

Reko International Group Inc.

Interim Condensed Consolidated Financial Statements *(unaudited)*

For the six months ended January 31, 2026 and 2025

Notice of No Auditor Review of Interim Condensed Consolidated Financial Statements

The accompanying unaudited condensed interim consolidated financial statements of Reko International Group Inc. for the six months ended January 31, 2026 have been prepared by Management and approved by the Board of Directors on March 5, 2026. The Company's independent auditor has not performed a review of these interim condensed consolidated financial statements, in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

REKO INTERNATIONAL GROUP INC.
UNAUDITED INTERIM CONDENSED CONSOLIDATED BALANCE SHEETS
(in 000's, except for per share amounts)

	January 31, 2026	July 31, 2025
ASSETS		
Current		
Cash	\$ 13,005	\$ 17,996
Accounts receivable	8,501	9,619
Work-in-progress	4,038	3,670
Non-hedging financial derivatives (Note 4)	37	-
Income tax receivable	137	-
Prepaid expenses and other current assets	1,035	825
	26,753	32,110
Capital assets (Note 5)		
Deferred income tax	25,082	24,024
	1,231	790
	\$ 53,066	\$ 56,924
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 4,915	\$ 4,701
Unearned revenue on work-in-progress	224	35
Non-hedging financial derivatives (Note 4)	-	18
Income taxes payable	230	553
Current portion of long-term debt and lease liabilities (Note 6)	1,370	4,139
	6,739	9,446
Long-term debt and lease liabilities (Note 6)		
	4,544	5,264
	11,283	14,710
SHAREHOLDERS' EQUITY		
Share capital (Note 7)	15,958	16,014
Contributed surplus (Note 8)	809	848
Retained earnings	25,016	25,352
	41,783	42,214
	\$ 53,066	\$ 56,924

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

REKO INTERNATIONAL GROUP INC.
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(in 000's, except for per share amounts)

	SHARE CAPITAL	CONTRIBUTED SURPLUS	RETAINED EARNINGS	TOTAL EQUITY
Balance at July 31, 2024	\$ 16,235	\$ 839	\$ 24,307	\$ 41,381
Share based compensation (Notes 7 and 8)	19	11	-	30
Share repurchases (Note 7)	(170)	-	-	(170)
Net income	-	-	400	400
Balance at January 31, 2025	\$ 16,084	\$ 850	\$ 24,707	\$ 41,641
Balance at July 31, 2025	\$ 16,014	\$ 848	\$ 25,352	\$ 42,214
Share based compensation (Notes 7 and 8)	43	(39)	-	4
Share repurchases (Note 7)	(99)	-	-	(99)
Dividends	-	-	(1,097)	(1,097)
Net income	-	-	761	761
Balance at January 31, 2026	\$ 15,958	\$ 809	\$ 25,016	\$ 41,783

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

REKO INTERNATIONAL GROUP INC.
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(in 000's, except for per share amounts)

	For the three months ended		For the six months ended	
	January 31, 2026	January 31, 2025	January 31, 2026	January 31, 2025
Sales	\$ 10,165	\$ 10,786	\$ 19,216	\$ 21,025
Costs and expenses				
Cost of sales	7,696	8,142	14,297	15,388
Depreciation	886	990	1,806	1,986
	8,582	9,132	16,103	17,374
Gross profit	1,583	1,654	3,113	3,651
Selling and administrative	1,181	1,552	2,400	3,046
Income before the following items	402	102	713	605
Foreign exchange loss	362	338	396	731
Other income	(98)	(79)	(194)	(105)
Proceeds of insurance, net	(16)	-	(16)	-
Gain on sale of capital assets	-	(1)	(56)	(1)
Interest on long-term debt and lease liabilities	72	122	145	244
Interest income, net	(59)	(128)	(174)	(243)
	261	252	101	626
Income (loss) before income taxes	141	(150)	612	(21)
Current taxes	380	-	380	-
Deferred income tax recovery	(616)	(463)	(529)	(421)
Income tax recovery	(236)	(463)	(149)	(421)
Net income and comprehensive income	\$ 377	\$ 313	\$ 761	\$ 400
Earnings per common share (Note 9)				
Basic	\$ 0.07	\$ 0.05	\$ 0.14	\$ 0.07
Diluted	0.07	0.05	0.14	0.07

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

REKO INTERNATIONAL GROUP INC.
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(in 000's, except for per share amounts)

	For the six months ended January 31, 2026	For the six months ended January 31, 2025
OPERATING ACTIVITIES		
Net income for the period	\$ 761	\$ 400
Adjustments for:		
Depreciation	1,806	1,986
Income tax provision	(149)	(421)
Interest (income) expense, net	(29)	1
Change in non-hedging financial derivatives	(55)	992
Unrealized foreign exchange loss	(77)	293
Stock-based compensation	4	30
Gain on sale of capital assets	(56)	(1)
	2,205	3,280
Net change in non-cash working capital (Note 14)	175	4,686
Interest received (paid)	29	(1)
CASH PROVIDED BY OPERATING ACTIVITIES	2,409	7,965
FINANCING ACTIVITIES		
Payment of dividends	(1,097)	-
Cost of repurchase of capital stock	(99)	(170)
Repayments of long-term debt and lease liabilities	(3,412)	(800)
CASH USED IN FINANCING ACTIVITIES	(4,608)	(970)
INVESTING ACTIVITIES		
Investment in capital assets	(2,920)	(270)
Proceeds from insurance, net	16	-
Proceeds on sale of capital assets	112	1
CASH USED IN INVESTING ACTIVITIES	(2,792)	(269)
Net change in cash	(4,991)	6,726
Cash, beginning of period	17,996	11,434
Cash, end of period	\$ 13,005	\$ 18,160

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

REKO INTERNATIONAL GROUP INC.
NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(in 000's, except for per share amounts)

1. SIGNIFICANT ACCOUNTING POLICIES

Nature of operations

Reko International Group Inc. (the "Company" or "Reko") is a diversified, technology-driven manufacturing organization located in Southwestern Ontario with areas of expertise including robotic factory automation solutions and precision machining of large, critical parts. The Company, incorporated under the laws of Ontario, has several subsidiaries, which operate or exist in the Province of Ontario in Canada and the State of Michigan in the United States.

