

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this “**Agreement**”), dated as of March 7, 2025, is entered into between Spectra7 Microsystems Inc., a corporation existing under the laws of the Province of Ontario, Canada (the “**Seller**”), and Parade Technologies, Ltd., an exempted company incorporated under the laws of the Cayman Islands with limited liability (“**Buyer**”). Capitalized terms used in this Agreement have the meanings given to such terms herein, as such definitions are identified by the cross-references set forth in Exhibit A attached hereto.

RECITALS

WHEREAS, Seller is engaged in the business of development, design and sale of semiconductor products, including high speed analog devices (the “**Business**”);

WHEREAS Seller has the following three (3) direct and indirect wholly-owned subsidiaries which own Purchased Assets (as defined below): (i) Spectra7 Microsystems Corp. (“**Corp**”), a corporation incorporated under the laws of the Province of Ontario, Canada which is wholly-owned by Seller; (ii) Spectra7 Microsystems (Ireland) Limited, a corporation incorporated under the laws of Ireland, which is wholly-owned by Seller; and (iii) Spectra7 Microsystems Ltd. a corporation incorporated under the laws of the Delaware, which is wholly-owned by Corp (collectively, the “**Seller Subsidiaries**”), for greater certainty, “Seller Subsidiaries” includes any predecessors to the Seller Subsidiaries that may have previously held Intellectual Property (as defined below); and

WHEREAS, Seller wishes to sell and assign, and cause the Seller Subsidiaries to sell and assign, to Buyer, and Buyer wishes to purchase and assume from Seller and the Seller Subsidiaries, substantially all the assets, and certain specified liabilities, of the Business, subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I PURCHASE AND SALE

Section 1.01 Purchase and Sale of Assets. Subject to the terms and conditions set forth herein, at the Closing, as applicable, Seller and the Seller Subsidiaries shall sell, convey, assign and transfer and deliver to Buyer, and Buyer shall purchase from Seller and the Seller Subsidiaries, as applicable, all of Seller’s and each of the Seller Subsidiaries’ right, title, and interest in, to, and under all of the tangible and intangible assets, properties, and rights of every kind and nature and wherever located (other than the Excluded Assets), which relate to, or are used or held for use in connection with, the Business (collectively, the “**Purchased Assets**”), including the following:

- (a) all cash and cash equivalents;
- (b) all accounts receivable (“**Accounts Receivable**”);

(c) all inventory, finished goods, raw materials, work in progress, packaging, supplies, parts, and other inventories (“**Inventory**”);

(d) all Contracts (the “**Assigned Contracts**”) set forth on Section 1.01(d) of the Disclosure Schedules attached hereto (the “**Disclosure Schedules**”). The term “**Contracts**” means all contracts, leases, licenses, instruments, notes, commitments, undertakings, indentures, joint ventures, and all other agreements, commitments, and legally binding arrangements, whether written or oral;

(e) all furniture, fixtures, equipment, machinery, tools, vehicles, office equipment, supplies, computers, telephones, and other tangible personal property (including leased items), including IT systems and any programs or files residing or stored on or in such systems, as well as web sites, domain names or other infrastructure elements (the “**Tangible Personal Property**”);

(f) all prepaid expenses, credits, advance payments, claims, security, refunds, rights of recovery, rights of set-off, rights of recoupment, deposits, charges, sums, and fees;

(g) all rights under warranties, indemnities, and all similar rights against third parties to the extent related to any Purchased Assets;

(h) all insurance benefits, including rights and proceeds, arising from or relating to the Business, the Purchased Assets, or the Assumed Liabilities;

(i) originals or, where not available, copies, of all books and records, including books of account, ledgers, and general, financial, and accounting records, machinery and equipment maintenance files, customer lists, customer purchasing histories, price lists, distribution lists, supplier lists, production data, quality control records and procedures, customer complaints and inquiry files, research and development files, records, and data (including all correspondence with any federal, state, local, or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any arbitrator, court, or tribunal of competent jurisdiction (collectively, “**Governmental Authority**”)), sales material and records, strategic plans and marketing, and promotional surveys, material, and research (“**Books and Records**”);

(j) all right, title, and interest in and to any Intellectual Property¹ owned by Seller or any Seller Subsidiary and related to the Business, including but not limited to the items listed on Section 1.01(j) of the Disclosure Schedule (the “**Transferred IP**”); and

