principal), with the final payment being a balloon payment plus interest.

The loan agreement includes covenants as detailed in Note 28. As of December 31, 2025, the Company was in compliance with these covenants. However, it is important to note that if the Company breaches any of these covenants, the lender has the right to demand immediate repayment of the outstanding principal, which could have a material impact on the Company's financial position and results of operations.

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18. LEASE LIABILITIES

The Company has the following non-discounted future commitments associated with its office lease liabilities:

	As of December 31, 2025
Less than one year	\$ 170,574
Between one and five years	438,238
More than five years	-
Total lease payments	608,812
Amounts representing interest over the term of the lease	73,632
Present value of net lease payments	535,180
Current portion of lease obligation	\$ 170,574
Non-current portion of lease obligation	\$ 364,606

The following table shows the movement for lease liabilities for 2025:

	December 31, 2025
Balance, January 1, 2025	\$ 346,575
Additions	413,500
Termination of lease	(93,519)
Repayments	(170,574)
Interest portion of repayments	39,198
Ending balance	\$ 535,180

On January 14, 2024, the Company terminated its lease in Laval, Quebec, Canada, with the approval of its landlord. The lease ended on May 31, 2024. Accordingly, the lease liability and its related right-of-use asset (Note 12) were de-recognized on January 14, 2024. The removal of the lease liability resulted in a gain of \$190,030, while the removal of the right-of-use asset resulted in a loss of \$166,907, resulting in a net gain of \$23,123.

On September 20, 2024, the Company terminated its lease in Toledo, Ohio, USA (and signed a new lease on the same date), with the approval of its landlord. The prior lease ended on August 31, 2024, and the new lease began on September 1, 2024. Accordingly, the lease liability and its related right-of-use asset for the old lease (Note 9) were de-recognized on August 31, 2024. The removal of the lease liability resulted in a gain of \$264,613, while the removal of the right-of-use asset resulted in a loss of \$248,452, resulting in a net gain of \$16,161.

On April 1, 2025, the Company extended its lease in Kanata, Ontario, Canada, with the approval of its landlord. The prior lease ends on March 31, 2026, and the new lease begins on April 1, 2026. Accordingly, the lease liability and its related right-of-use asset for the old lease (Note 9) are de-recognized on April 1, 2025, and the new lease is recognized on the same day.

For 2025, \$nil (2024- \$39,019) of lease payments was included in operating expenses as the underlying lease is less than twelve months.

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19. BANK BORROWINGS

a) Credit facilities

As of December 31, 2025, bank borrowings were \$380,000 (2024- \$nil). The Company has credit facilities with a chartered bank that will provide credit facilities up to \$3,000,000 in a demand operating loan at 5.45% (prime plus 1%) [2024 – 6.45% (prime plus 1%)], secured by a general security agreement. The Company was in compliance with its covenants as of December 31, 2025 (2024-compliant). The carrying amounts of any borrowings are a reasonable approximation of fair value.

20. SHARE CAPITAL

Authorized:

The Company's share capital consists of an unlimited number of common shares, without par value. All shares are equally eligible to receive dividends, capital repayment, and represent one vote at the shareholders' meetings.

During the year ended December 31, 2025, the Company issued 105,693 common shares (186,667 less 80,974 redeemed to allow for a cashless exercise) through the exercise of stock options for gross proceeds of \$21,000.

During the year ended December 31, 2024, the Company issued 88,231 common shares (230,000 less 141,769 redeemed to allow for a cashless exercise) through the exercise of stock options for gross proceeds of \$23,875.

On April 22, 2025, the Company announced that it intended to commence a normal course issuer bid ("NCIB") through the facilities of the TSX-V to repurchase, for cancellation up to 1,284,000 common shares of the Company, representing less than 5% of the Company's presently issued and outstanding common shares. The Company received approval from the TSX-V and the Company's lenders and, during 2025, purchased and cancelled 126,500 of its outstanding common shares at between \$0.40 and \$0.45 per share.

21. STOCK OPTION PLAN

The stock option plan applies to directors, officers, employees, and consultants of the Company. The options are granted at the Company's current fair market value of the common shares under terms and conditions determined by the Board of Directors. Under the plan's terms, the options generally vest proportionately over three years and expire five years from the grant date. The Board of Directors can modify vesting periods and expiry dates at the time of option grant. The number of common shares of the Company available under the Amended Stock Option Plan is 3,769,118.