Reko is listed on the TSX Venture Exchange under the symbol REKO. The Company's shares are traded in Canadian dollars. The registered head office is located at 469 Silver Creek Industrial Drive, Lakeshore, Ontario, Canada.

All amounts are in thousands and in Canadian dollars, unless otherwise noted.

Statement of compliance

The unaudited interim condensed consolidated financial statements were authorized for issue by the Board of Directors on March 5, 2026.

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

These unaudited interim condensed consolidated financial statements should be read in conjunction with the Company's annual financial statements for the year ended July 31, 2025, which have been prepared in accordance with IFRS as issued by the IASB.

The accounting policies adopted are consistent with the accounting policies and methods as those used in the Company's audited consolidated annual financial statements for the year ended July 31, 2025 except as noted below.

Basis of measurement

These unaudited interim consolidated financial statements were prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value.

Basis of consolidation

These unaudited interim consolidated financial statements represent the accounts of Reko and its subsidiaries. Subsidiaries are entities controlled by the Company. Control exists when Reko has the power, directly or indirectly, to govern the financial and operating policies of an entity and be exposed to the variable returns from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All significant intercompany balances and transactions have been eliminated.

Intragroup balances, and any unrealized gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements.

Reko's subsidiaries are as follows:

Subsidiary	Location	Percentage ownership	Consolidation
Concorde Precision Machining Inc.	Ontario	100%	Full
Reko Automation Group Inc.	Ontario	100%	Full
Reko International Holdings Inc.	Michigan	100%	Full

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REKO INTERNATIONAL GROUP INC.
NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(in 000's, except for per share amounts)

Reko International Services Inc.	Michigan	100%	Full
Concorde USA, LLC	Michigan	100%	Full

2. GEOGRAPHIC INFORMATION

The following information reflects the geographic breakdown of revenues and capital assets based on the physical location of the Company's operations. The Company does not track revenues based on ship to locations.

	Six months ended January 31, 2026	
	REVENUES	CAPITAL ASSETS
Canada	\$ 19,212	\$ 25,082
United States	4	-
	\$ 19,216	\$ 25,082

	Six months ended January 31, 2025	
	REVENUES	CAPITAL ASSETS
Canada	\$ 20,938	\$ 24,139
United States	87	-
	\$ 21,025	\$ 24,139

3. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, accounts receivable, non-hedging financial derivatives, accounts payable and accrued liabilities and long-term debt.

Fair Value

The Company has determined the estimated fair value of its financial instruments based on appropriate valuation methodologies; however, considerable judgment is required to develop these estimates. Accordingly, these estimated fair values are not necessarily indicative of the amounts the Company could realize in a current market exchange. The estimated fair value amounts can be materially affected by the use of different assumptions or methodologies. The methods and assumptions used to estimate the fair value of financial instruments are described below:

Accounts receivable, accounts payable and accrued liabilities

Due to the short period of maturity of the instruments, the carrying values as presented in the consolidated balance sheets are reasonable estimates of fair value.

Fair value hierarchy

The following table provides an analysis of cash, non-hedging financial derivatives and long-term debt that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

REKO INTERNATIONAL GROUP INC.
NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(in 000's, except for per share amounts)

	LEVEL 1	LEVEL 2	LEVEL 3	January 31, 2026
Cash	\$ 13,005	\$ -	\$ -	\$ 13,005
Non-hedging financial derivatives	-	37	-	37
	\$ 13,005	\$ 37	\$ -	\$ 13,042

	LEVEL 1	LEVEL 2	LEVEL 3	July 31, 2025
Cash	\$ 17,996	\$ -	\$ -	\$ 17,996
Non-hedging financial derivatives	-	(18)	-	(18)
	\$ 17,996	\$ (18)	\$ -	\$ 17,978

Non-hedging financial derivatives

The Company's non-hedging financial derivatives are the Company's future forward exchange contracts and are subject to fluctuations in foreign exchange rates between the Canadian and US dollar. The Company's non-hedging financial derivatives are valued based on discounting the future cash outflows associated with the contract based on the closing foreign exchange rate between the Canadian and US dollar.

Long-term debt

The Company's long-term debt of CDN \$2,741 is subject to fixed interest rates. The Company's long-term debt is valued based on discounting the future cash outflows associated with the long-term debt. The discount rate is based on the incremental premium above market rates for Government of Canada securities of similar duration. In each period thereafter, the incremental premium is held constant while the Government of Canada security is based on the then current market value to derive the discount rate.

4. NON-HEDGING FINANCIAL DERIVATIVES

The Company's non-hedging financial derivatives are the Company's future forward exchange contracts and are subject to fluctuations in foreign exchange rates between the Canadian and US dollar. The Company's non-hedging financial derivatives are valued based on discounting the future cash outflows associated with the contract based on the closing foreign exchange rate between the Canadian and US dollar.

The mark-to-market value on these financial instruments as at January 31, 2026 was an unrealized gain of \$37 (July 31, 2025- unrealized loss \$18), which has been recorded in net income for the period.

<i>As at January 31, 2026</i>								
	CURRENCY	NOTIONAL USD EQUIVALENT	FLOOR RATE	CEILING RATE	FORWARD RATE	CONTINGENT NOTIONAL USD	FAIR VALUE ASSET (LIABILITY)	MATURITY
FORWARDS	Sell USD / Buy CAD	\$1,050	NA	NA	1.3895	NA	\$33	0 – 3 months
OPTIONS	Sell USD / Buy CAD	\$200	1.3870	1.3870	NA	\$400	\$4	0 – 4 months

<i>As at July 31, 2025</i>								
	CURRENCY	NOTIONAL USD EQUIVALENT	FLOOR RATE	CEILING RATE	FORWARD RATE	CONTINGENT NOTIONAL USD	FAIR VALUE ASSET (LIABILITY)	MATURITY
OPTIONS	Sell USD / Buy CAD	\$1,625	1.3700	1.4000	NA	\$2,500	(\$18)	0 – 5 months