1. “**Intellectual Property**” means any and all rights in, arising out of, or associated with any of the following in any jurisdiction throughout the world (including registrations, applications, and/or renewals thereof): (a) issued patents and patent applications (whether provisional or non-provisional), including divisionals, continuations, continuations-in-part, substitutions, reissues, reexaminations, extensions, or restorations thereof, and other Governmental Authority-issued indicia of invention ownership; (b) trademarks, service marks, brands, certification marks, logos, trade dress, trade names, and other similar indicia of source or origin, together with the goodwill connected with the use of and symbolized by any of the foregoing; (c) copyrights and works of authorship; (d) internet domain names and social media account or user names (including “handles”), all associated web addresses, URLs, websites and web pages, and all content and

(k) all goodwill and the going concern value of the Purchased Assets and the Business.

Section 1.02 Excluded Assets. Notwithstanding the foregoing, the Purchased Assets shall not include the assets, properties, and rights specifically set forth on Section 1.02 of the Disclosure Schedules (collectively, the “**Excluded Assets**”).

Section 1.03 Assumed Liabilities.

(a) Subject to the terms and conditions set forth herein, Buyer shall assume and agree to pay, perform, and discharge only the following Liabilities of Seller and the Seller Subsidiaries (collectively, the “**Assumed Liabilities**”), and no other Liabilities:

(i) all Liabilities in respect of the Assigned Contracts but only to the extent that such Liabilities thereunder are required to be performed after the Closing Date, were incurred in the ordinary course of business, and do not relate to any failure to perform, improper performance, warranty, or other breach, default, or violation by Seller or the applicable Seller Subsidiary on or prior to the Closing; and

(ii) those Liabilities of Seller and the applicable Seller Subsidiaries set forth on Section 1.03(a)(ii) of the Disclosure Schedules.

For purposes of this Agreement, “**Liabilities**” means liabilities, obligations, or commitments of any nature whatsoever, whether asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured, or otherwise.

(b) Notwithstanding any provision in this Agreement to the contrary, Buyer shall not assume and shall not be responsible to pay, perform, or discharge any Liabilities of Seller or the Seller Subsidiaries of any kind or nature whatsoever other than the Assumed Liabilities (the “**Excluded Liabilities**”). For avoidance of doubt, the Excluded Liabilities include, but are not limited to: (i) all liabilities or obligations in respect of any Excluded Assets, (ii) all liabilities to Seller, each Seller Subsidiary and their respective directors, officers, employees, and Affiliates and (iii) except as provided above with respect to Assumed Liabilities, all liabilities and obligations relating to pre-Closing periods, including, but not limited to, undisclosed liabilities, contingent liabilities, warranty and product or service liability claims for products sold or services rendered or items provided prior to the Closing (whether or not billed as of the date of the Closing), Tax liabilities and obligations, asserted or unasserted claims of third parties, governmental fines or penalties,

data thereon; (e) mask works, (f) industrial designs (g) trade secrets, know-how, inventions (whether or not patentable), discoveries, improvements, technology, business and technical information, databases, data compilations and collections, tools, methods, processes, techniques, and other confidential and proprietary information and all rights therein; (h) computer programs, operating systems, applications, firmware and other code, including all source code, object code, application programming interfaces, data files, databases, protocols, specifications, and other documentation thereof (“**Software**”); (i) rights of publicity; and (j) all other intellectual or industrial property and proprietary rights.

environmental matters, and ERISA and employee matters. All such Excluded Liabilities will remain the responsibility of and will be satisfied by Seller or the applicable Seller Subsidiary. For purposes of this Agreement: (i) “**Affiliate**” of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person; and (ii) the term “**control**” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise.

Section 1.04 Purchase Price.

(a) The aggregate purchase price for the Purchased Assets shall be an amount equal to (i) the sum of \$9,000,000 USD (the “**Purchase Price**”), *less* (ii) any payments made in connection with the Buyer Bridge Loans (together with interest thereon) and/or any subsequent purchase of Seller Assets prior to the Closing Date; *plus* (iii) Buyer’s assumption of the Assumed Liabilities.

(b) On the Closing Date, Buyer shall pay the amount (the “**Closing Payment**”) equal to the Purchase Price less the sum of the Escrow Amount (as defined below); and (ii) the outstanding Buyer Bridge Loans (as defined below) owing on the Closing Date (including interest thereon), by wire transfer to Aird & Berlis LLP, Canadian legal counsel to Seller of immediately available funds in accordance with the wire transfer instructions set forth on Section 1.04 of the Disclosure Schedules.