There were 635,000 options issued in 2025 (2024- 790,000). The employee compensation expense related to options vested in fiscal 2025 is \$157,858 (2024- \$187,245). At December 31, 2025, 464,118 common shares (2024- 1,039,118) are reserved for additional options under this plan.

A summary of the status of the Company's issued and outstanding stock options as of December 31, 2025 and December 31, 2024, and changes during the years ended on those dates, is presented below:

	<u>December 31, 2025</u>		<u>December 31, 2024</u>	
	<u>Number of Options</u>	<u>Weighted average exercise price</u>	<u>Number of Options</u>	<u>Weighted average exercise price</u>
Outstanding, beginning of period	2,480,000	\$ 0.47	2,490,000	\$ 0.47
Granted	635,000	\$ 0.41	790,000	\$ 0.46
Exercised	186,667	\$ 0.11	230,000	\$ 0.10
Forfeited	(30,000)	\$ 0.57	(250,000)	\$ 0.49
Expired	(30,000)	\$ 0.47	(320,000)	\$ 0.48
Outstanding, end of period	2,868,333	\$ 0.46	2,480,000	\$ 0.47

The weighted average share price at the date of exercise was \$0.42 (2024 - \$0.48).

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The following table summarizes information about stock options as of December 31, 2025:

Options Outstanding			Options Exercisable
Exercise prices	Number outstanding at December 31, 2025	Weighted average remaining contractual life (years)	Number exercisable at December 31, 2025
\$0.345	588,333	2.48	386,667
\$0.355	50,000	3.83	16,667
\$0.380	10,000	4.27	-
\$0.405	120,000	2.90	79,999
\$0.410	630,000	4.46	1,667
\$0.430	100,000	3.00	33,333
\$0.455	5,000	2.28	3,333
\$0.470	600,000	3.47	199,997
\$0.550	450,000	1.41	450,000
\$0.660	50,000	1.65	50,000
\$0.720	260,000	0.27	260,000
\$0.790	5,000	0.66	5,000
\$ 0.345 to \$ 0.79	2,868,333	2.80	1,486,663

The following table summarizes information about stock options as of December 31, 2024:

Options Outstanding			Options Exercisable
Exercise prices	Number outstanding at Dec 31, 2024	Weighted average remaining contractual life (years)	Number exercisable at Dec 31, 2024
\$0.305	170,000	0.27	170,000
\$0.345	610,000	3.48	203,334
\$0.355	50,000	4.83	-
\$0.405	125,000	3.90	41,669
\$0.410	5,000	4.27	-
\$0.430	100,000	4.00	-
\$0.455	5,000	3.28	1,667
\$0.470	630,000	4.30	30,000
\$0.550	455,000	2.41	303,332
\$0.660	50,000	2.65	33,333
\$0.670	5,000	1.40	5,000
\$0.720	265,000	1.27	265,000
\$0.790	10,000	1.66	10,000
\$ 0.305 to \$ 0.79	2,480,000	3.07	1,063,335

The weighted average exercise price was \$0.51 in 2025 (2024 - \$0.51) for exercisable options.

The Company uses the Black-Scholes model to calculate option values.

The assumptions using the Black-Scholes option pricing model for 2025 were: a weighted average share price and an exercise price of \$0.38-\$0.41, risk free interest rate of 2.65% to 3.25%, volatility of 53% to 63% with no expected dividend yield, 6.4% assumed forfeiture and a five-year estimated life.

The assumptions using the Black-Scholes option pricing model for 2024 were: a weighted average share price and an exercise price of \$0.36-\$0.47, risk free interest rate of 3.10% to 4.00%, volatility of 72% to 90% with no expected dividend yield, 0-40% assumed forfeiture and a five-year estimated life.

The fair value of stock options granted during the year ended December 31, 2025 was \$0.17-\$0.20 (2024 - \$0.21-\$0.29).