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NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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5. CAPITAL ASSETS

Capital assets are comprised of:

	LAND	BUILDINGS	MACHINERY AND EQUIPMENT	LEASEHOLD IMPROVEMENTS	EQUIPMENT UNDER CONSTRUCTION	TOTAL
Cost						
Balance at July 31, 2024	\$ 661	\$ 14,922	\$ 61,218	\$ 869	\$ 234	\$ 77,904
Additions	-	-	487	-	2,396	2,883
Transfers	-	-	388	53	(441)	-
Disposals	-	-	(3,604)	-	-	(3,604)
Balance at July 31, 2025	\$ 661	\$ 14,922	\$ 58,489	\$ 922	\$ 2,189	\$ 77,183
Additions	-	-	-	-	2,920	2,920
Transfers	-	-	898	-	(898)	-
Disposals	-	-	(238)	-	-	(238)
Balance at January 31, 2026	\$ 661	\$ 14,922	\$ 59,149	\$ 922	\$ 4,211	\$ 79,865

	LAND	BUILDINGS	MACHINERY AND EQUIPMENT	LEASEHOLD IMPROVEMENTS	EQUIPMENT UNDER CONSTRUCTION	TOTAL
Depreciation						
Balance at July 31, 2024	\$ -	\$ 6,772	\$ 44,716	\$ 561	\$ -	\$ 52,049
Depreciation for the year	-	443	3,373	50	-	3,866
Disposals	-	-	(3,006)	-	-	(3,006)
Impairment	-	-	250	-	-	250
Balance at July 31, 2025	\$ -	\$ 7,215	\$ 45,333	\$ 611	\$ -	\$ 53,159
Depreciation for the period	-	214	1,563	29	-	1,806
Disposals	-	-	(182)	-	-	(182)
Balance at January 31, 2026	\$ -	\$ 7,429	\$ 46,714	\$ 640	\$ -	\$ 54,783
Carrying value						
Balance at July 31, 2025	\$ 661	\$ 7,707	\$ 13,156	\$ 311	\$ 2,189	\$ 24,024
Balance at January 31, 2026	\$ 661	\$ 7,493	\$ 12,435	\$ 282	\$ 4,211	\$ 25,082

Included in the net book value of machinery and equipment are right of use assets of \$3,502 (July 31, 2025- \$3,954).

6. LONG-TERM DEBT AND LEASE LIABILITIES

The long-term debt and lease liabilities are comprised of:

	January 31, 2026	July 31, 2025
Mortgage payable – 5.63% (July 31, 2025 – 5.63%), repayable \$26 monthly including interest, matures April 2038 with an interest rate reset date of April 2026, secured by certain land and building and an assignment of rents on the subject property	\$ 2,741	\$ 2,817
Mortgage payable – 3.06% plus a credit spread (July 31, 2025 – 3.06%), paid in full August 10, 2025	-	2,721
Equipment lease – 2.78%, repayable \$23 USD monthly including interest, due in full January 2027, and secured by the equipment	326	522
Equipment lease – 3.99%, repayable \$19 USD monthly including interest, due in full April 2027, and secured by the equipment	363	526

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REKO INTERNATIONAL GROUP INC.
NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(in 000's, except for per share amounts)

Equipment lease – 5.23%, repayable \$18 USD monthly including interest, due in full June 2029, and secured by the equipment	837	966
Equipment lease – 5.82%, repayable \$30 USD monthly including interest, due in full June 2030, and secured by the equipment	1,647	1,851
	5,914	9,403
Deduct - unamortized finance fees	-	-
- principal portion included in current liabilities	1,370	4,139
Long-term portion	\$ 4,544	\$ 5,264

Repayments on committed facilities are scheduled as follows:

YEAR		
Next 12 months	\$	1,370
2 years		811
3 years		797
4 years		2,805
5 years		131
Thereafter		-
Balance of obligation	\$	5,914

7. SHARE CAPITAL

Share capital is comprised of:

	Authorized	Issued Shares	Amount
Class A preference shares	Unlimited	Nil	\$ -
Class B preference shares	Unlimited	Nil	-
Common shares – no par value	Unlimited	5,485,013	\$ 15,958

Share capital transactions during the period were as follows:

	January 31, 2026		July 31, 2025	
	SHARES	AMOUNT	SHARES	AMOUNT
Outstanding, beginning of period	5,499,113	\$ 16,014	5,563,413	\$ 16,235
Transactions during period	(14,100)	(56)	(64,300)	(221)
Outstanding, end of period	5,485,013	\$ 15,958	5,499,113	\$ 16,014

During the six-month period, the Company repurchased and cancelled 25,600 common shares under the normal course issuer bid for a net cost of \$99.

The following table presents the maximum number of shares that would be outstanding if all the dilutive “in the money” instruments outstanding, as at January 31, 2026 were exercised:

Common shares outstanding at January 31, 2026	5,485,013
Stock options	34,000
	5,519,013

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REKO INTERNATIONAL GROUP INC.
NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(in 000's, except for per share amounts)

8. CONTRIBUTED SURPLUS

Contributed surplus is comprised of:

	January 31, 2026	July 31, 2025
Balance, beginning of period	\$ 848	\$ 839
Amounts in respect of exercised stock options	(49)	(4)
Amounts in respect of the share-based compensation	10	13
Balance, end of period	\$ 809	\$ 848

9. EARNINGS PER SHARE

The calculation of basic earnings per share at January 31, 2026 was based on the net loss attributable to common shareholders and a weighted average number of common shares outstanding as follows:

	January 31, 2026	January 31, 2025
Basic earnings per share:		
Net income for the three-month period	\$ 377	\$ 313
Average number of common shares outstanding during the period	5,489,663	5,546,446
Basic earnings per share	\$ 0.07	\$ 0.05

Diluted earnings per share:		
Net income for the three-month period	\$ 377	\$ 313
Average number of common shares outstanding during the period	5,489,663	5,546,446
'In the money' stock options outstanding during the period	34,000	120,200
	5,523,663	5,666,646
Diluted earnings per share	\$ 0.07	\$ 0.05