Section 1.05 Escrow Amount. An amount equal to \$1,800,000 USD (the “**Escrow Amount**”) shall be transferred by Buyer on the Closing Date to Computershare Trust Company of Canada (the “**Escrow Agent**”), and held in an interest-bearing account pursuant to the terms of an escrow agreement (the “**Escrow Agreement**”), with fees to be paid by Seller, to be entered into on or before the Closing Date between Seller, Buyer and the Escrow Agent. The Escrow Amount shall be held for possible claims against Seller under ARTICLE VII. For avoidance of any doubt, the Escrow Amount shall be included in the Purchase Price and any settlement of the Escrow Amount pursuant to the Escrow Agreement in favor of Buyer will be considered a reduction of the Purchase Price under this Agreement.

Section 1.06 Buyer Bridge Funding. Concurrently with the execution of this Agreement by the parties, Buyer shall advance a loan to Seller in the amount of \$450,000 USD, and an additional loan in the amount of \$300,000 USD on the date that is fourteen (14) days following the date of execution of this Agreement (or such other amount as they parties may agree) in order for Seller to maintain its operations and carry on the Business until Closing (collectively, the “**Buyer Bridge Loans**”). The Buyer Bridge Loans shall (i) be made by wire transfer to Seller of immediately available funds in accordance with the wire transfer instructions set forth on Section 1.04 of the Disclosure Schedules; (ii) bear interest at the prevailing prime rate; (iii) shall be secured against the assets of Seller and the Seller Subsidiaries pursuant to a general security agreement in the form of **Exhibit B** attached hereto (the “**Security Agreement**”); and (iv) be credited (including interest) at Closing against the Purchase Price pursuant to Section 1.04(b). In the event that the transactions contemplated by this Agreement are not completed or this Agreement is terminated,

such loan shall be immediately repayable by Seller or, at the Buyer's election, shall automatically entitle Buyer to the assets secured pursuant to the Security Agreement as per its terms, in which case Seller shall take all actions necessary to immediately effectuate the transfer of such assets, and Buyer shall be authorized to file the Assignment and Assumption Agreements with appropriate authorities.

Section 1.07 Allocation of Purchase Price. The Purchase Price and the Assumed Liabilities shall be allocated among the Purchased Assets for all purposes (including Tax (as hereinafter defined) and financial accounting) as shown on the allocation schedule set forth on Section 1.05 of the Disclosure Schedules (the "**Allocation Schedule**"). Buyer and Seller shall file all returns, declarations, reports, information returns and statements, and other documents relating to Taxes (as hereinafter defined) (including amended returns and claims for refund) ("**Tax Returns**") in a manner consistent with the Allocation Schedule.

Section 1.08 Withholding Tax. Buyer and Seller have not identified any withholding Taxes that Buyer is required to withhold from the Purchase Price. Notwithstanding any other provision in this Agreement, in the event it is later determined any Taxes should have been withheld by Buyer from the Purchase Price, Seller and Seller Subsidiaries shall indemnify Purchaser for all such Taxes.

Section 1.09 Third-Party Consents. To the extent that Seller's rights under any Purchased Asset may not be assigned to Buyer without the consent of another Person which has not been obtained, this Agreement shall not constitute an agreement to assign the same if an attempted assignment would constitute a breach thereof or be unlawful, and Seller, at its expense, shall use its best commercially reasonable efforts to obtain any such required consent(s) as promptly as possible. If any such consent shall not be obtained or if any attempted assignment would be ineffective or would impair Buyer's rights under the Purchased Asset in question so that Buyer would not in effect acquire the benefit of all such rights, Seller, to the maximum extent permitted by Law (as defined below) and the Purchased Asset, shall act after the Closing as Buyer's agent in order to obtain for it the benefits thereunder and shall cooperate, to the maximum extent permitted by Law and the Purchased Asset, with Buyer in any other reasonable arrangement designed to provide such benefits to Buyer.