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22. CASH FLOW INFORMATION

Net change in non-cash working capital items is comprised of:

	2025	2024
Trade and other receivables	\$ (53,263)	\$ 3,059,825
Contract assets	330,133	(163,411)
Prepaid expenses	24,110	859
Trade and other liabilities	(41,798)	(2,419,169)
Contract liabilities	(76,131)	(212,477)
Net change in non-cash working capital	\$ 183,051	\$ 265,627

23. FINANCE COSTS

Finance costs may be analyzed as follows for the fiscal years ending 2025 and 2024:

	2025	2024
Interest expense on loans and lease liabilities	\$ 215,412	\$ 271,032
Other financial charges	140,168	133,704
Finance costs	\$ 355,580	\$ 404,736

24. INVESTMENT TAX CREDITS AND INCOME TAXES

Research and development expenses

The Company has investment tax credit carry forwards of \$Nil (2024 - \$65,721) which may be utilized to reduce future Canadian taxable income.

The Company recorded \$65,721 (2024 - \$269,057) of investment tax credits which were applied to reduce the Company's taxes owing. The amount was recorded in investment tax credits on the consolidated statements of net income (loss) and comprehensive income (loss).

Deferred tax assets (liabilities) arising from temporary differences and unused tax losses that have been recorded can be summarized as follows:

	As of December 31, 2024	Recognized in net earnings	As of December 31, 2025
Property and equipment	\$ 17,429	\$ 2,914	\$ 20,343
Share issue costs	8,086	2,326	10,412
Intangible assets	(316,658)	71,355	(245,303)
Investment tax credits recoverable	46,415	(46,415)	(0)
Research and development expenditures	(62,240)	44,824	(17,416)
Non-capital losses	63,271	60,876	124,147
Foreign tax credits	163,320	(33,009)	130,311
Other	-	3,054	3,054
	\$ (80,377)	105,925	\$ 25,548

	As of December 31, 2023	Recognized in net earnings	As of December 31, 2024
Property and equipment	\$ (44,300)	\$ 61,729	\$ 17,429
Share issue costs	11,281	(3,195)	8,086
Intangible assets	(474,910)	158,252	(316,658)
Investment tax credits recoverable	219,042	(172,627)	46,415
Research and development expenditures	70,734	(132,974)	(62,240)
Non-capital losses	202,201	(138,930)	63,271
Foreign tax credits	161,051	2,269	163,320
	\$ 145,099	(225,476)	\$ (80,377)

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The major components of deferred tax expense (recovery) can be summarized as follows:

	December 31, 2025	December 31, 2024
Origination and reversal of timing differences	\$ (105,887)	\$ 245,181
Adjustment of prior year deferred taxes	(37)	(19,705)
Tax effect of temporary differences for which no deferred tax assets were recorded	-	-
	\$ (105,925)	\$ 225,476

Tax rate reconciliation

The actual tax provision (recovery) differs from the expected provision (recovery) based on the combined federal and provincial income tax rates for the following reasons:

	As of December 31, 2025	As of December 31, 2024
Income (loss) before income taxes	\$ (551,201)	\$ 2,099,094
Combined Statutory tax rate	26.5%	26.5%
Expected tax expense (recovery)	(146,068)	556,260
Permanent differences	429,942	122,715
Tax rate differences	-	-
Current tax relating to prior years	-	-
Deferred tax relating to prior years	(37)	(19,705)
Effect of temporary differences not recognized as deferred tax assets	-	-
Other	(526)	37,032
	\$ 283,310	\$ 696,302
Income tax comprises:		
Current tax expense	\$ 389,235	\$ 470,826
Deferred tax expense (recovery)	(105,925)	225,476
Total tax expense (recovery)	\$ 283,310	\$ 696,302

The Company also has US losses of \$76,722 US (2024 - \$165,482 US) available to offset future taxable income. These losses have certain annual restrictions and can be carried forward indefinitely.

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25. KEY MANAGEMENT PERSONNEL COMPENSATION

Compensation for key management personnel, including the Company's Officers and Board of Directors, was as follows for the year:

	December 31, 2025	December 31, 2024
Salaries and bonuses	\$ 1,495,442	\$ 1,374,106
Directors' fees	150,000	180,000
Share-based compensation	128,047	136,407
Total Key Management Compensation	\$ 1,773,489	\$ 1,690,513

Salaries and bonuses include cash payments for base salaries and bonuses, as well as accrued bonuses. Directors' fees include meeting fees and retainers. Share-based compensation includes the compensation expense recognized for key management personnel during the year. There were 181,667 stock options exercised by key management personnel in 2025 (2024 – 120,000).