	January 31, 2026	January 31, 2025
Basic earnings per share:		
Net income for the six-month period	\$ 761	\$ 400
Average number of common shares outstanding during the period	5,489,663	5,554,430
Basic earnings per share	\$ 0.14	\$ 0.07

Diluted earnings per share:		
Net income for the six-month period	\$ 761	\$ 400
Average number of common shares outstanding during the period	5,489,663	5,554,430
'In the money' stock options outstanding during the period	34,000	120,200
	5,523,663	5,674,630
Diluted earnings per share	\$ 0.14	\$ 0.07

REKO INTERNATIONAL GROUP INC.
NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(in 000's, except for per share amounts)

10. STOCK-BASED COMPENSATION

The Company has established a stock option plan for directors, officers, and key employees. The terms of the plan state that the aggregate number of shares which may be issued and sold will not exceed 10% of the issued and outstanding common shares of the Company on a non-diluted basis. The issue price of the shares shall be determined at the time of grant based on the closing market price of the shares on the specified date of issue. Options shall be granted for a period of five years. At the directors' discretion, the vesting progression is 30% in the year of grant, 30% in the second year after grant and 40% in the third year after the grant. Options given to outside directors vest immediately and can be exercised immediately.

As at January 31, 2026, the following options were outstanding:

NUMBER OF OPTIONS	EXERCISE PRICE	EXPIRY
10,000	\$ 4.90	2027
45,000	\$ 4.65	2028
45,000	\$ 4.80	2029
25,000	\$ 4.70	2029
15,000	\$ 4.55	2029
50,000	\$ 3.20	2030
90,000	\$ 3.70	2031

The weighted average of the options is as follows:

	January 31, 2026		January 31, 2025	
	NUMBER OF OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE	NUMBER OF OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE
Outstanding at beginning of period	295,500	\$ 3.91	295,500	\$ 4.03
Expired during the period	(92,000)	3.21	-	-
Issued during the period	90,000	3.20	69,000	3.20
Exercised during the period	(11,500)	2.85	(5,000)	3.20
Cancelled during the period	(2,000)	3.20	(35,000)	3.97
Outstanding at end of period	280,000	\$ 4.11	324,500	\$ 3.87
Exercisable at the end of the period	213,000	\$ 3.20	120,200	\$ 3.80

The description of the method and significant assumptions used during the year to estimate the fair values of options, including the weighted average information, is as follows:

	January 31, 2026	January 31, 2025
Expected life	5 years	5 years
Expected dividends	\$ Nil	\$ Nil
Expected volatility – based on a 60-month historical average	39.16%	35.39%
Risk free rate of return	1.84%	1.35%
Expected forfeiture rate	0%	0%
Total compensation cost recognized in income for stock-based employee compensation awards	\$ 10	\$ 13

REKO INTERNATIONAL GROUP INC.
NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(in 000's, except for per share amounts)

11. RELATED PARTY TRANSACTIONS

Transactions with key management personnel

In addition to their salaries, the Company also provides non-cash benefits to its executive officers and contributes to a post-employment defined contribution benefit plan on their behalf. In accordance with the terms of the plan, executive officers are entitled to receive up to a maximum of 4.0% of base salary. Company contributions under the plan will match 100% of the employee contributions. During the period, the Company expensed contributions of \$90 to the defined contribution plan in Canada for all employees, including key management personnel.

Key management personnel and directors compensation comprised of:

	January 31, 2026	January 31, 2025
Salaries and cash bonuses	\$ 497	\$ 496
Short-term employment benefits	16	23
Post-employment benefits	13	15
	\$ 526	\$ 534

Key management personnel and director transactions

Directors of the Company control 3.7% of the voting shares of the Company. Individuals related to a director own, directly or indirectly, 70.30% of the voting shares of the Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following is management's discussion and analysis of operations and financial position ("MD&A") and should be read in conjunction with the unaudited interim condensed consolidated financial statements for the period ended January 31, 2026 and the audited consolidated financial statements and MD&A for the year ended July 31, 2025 included in our 2025 Annual Report to Shareholders. The unaudited interim condensed consolidated financial statements for the period ended January 31, 2026 have been prepared in accordance with International Financial Reporting Standards ("IFRS"). When we use the terms "we," "us", "our", "Reko", or "Company", we are referring to Reko International Group Inc. and its subsidiaries.

This MD&A contains forward-looking information and forward-looking statements within the meaning of applicable securities laws. We use words such as "anticipate," "plan", "may", "will", "should", "expect", "believe", "estimate" and similar expressions to identify forward-looking information and statements. Such forward-looking information and statements are based on assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments, as well as other factors we believe to be relevant and appropriate in the circumstances. Readers are cautioned not to place undue reliance on forward-looking information and statements, as there can be no assurance that the assumptions, plans, intentions or expectations upon which such statements are based will occur. Forward-looking information and statements are subject to known and unknown risks, uncertainties, assumptions and other factors which may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed, implied or anticipated by such information and statements. These risks are described in the Company's MD&A and, from time to time, in other reports and filings made by the Company with securities regulators.

While the Company believes that the expectations expressed by such forward-looking information and statements are reasonable, there can be no assurance that such expectations and assumptions will prove to be correct. In evaluating forward-looking information and statements, readers should carefully consider the various factors, which could cause actual results or events to differ materially from those indicated in the forward-looking information and statements. Readers are cautioned that the foregoing list of important factors is not exhaustive. Furthermore, the Company disclaims any obligations to update publicly or otherwise revise any such factors of any of the forward-looking information or statements contained herein to reflect subsequent information, events or developments, changes in risk factors or otherwise.

This MD&A has been prepared by reference to the MD&A disclosure requirements established under National Instrument 51-102 "Continuous Disclosure Obligations" ("NI 51-102") of the Canadian Securities Administrators. Additional information regarding Reko International Group Inc., including copies of our continuous disclosure materials, is available on our website at www.rekointl.com or through the SEDAR+ website at www.sedarplus.com.