ARTICLE II CLOSING AND ASSOCIATED COVENANTS

Section 2.01 Closing. Subject to the terms and conditions of this Agreement, the consummation of the transactions contemplated by this Agreement (the "**Closing**") shall take place at 12:00 (noon) Pacific time on the second (2nd) Business Day after the date on which the last of the conditions to Closing set out in Section 2.04 is satisfied or so waived (or at such other place, at such other time and/or on such other date as Seller and Buyer may agree) (the "**Closing Date**") at the offices of Parade Technologies, Ltd., c/o Parade Technologies, Inc., 2720 Orchard Parkway, San Jose, CA 95134, or remotely by exchange of documents and signatures (or their electronic counterparts), or in such other manner as Seller and Buyer may mutually agree upon in writing. The term "**Business Day**" shall mean each day other than a Saturday, Sunday, a statutory holiday in the City of Toronto or San Jose, California or any day on which the principal chartered banks

located in the City of Toronto or San Jose, California are not open for business during normal banking hours.

Section 2.02 Closing Deliverables.

(a) At the Closing, Seller shall deliver to Buyer the following:

(i) a bill of sale in the form of **Exhibit C** attached hereto (or otherwise in form and substance satisfactory to Buyer, acting reasonably) (the “**Bill of Sale**”) and duly executed by Seller and each applicable Seller Subsidiary, transferring the Tangible Personal Property included in the Purchased Assets to Buyer;

(ii) an assignment and assumption agreement in the form of **Exhibit D** attached hereto (or otherwise in form and substance satisfactory to Buyer, acting reasonably) with respect to the Transferred IP (the “**Assignment and Assumption Agreement**”) and duly executed by Seller and each applicable Seller Subsidiary, effecting the assignment to and assumption by Buyer of the Purchased Assets and the Assumed Liabilities;

(iii) a copy of the Escrow Agreement duly executed by Seller;

(iv) a certificate of the CEO (or equivalent officer) of Seller certifying as to (A) the resolutions of the board of directors and the shareholders of Seller, which authorize the execution, delivery, and performance of this Agreement, the Bill of Sale, the Assignment and Assumption Agreement, and the other agreements, instruments, and documents required to be delivered in connection with this Agreement or at the Closing (collectively, the “**Transaction Documents**”) and the consummation of the transactions contemplated hereby and thereby, and (B) the names and signatures of the officers of Seller and the Seller Subsidiaries authorized to sign this Agreement and the other Transaction Documents; and

(v) such other customary instruments of transfer or assumption, filings, or documents, in form and substance reasonably satisfactory to Buyer, acting reasonably, as may be required to give effect to the transactions contemplated by this Agreement.

(b) At the Closing, Buyer shall deliver to Seller the following:

(i) the Closing Payment;

(ii) the Assignment and Assumption Agreement duly executed by Buyer;

(iii) a copy of the Escrow Agreement duly executed by Buyer;

(iv) a certificate of the CEO (or equivalent officer) of Buyer certifying that each of the conditions set out in Section 2.04(b)(ii) and Section 2.04(b)(iii) have been satisfied; and

(v) a certificate of the Secretary (or equivalent officer) of Buyer certifying as to (A) the resolutions of the board of directors of Buyer, which authorize the execution, delivery, and performance of this Agreement and the Transaction Documents and the consummation of the transactions contemplated hereby and thereby, and (B) the names and signatures of the officers of Buyer authorized to sign this Agreement and the other Transaction Documents.

(c) At the Closing, Buyer shall transfer the Escrow Amount to the Escrow Agent, to be held in Escrow pursuant to the terms of the Escrow Agreement.

Section 2.03 Pre-Closing Covenants. Between the signing of this Agreement and the Closing Date, Seller covenants and agrees as follows:

(a) the Business will be operated in the ordinary course and no Material Adverse Change (as defined below) will have occurred;

(b) the Assets will be preserved in full and will not be materially diminished in value, impaired, encumbered, or sold or otherwise transferred to any party other than Buyer;

(c) there will be no distributions or other payments to or transactions with the shareholders of Seller or other Affiliates;

(d) Except with respect to the Buyer Bridge Loans, Seller will not incur any material debt or create any encumbrances to the Assets or the Business without the advance written consent of Buyer;

(e) Seller shall use its best commercially reasonable efforts to (i) call and hold a meeting of its shareholders by no later than April 30, 2025 to approve the transactions contemplated by this Agreement, and to obtain such approval as required by applicable Law and the policies of the TSX Venture Exchange (the “**Seller Shareholder Approval**”); and (ii) obtain the conditional approval of the TSX Venture Exchange for the transactions contemplated by this Agreement (the “**Exchange Approval**”);