26. FINANCIAL INSTRUMENTS

The table below summarizes the carrying values of the Company's financial assets and financial liabilities:

	December 31, 2025	December 31, 2024
Financial assets:		
At amortized cost		
Cash and cash equivalents	\$ 1,599,160	\$ 1,245,793
Trade and other receivables	3,745,968	3,763,140
Total financial assets	\$5,345,128	\$5,008,933
Financial liabilities:		
At amortized cost		
Bank borrowings	\$ 380,000	-
Trade and other liabilities	1,217,647	1,259,446
Long-term debt	1,466,714	2,197,918
At fair value		
Contingent consideration	-	15,001
Total financial liabilities	\$3,064,361	\$3,472,365

The carrying values of cash and cash equivalents, trade and other receivables, trade and other liabilities, bank borrowings, and short-term debt, approximate their fair values due to their relatively short periods to maturity. The carrying value of long-term debt approximates fair value as the Company's bank loan, which represents the majority of the outstanding balance, bears interest at variable rates (base rate plus a spread) that reflect current market conditions. The remaining balance relates to fixed-rate promissory notes, which are not significant and have a short-term maturity; accordingly, any difference between carrying value and fair value is not considered material.

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27. FINANCIAL RISK MANAGEMENT

The Company has exposure to counterparty credit risk, liquidity risk and market risk associated with its financial assets and liabilities.

The Company's financial instruments and the nature of the risks which they may be subject to are set out in the following table.

	Risks			
	Credit	Liquidity	Market	
			Foreign Exchange	Interest Rate
Cash and cash equivalents	Yes		Yes	
Trade and other receivables	Yes		Yes	
Bank borrowings		Yes		Yes
Trade and other liabilities		Yes	Yes	
Long-term debt		Yes	Yes	Yes
Contingent consideration		Yes	Yes	

Credit risk

Credit risk arises from cash and cash equivalents held with banks, contract assets, and trade and other receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses on financial assets. The Company minimizes the credit risk of cash by depositing with only reputable financial institutions. The Company assesses the credit quality of counterparties, taking into account their financial position, past experience and other factors. The Company is unaware of any collection issue with any trade accounts receivable not currently past due.

Cash and cash equivalents

Cash consists of bank balances. Credit risk associated with cash is minimized substantially by ensuring that these financial assets are invested in Schedule 1 chartered Canadian banks and chartered American banks.

Trade accounts receivables

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over a period of 24 months before December 31, 2025. The historical loss rates are adjusted to reflect current and forward-looking information based on factors affecting the ability of the customers to settle the receivables. The Company has identified the creditworthiness for current and future customers as the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade accounts receivable consist primarily of trade receivables (Note 11) from billings of services performed. The Company's credit risk arises from the possibility that a counterparty which owes the Company money is unable or unwilling to meet its obligations in accordance with the terms and conditions in the contracts with the Company, which would result in a financial loss for the Company.

This risk is mitigated through established credit management techniques, including monitoring counterparties' creditworthiness, setting exposure limits and monitoring exposure against these customer credit limits. The carrying amount of trade accounts receivable is reduced through the use of an allowance for expected credit losses and the amount of the loss is recognized in the consolidated statement of net (loss) income and comprehensive (loss) income in general and administrative expenses. When a receivable balance is considered uncollectible, it is written off against the allowance for expected credit losses. Subsequent recoveries of amounts previously written off reduce general and administrative expenses in the statement of net (loss) income and comprehensive (loss) income.

A significant portion of the Company's sales were to a limited number of customers and consequently the Company is exposed to a concentration of credit risk. The Company defines concentration risk as customers whose outstanding receivable is 10% or greater than the total receivable balance or who represent 10% or greater of total revenue (Note 4).

The Company's exposure with one customer, in the quick service restaurant industry, that fell into this category as of December 31, 2025, on aggregate, accounted for 11% of the Company's total accounts receivable balance.

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The Company's exposure with one customer, in the quick service restaurant industry, that fell into this category as of December 31, 2024, on aggregate, accounted for 13% of the Company's total accounts receivable balance.