In this MD&A, reference is made to earned revenue, which is not a measure of financial performance under IFRS. The Company calculates earned revenue as sales less the cost of materials and subcontracting. The Company also references adjusted EBITDA, which is defined as earnings before interest, taxes, depreciation, and amortization, adjusted for certain items that management believes are not indicative of ongoing operational performance. The Company further references adjusted earnings per share ("adjusted EPS"), which represents basic earnings per share excluding items not considered reflective of ongoing operations. The Company includes information on earned revenue, adjusted EBITDA and adjusted EPS because these metrics are used by management to assess performance, and management believes they are also used by certain investors and analysts to evaluate the Company's financial performance. These measures are not necessarily comparable to similarly titled measures used by other companies.

All amounts in this MD&A are expressed in 000's of Canadian dollars, except per share amounts and where otherwise indicated.

This MD&A is current to March 5, 2026

OVERVIEW

Reko International Group Inc. is a diversified, technology-driven manufacturing organization. Our mission is to be a pillar and protector of the North American manufacturing industry. We provide support to manufacturers and producers as their “go-to” supplier of automation equipment and machining services so that they can be more successful.

Reko designs and builds engineered products and solutions for a wide range of customers, including original equipment manufacturers and their tier suppliers, and other industrial manufacturers and contractors. Our capabilities include the design and construction of specialty machines, lean cell factory automation systems, robotics integration, and the high-precision machining of very large, critical components and assemblies. The Company has established a diversified customer base across multiple sectors, including automotive, aerospace, rail, power generation, offsite construction, mining, infrastructure, and capital equipment.

For the transportation and power generation industries, the Company machines customer supplied metal castings to customer indicated specifications. For the automotive industry, the Company conceptualizes, designs and builds innovative solutions to manufacturing challenges, including specialty machines for plastic punch and weld assembly equipment; unique material handling applications; and work cell solutions. Across our target industries, Reko is known for outstanding quality and customer focus and for an unwavering commitment to exceeding customer expectations and deliverables while striving for constant improvement across all our chosen metrics.

Our operations are carried out in three manufacturing plants located on adjacent parcels of land in Lakeshore, Ontario - a suburb of the City of Windsor in Southwestern Ontario.

RECONCILIATION OF NON-IFRS MEASURES

The reconciliation of non-IFRS measures in accordance with IFRS is provided in the following table:

	Three months ended		Six months ended	
	1/31/2026	1/31/2025	1/31/2026	1/31/2025
Sales	\$10,165	\$10,786	\$19,216	\$21,025
Less: Materials	1,958	2,153	3,057	3,846
Sub-contracting	972	843	1,611	1,232
Earned revenue	\$7,235	\$7,790	\$14,548	\$15,947
Income (loss) before income taxes	\$ 141	\$ (150)	\$ 612	\$ (21)
Add: Depreciation	886	990	1,806	1,986
Add: Net interest (income) expense	13	(6)	(29)	1
EBITDA	1,040	834	2,389	1,966
Add: (Gain) loss on change in fair value of foreign exchange contracts	(83)	588	(54)	992
Add: Net FX losses (gains)	445	(250)	450	(261)
Add: Accounts receivable collection and settlement costs	-	98	-	98
Adjusted EBITDA	\$ 1,402	\$ 1,270	\$ 2,785	\$ 2,795
Basic earnings per share as reported	\$ 0.07	\$ 0.05	\$ 0.14	\$ 0.07
Add: Net FX losses (gains)	0.07	0.06	0.07	0.13
Add: Accounts receivable collection and settlement costs	-	0.02	-	0.02
Less: Net adjustments to tax provision	(0.06)	(0.08)	(0.08)	(0.08)
Adjusted earnings per share ⁽¹⁾	\$ 0.08	\$ 0.05	\$ 0.13	\$ 0.15

⁽¹⁾Per-share adjustments of less than one cent have been omitted from the table above, as their impact is not considered to be material

RESULTS OF OPERATIONS

Sales

Sales for the three months ended January 31, 2026 decreased by 5.8%, or \$621, to \$10,165 compared to \$10,786 in the same period of the prior year. The Company recognizes revenue on a percentage-of-completion basis, resulting in sales fluctuations based on the number of projects in progress and their stage of completion as at the reporting date. In the current period, the Company had a lower volume of projects, primarily in the automotive sector, with a greater proportion at earlier stages of completion compared to the prior year, impacting reported sales.

The Company remains focused on stabilizing sales through targeted initiatives while pursuing diversification into new sectors such as offsite construction and infrastructure. At the same time, Reko continues to invest in its long-standing customer relationships, including within power generation, to ensure it can respond to growing demand and evolving needs. Management remains committed to disciplined execution of its strategy, supporting both diversification and the long-term growth of its core markets.

Foreign exchange rate fluctuations between the U.S. dollar and the Canadian dollar remain an inherent risk of the Company's operations. The relatively strong level of the U.S. dollar had a favourable impact on reported sales in the current quarter; however, on a year-over-year basis, the U.S. dollar weakened, resulting in an approximate \$105, or 17%, reduction in reported sales compared to the same quarter of the prior year.

Earned Revenue

Earned revenue is a non-standard IFRS measurement. The Company's explanation of how it measures earned revenue is noted previously. Earned revenue effectively reflects the portion of total revenue available to cover labour expenses and employee compensation, fixed and operating costs, and to generate profit. Management believes it is an effective measure of performance.

For the three months ended January 31, 2026, earned revenue as a percentage of sales remained relatively flat at 71.2%, compared to 72.2% in the same period last year. Despite this consistency, earned revenue declined by \$555, or 7.2%, on a year-over-year basis, reflecting lower sales volumes.

Gross Profit

Gross profit declined by \$71, or 4.3%, to \$1,583 compared to \$1,654 in the same quarter of the prior year. Despite the year-over-year decline in sales, gross profit remained relatively stable, driven by a more favourable sales mix, improved execution on fixed-price contracts, and a more selective go-to-market strategy. Gross profit was further supported by management's proactive cost-reduction initiatives, including a \$280 year-over-year reduction in labour costs, which represented approximately 58% of total fixed cost savings, as management aligned its cost structure with current sales levels.

Selling and Administration

Selling and administrative expenses declined by 23.9% to \$1,181, or 11.6% of sales, compared to \$1,552, or 14.4% of sales in the same quarter of the prior year. The decrease was primarily attributable to a \$175 year-over-year reduction in professional fees, reflecting both non-recurring matters in the prior year and professional fees not applicable to the current period, as well as continued cost management initiatives.

Profitability

EBITDA for the second quarter of fiscal 2026 was \$1,040, compared to \$834 in the same quarter of the prior year. The prior year included a non-cash foreign exchange loss of \$588, compared to a non-cash gain of \$83 in the current quarter, both related to mark-to-market adjustments on foreign exchange contracts outstanding at quarter end. The weakening of the U.S. dollar during the quarter also contributed to net foreign exchange losses of \$445, compared to a gain of \$250 in the same quarter of the prior year, primarily due to balance sheet translation impacts. The prior year also included a \$98 charge related to collection efforts on an accounts receivable owing to the Company's former Tool and Mould division, which did not recur in the current period. Excluding these foreign exchange impacts and the prior-year charge, adjusted EBITDA increased by \$132 year-over-year to \$1,402 from \$1,270, reflecting improved underlying operating performance.

Net income for the three months ended January 31, 2026 was \$377, or \$0.07 per share, compared to \$313, or \$0.05 per share, in the same quarter of the prior year. Included in the current quarter is a \$0.03 per share benefit related to the re-recognition of certain deferred tax assets. In the prior year, earnings included a \$0.08 per share benefit from the initial recognition of certain deferred tax assets. The current quarter also includes a \$0.03 per share recovery of current income taxes arising from an adjustment to the tax provision recorded in the fourth quarter of fiscal 2025, not applicable to the prior year.

Adjusting for the tax-related items, the non-cash foreign exchange movements and the prior-year accounts receivable charge, comparable earnings increased by \$0.03 per share to \$0.08 per share for the quarter, compared to \$0.05 per share in the prior-year period.

LIQUIDITY AND CAPITAL RESOURCES

Cash on hand

As at January 31, 2026, the Company had cash on hand of \$13,005, an increase of \$501 from the first quarter of fiscal 2026. Cash balances held in \$USD were revalued at the reporting date exchange rate of 1.3562, which was approximately \$0.05 lower than the closing rate as at October 31, 2025.

Cash used in investing activities

For the six months ended January 31, 2026, the Company invested \$2,920 in capital assets. Of this amount, \$2,152 relates to deposits on new machinery and equipment that support future growth and improved operational performance through increased capacity and efficiency. Management continues to evaluate financing alternatives to fund these investments while maintaining sufficient liquidity to support ongoing operations.

Credit facilities

Reko has a \$20,000 demand operating facility available. However, based on our current lender defined margining capabilities, borrowings are limited to \$13,357. There were no draws against the operating loan during the quarter and no balances against this facility as at the reporting date. The Company is subject to financial covenant testing on an annual basis at the end of its fiscal year. Based on current expectations, the Company has sufficient operating room with respect to its financial covenants and does not anticipate being in breach at fiscal year-end.

The Company also has an equipment facility available to a maximum of \$7,500 to finance investments in machinery and equipment. There are no outstanding balances against this facility as at the reporting date.

Contractual obligations and off-balance sheet financing

CONTRACTUAL OBLIGATIONS	PAYMENTS DUE BY PERIOD				
	TOTAL	LESS THAN 1 YEAR	2-3 YEARS	4-5 YEARS	AFTER 5 YEARS
Long-term debt	\$ 5,914	\$ 1,370	\$ 1,608	\$ 2,936	\$ -
Lease liabilities	16	9	7	-	-
Total contractual obligations	\$ 5,930	\$ 1,379	\$ 1,615	\$ 2,936	\$ -

Except as disclosed elsewhere in this MD&A, there have been no material changes with respect to the contractual obligations of the Company.

The Company does not maintain any off-balance sheet financing.

Share capital

The Company had 5,485,013 common shares outstanding at January 31, 2026. A total of 280,000 options are outstanding as at quarter end.

Outstanding share data

Designation of security	Number outstanding	Maximum number issuable if convertible, exercisable or exchangeable for common shares
Common Shares	5,485,013	
Stock options exercisable	213,000	
Total (maximum) number of common shares		5,698,013

QUARTERLY RESULTS

The following table sets out certain unaudited financial information for each of the eight fiscal quarters up to and including the second quarter of fiscal 2026, ended January 31, 2026. The information has been derived from the Company's unaudited condensed consolidated financial statements, which in management's opinion, have been prepared on a basis consistent with the audited consolidated financial statements contained elsewhere in the Annual Report for the year ended July 31, 2025, and include all adjustments necessary for a fair presentation of the information presented. Past performance is not a guarantee of future performance, and this information is not necessarily indicative of results for any future period.

	Apr/24	Jul/24	Oct/24	Jan/25
Sales	\$9,606	\$9,019	\$10,238	\$10,786
Net income	(849)	(3,459)	88	313
Earnings per share: Basic	(0.15)	(0.62)	0.02	0.05
Diluted	(0.15)	(0.59)	0.02	0.05
	Apr/25	Jul/25	Oct/25	Jan/26
Sales	\$10,348	\$10,781	\$9,052	\$10,165
Net income	(352)	996	384	377
Earnings per share: Basic	(0.06)	0.18	0.07	0.07
Diluted	(0.06)	0.18	0.07	0.07

INDUSTRY TRENDS AND RISKS

While the Company has increased the level of diversification across industries, sales volumes still have a significant dependence upon the levels of new model releases for cars and light trucks by OEMs and on the construction, expansion or retooling of production facilities and our ability to secure automation programs from them through their Tier suppliers. New model releases in the automotive sector can be impacted by many factors, including general economic and political conditions, interest rates, energy and fuel prices, labour relations issues, regulatory requirements, infrastructure, legislative changes, federal elections, environmental emissions, and safety considerations. The Company's sales levels are also impacted by demand levels in the transportation and power generation sectors. Demand in these areas can be affected by many factors, including general economic and political conditions including upcoming elections, interest rates, energy and fuel prices, regulatory requirements, transportation infrastructure and safety issues.