As of December 31, 2025, it was determined that an allowance for expected credit losses of \$18,241 was required (2024- \$nil).

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by continuously monitoring forecasts and actual cash flows and taking the necessary actions to maintain enough liquidity for operations and for growth objectives.

The following table details the Company's contractual maturities (including interest payments where applicable) for its financial liabilities as of December 31, 2025 and 2024:

	Within 1 Year	1 to 3 years	3 to 5 years	Total
As of December 31, 2025:				
Bank borrowings	\$ 380,000	\$ -	\$ -	\$ 380,000
Trade and other liabilities	1,217,647	-	-	1,217,647
Long-term debt	\$ 581,714	\$ 885,000	\$ -	\$ 1,466,714
	\$ 2,179,361	\$ 885,000	\$ -	\$ 3,064,361

As of December 31, 2024:

Bank borrowings	\$ -	\$ -	\$ -	\$ -
Trade and other liabilities	1,259,446	-	-	1,259,446
Long-term debt	\$ 606,204	\$ 1,591,714	\$ -	\$ 2,197,918
	\$ 1,865,650	\$ 1,591,714	\$ -	\$ 3,457,364

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the fair value of a financial instrument or its future cash flows.

Foreign exchange

The Company operates in Canada and the United States.

As of December 31, 2025, the Canadian entities' US-dollar net monetary assets totaled approximately US\$1,489,518 (C\$2,041,534) (December 31, 2024 – US\$1,023,709 / C\$1,473,015) and the Company's United States subsidiary's US-dollar net assets totaled approximately US\$1,079,028 (C\$1,478,916) (December 31, 2024 – US\$1,014,572 / C\$1,459,867). A 10% strengthening in the Canadian dollar against the United States dollar as of December 31, 2025 would have decreased net income and decreased shareholders' equity by \$320,041 (December 31, 2024 – a decrease of \$266,626 to net income and shareholders' equity). A 10% weakening would have had the equal but opposite effect. This analysis assumes that all other variables remain constant.

Interest rate

The Company has bank borrowings with interest charged at prime plus 1% (Note 19) on December 31, 2025 and 2024. The Company also has long-term debt with interest charged at a floating base rate plus 0.60% on December 31, 2025 and December 31, 2024 (Note 17).

A 1% increase in the interest rate would result in additional interest of \$20,382 (2024- \$20,874) incurred.

28. CAPITAL MANAGEMENT

The Company manages the capital structure and adjusts it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares, purchase and cancel shares previously issued, return capital to shareholders or sell assets to reduce debt. The Company considers the items included in

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the consolidated statement of shareholders' equity, long-term debt (including current portion but excluding lease liabilities), and net of cash as its capital.

The Company entered into a new agreement on February 1, 2022, amended June 27, 2022, with a Schedule 1 chartered Canadian bank, replacing an agreement from January 9, 2018. This agreement contains certain positive covenants that the Company must meet regarding its bank indebtedness, namely, a minimum fixed charge coverage ratio of 115% as well as adequate accounts receivable to support any operating line draw. The Company was in compliance on December 31, 2025 (December 31, 2024-compliant).

As part of the long-term loan with a chartered Canadian bank (Note 17), the Company must comply with certain positive covenants, namely, a fixed charge coverage ratio of 115%, as well as a funded debt to twelve trailing month EBITDA of 3.5x. The Company was in compliance on December 31, 2025.

The Company is not subject to any statutory capital requirements and has no commitments, other than options and warrants, to sell or otherwise issue common shares.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the company's relative size, is reasonable.

29. CONTINGENCIES

Contingencies

In the normal course of business, the Company is party to claims, the ultimate outcome of which cannot be reasonably estimated at this time. However, management's opinion is that the likelihood of any cash outflow as a result of these matters is remote; therefore, no amounts have been provided for in these consolidated financial statements.

30. SUBSEQUENT EVENTS

On March 26, 2026, the Company refinanced its existing bank loan. Under the terms of the refinancing, the total debt could be increased to \$2.6M with principal repayments deferred until February 2028 and then continue in equal installments of \$30,000 until December 2030, followed by a balloon payment of \$1.55M in January 2031. Interest would be payable monthly at a floating interest rate based on the bank's floating base rate plus 4.25%, currently at 10.8%.