The economic, industry and risk factors discussed in our Annual Report for the year ended July 31, 2025 remain substantially unchanged in respect to the three months ended January 31, 2026, however, the most significant of these are repeated below.

OPERATIONAL RISK

Current outsourcing and in-sourcing trends

During periods of weakened demand, our customers traditionally revisit outsourcing decisions as a method of maintaining their employment levels. Then, during periods of strong demand, they return to previous levels of outsourcing. As a result of this and other factors, our demand levels will swing with general economic activity related to the industries we serve. Depending on how the current economic climate impacts particular customers, Reko may experience reductions in outsourced work orders.

A shift away from technologies in which the Company is investing

Like our OEM and Tier 1 customers, we continue to invest in technologies and innovations, which the Company believes are critical to long-term growth. Our ability to anticipate changes in technology and to successfully develop and introduce new and enhanced products on a timely basis using such technologies will be a significant factor in our ability to remain competitive. Current technological shifts in the industry would include the application of artificial intelligence, the Internet of Things, integration of additive manufacturing capabilities into our processes and the transition to electric and autonomous vehicles. If there is a movement away from the use of specific

technologies that the Company is focused on developing or someone applies these technologies more quickly or effectively, our costs may not be fully recovered. In addition, if other technologies in which our investment is not as great, or our expertise is not as fully developed emerge as the industry-leading technologies, we may be placed at a competitive disadvantage, which could have a material adverse effect on our profitability and financial condition. Management pays particular attention to the emergence of new technologies and updates our investments in these emerging technologies accordingly.

Diversification of our sales

While we have diversified our customer base in recent years, and continue to attempt to further diversify, we may experience varying degrees of success. The inability to successfully increase our sales to non-traditional customers or the speed upon which we can successfully do so could have an adverse effect on our profitability and financial condition.

Customer Concentration

A significant portion of the Company's sales and accounts receivable are concentrated with a limited number of customers. The loss of, or a significant reduction in business with, any of these customers, or a material deterioration in their financial condition, could adversely affect the Company's sales, results of operations, and financial position.

Challenges successfully competing against suppliers with operations in developing markets

Many of our customers have sought and will likely continue to seek to take advantage of lower operating costs in Mexico, China, India, Southeast Asia, and other developing markets. We continue to investigate opportunities to expand our manufacturing sources, with a view to taking advantage of these lower cost countries. However, we cannot guarantee that we will be able to fully realize such opportunities. The inability to quickly adjust our manufacturing sources to take advantage of opportunities in these markets could harm our ability to compete with competitors and suppliers operating in or from such markets, which could have an adverse effect on our profitability and financial condition.

The consequences of the automotive industry's dependence on consumer spending and general economic conditions

The global automotive industry is cyclical and largely tied to general economic conditions. As our customers revisit their business models and make design changes to existing models and new vehicle introductions, the market for factory automation may decline. Management believes that their diversification strategy, focused on reducing reliance on the automotive industry, will help moderate the impact of potential declines.

Changes in consumer demand for specific vehicles including electric vehicles

The demand for electric vehicles remains volatile, with leading automakers adjusting production schedules in response to affordability constraints, supply chain pressures including battery raw materials, and infrastructure limitations. These adjustments are contributing to softer near-term order backlog, including programs with delayed launches. While only a portion of Reko's sales are tied directly to EV programs, prolonged softness in this segment could reduce vehicle production volumes, affect the financial health of Tier customers, and negatively impact the timing or margins of new contract awards. The Company is responding by monitoring EV program schedules with customers, adjusting product mix where possible, and seeking opportunities in non-EV growth sectors to balance demand risk.

Reliance on key personnel and successfully recruiting talent in critical areas

The success of Reko is dependent on many people including our design engineers, control engineers, machinists, and our management team. The experience and talents of these individuals are a significant factor in the Company's

continued growth and success. While the Company continues to develop appropriate succession plans for these positions, the loss of one or more of these individuals without adequate replacement, or the inability to recruit appropriate talent in a competitive labour market, could have a material adverse effect on the Company's operations and business prospects. Management has implemented several innovative recruitment and retention strategies to effectively reduce the risks in this area.

Shortage of skilled labour in the manufacturing sector

The manufacturing sector is currently facing a significant shortage of skilled labour which has intensified competition for qualified workers, necessitating strategic investments in recruitment and retention efforts which have also adversely impacted the cost of labour. Reko is increasingly focused on upskilling, reskilling and other initiatives to bridge the skills gap and ensure that our operations remain efficient and competitive.

The security of our information technology (IT) system

While the Company has established (and continues to monitor and enhance) security controls and has appropriate employee training in order to protect the Company's IT systems, there is no guarantee that these measures will be effective in preventing unauthorized access or cyberattacks. A significant failure or breach of the Company's IT systems could cause disruption to manufacturing processes; loss, destruction or inappropriate use of data; or result in the theft of intellectual property or confidential information of the Company or its key customers. While the Company carries what it considers to be an adequate amount of cybersecurity insurance coverage and continuously monitors its system, the consequences of these events could have a material adverse effect on the Company, its profitability, and financial condition.

Adoption of Artificial Intelligence (AI) and Related Risks

As the Company explores the integration of artificial intelligence ("AI") technologies into its operations, it recognizes the transformative potential of AI to drive efficiencies across key functions, including process optimization, data analytics, and operational decision-making. However, the implementation of AI may present several challenges, including data security and data inaccuracy which could impact decision-making and operational outcomes. Additionally, the speed of AI adoption, if slower than industry peers, could impact competitive position and overall operational efficiency.

The Company is committed to taking a responsible approach to AI adoption, ensuring that its implementation is both ethical and aligned with best practices for data integrity and security. By closely monitoring advancements in AI technology, the Company will adapt its strategy, as needed, to mitigate risks while maximizing the value derived from AI innovations.

FINANCIAL AND CAPITAL MANAGEMENT RISK

Changes to trade policies and tariffs

The Company is exposed to risks associated with changes in trade policies, including the introduction or escalation of tariffs. As a significant portion of exports are directed to U.S. markets, such measures could reduce competitiveness through higher costs for customers or import restrictions. Canada has announced the removal of many tariffs on U.S. imports qualifying under the Canada–United States–Mexico Agreement ("CUSMA"), although tariffs on steel, aluminum, and automotive products remain in place. In addition, the scheduled CUSMA review in 2026 introduces further uncertainty that may affect customer investment decisions and supply chain dynamics. Management evaluates these developments on an ongoing basis and considers mitigation strategies to limit potential impacts on financial performance.

Pricing pressures and pressures to absorb additional costs

We face significant pricing pressure, as well as pressure to absorb costs related to machine design and program management, as well as other items previously paid for directly by automobile manufacturers and non-automotive OEMs (such as support in remote production facility locations). These pressures are expected to continue. The continuation or intensification of these pricing pressures and pressure to absorb additional costs and assume additional design, engineering, and management responsibilities could have an adverse effect on our profitability and financial condition.

Significant long-term fluctuations in relative currency values

Although our financial results are reported in Canadian dollars, significant portions of our sales are realized in US dollars. Movements in the US dollar against the Canadian dollar affect our profitability. As a result of the purchase of appropriate amounts of forward exchange contracts and options, foreign currency transactions are not fully impacted by movements in exchange rates. Due to this program, our accounting risk (i.e., the risk associated with our foreign exchange balances on our balance sheet at any point in time) is reduced. This program does not necessarily reduce our economic risk (i.e., the risk associated with our foreign exchange balances and potential balances regardless of whether those balances and potential balances are on our balance sheet at any one particular time). Despite these measures, significant long-term fluctuations in relative currency values could have an adverse effect on our profitability and financial condition and any sustained change could adversely impact our competitiveness.

Financial covenants and economic conditions

The Company is subject to financial covenants under its credit facilities, which are calculated on a trailing twelve-month basis. Adverse changes in general economic conditions, including economic slowdowns, inflationary pressures or continued political and trade policy uncertainty could negatively impact earnings, which may affect the Company's ability to maintain compliance with its financial covenants. A breach of covenants, if not cured or waived, could result in the acceleration of repayment obligations and have an adverse effect on the Company's liquidity and financial flexibility. Management actively monitors covenant compliance and believes the Company has adequate financial resources in place to mitigate this risk.

FOREIGN EXCHANGE AND OTHER FINANCIAL INSTRUMENTS

The Company's operating results and cash flows are sensitive to movements in the Canadian dollar relative to the U.S. dollar, given the significant proportion of sales and costs denominated in U.S. currency. More specifically, between 60% and 70% of the Company's sales and 20% of its costs are incurred in US dollars. In addition, the Company maintains certain working capital balances in US funds.

In order to manage a portion of this exposure, the Company enters into financial instruments such as forward contracts and structured foreign exchange options to hedge approximately 50% to 80% of its net exposure. Hedging decisions are based on existing customer contracts, current market conditions, and the Company's past experience. The program is designed to mitigate currency movements over a three-to twelve-month period and is not used for trading or speculative purposes. Contracts are reviewed periodically.

The Company's outstanding structured FX options have predetermined floor and ceiling rates. If the spot rate falls below the floor, the Company must sell the notional amount at the floor rate. If the spot rate exceeds the ceiling, the Company is required to deliver an additional notional amount at the ceiling rate. If the spot rate remains between the floor and ceiling, the option expires worthless, and the Company may transact at prevailing rates at its discretion.

A summary of FFEC's held at a quarter end:

<i>As at January 31, 2026</i>								
	CURRENCY	NOTIONAL USD EQUIVALENT	FLOOR RATE	CEILING RATE	FORWARD RATE	CONTINGENT NOTIONAL USD	FAIR VALUE ASSET (LIABILITY)	MATURITY
FORWARDS	Sell USD / Buy CAD	\$1,050	NA	NA	1.3895	NA	\$33	0 – 3 months
OPTIONS	Sell USD / Buy CAD	\$200	1.3870	1.3870	NA	\$400	\$4	0 – 4 months

<i>As at January 31, 2025</i>								
	CURRENCY	NOTIONAL USD EQUIVALENT	FLOOR RATE	CEILING RATE	FORWARD RATE	CONTINGENT NOTIONAL USD	FAIR VALUE ASSET (LIABILITY)	MATURITY
OPTIONS	Sell USD / Buy CAD	\$6,000	1.3520	1.3755	NA	\$13,000	(\$1,035)	0 – 4 months

The table below presents a comparison between actual foreign exchange rates and Reko's effective rate on its booked FFECs.

	FOR THE THREE MONTHS ENDED JANUARY 31			
	2026		2025	
	ACTUAL	REKO EFFECTIVE RATE	ACTUAL	REKO EFFECTIVE RATE
US Dollar equals Canadian Dollar	1.3910	1.3886	1.4160	1.3520

Foreign currency transactions are recorded at rates in effect at the time of the transaction. Forward exchange contracts are recorded at month-end at their fair value, with unrealized holding gains and losses recorded in foreign exchange gain (loss).

During the quarter, the Company recorded a pre-tax gain of approximately \$83 related to the fair value of its U.S dollar exposures.

NORMAL COURSE ISSUER BID

On January 6, 2025, the Company announced the approval of another normal course issuer bid to purchase up to 276,066 of its outstanding common shares on the TSX Venture Exchange during the twelve-month period commenced on January 9, 2025 and ending on January 8, 2026. A total of 47,800 shares have been purchased and subsequently cancelled under this bid, of which 1,400 shares were purchased during the second quarter of fiscal 2026.

On January 6, 2026, the Company announced the approval of another normal course issuer bid to purchase up to 274,250 of its outstanding common shares on the TSX Venture Exchange during the twelve-month period commenced on January 9, 2026 and ending on January 8, 2027. The 274,250 common shares represent

approximately 5% of the total common shares outstanding. The price that the Company will pay for any such shares will be the market price at the time of acquisition and all shares acquired under the bid will be cancelled by the Company. No shares were purchased under this bid during the quarter.