(f) Seller shall file a request to record, and provide evidence of the filing of such request, of assignments, name changes and/or similar official submissions in all relevant Patent Offices to establish that Seller and/or Seller Subsidiaries as appropriate are owners of all patents or patent applications that are currently recorded or otherwise officially identified as owned by a Seller or Seller Subsidiary predecessor (e.g., Redmere Technologies and Fresco Microsystems);

(g) Seller shall use its best commercially reasonable efforts to close the transactions contemplated by this Agreement and will grant Buyer full reasonable access to information and facilities during normal business hours, as well as all reasonable cooperation with respect to efforts necessary and appropriate to consummate the transactions contemplated by this Agreement, including but not limited to execution of such ancillary agreements as Buyer may reasonably require and seeking/securing all

necessary consents and approvals required to effectuate the transactions contemplated by this Agreement; and

(h) Seller shall notify all parties with which it conducts material business (including those which are listed on Section 2.03(h) of the Disclosure Schedules) that the assets of Seller are being transferred to Buyer and shall use its best commercially reasonable efforts to obtain acknowledgements from such parties that they are willing to continue to do business with Buyer on terms no less favorable to Buyer than are currently involved in the Business.

(i) In the period prior to the Closing, any Seller expense of more than \$100,000 US will require advance written consent from Buyer.

Section 2.04 Conditions to Closing.

(a) Buyer's obligation to close the transactions contemplated by this Agreement will be contingent on the following (all of which must be met or expressly waived by Buyer as of the Closing Date):

(i) all of Seller's representations and warranties set forth herein will be complete, true, and accurate in all material respects as of the date of signing of this Agreement and as of the Closing Date;

(ii) Seller will comply with or have complied with all Transaction Documents in all material respects;

(iii) any/all necessary regulatory approvals and/or material third party consents will have been obtained (including the Seller Shareholder Approval, the Exchange Approval, and the material customer consents);

(iv) there will be no pending or threatened legal actions, orders or other proceedings that might prohibit or impede the transactions contemplated by this Agreement, nor any statute, rule or regulation that prohibits consummation of such transactions;

(v) no Material Adverse Change will have occurred with respect to the Assets or the Business; "**Material Adverse Change**" means any event, occurrence, fact, condition or change that is, or could reasonably be expected to become, materially adverse to: (a) the business, results of operations, condition (financial or otherwise) or assets of Seller; or (b) the ability of Seller to consummate the transactions contemplated by this Agreement on a timely basis;

(vi) Seller employees designated as "key" by Buyer, as set out in Section 2.04(a)(vi) of the Disclosure Schedules, will have executed employment contracts with Buyer or its Affiliates;

(vii) at least 75% of additional employees to whom Buyer or its Affiliates has extended employment or contracting offers will have accepted such offers in writing; and

(viii) other than the Buyer Bridge Loans, Seller will not have any outstanding debt or amounts pending due to any other party.

(b) Seller's obligation to close the transactions contemplated by this Agreement will be contingent on the following (all of which must be met or expressly waived by Seller as of the Closing Date):

(i) Buyer shall have delivered: (A) to Seller, the Closing Payment; and (B) to the Escrow Agent, the Escrow Amount, on the Closing Date;

(ii) all of Buyer's representations and warranties set forth herein will be complete, true, and accurate in all material respects as of the date of signing of this Agreement and as of the Closing Date and Seller;

(iii) Buyer will comply with or have complied with all Transaction Documents in all material respects; and

(iii) there will be no pending or threatened legal actions, orders or other proceedings that might prohibit or impede the transactions contemplated by this Agreement, nor any statute, rule or regulation that prohibits consummation of such transactions.

Section 2.05 Post-Closing Covenants. Seller hereby covenants and agrees to do the following after the Closing Date:

(a) Seller will ensure payment in full of any monetary obligations outstanding as of the Closing and delivery to Buyer of confirmation of such payment in full, within twenty (20) days of the Closing Date;

(b) Seller will provide for Buyer to retain and have access to all relevant books and records;

(c) Seller will resolve any and all matters (including monetary liabilities) outstanding at the Closing Date related to employment of its personnel in compliance with applicable law and with no remaining obligations or liabilities outstanding within sixty (60) days of the Closing Date;

(d) Seller will resolve any issues related to taxes or to the replacement of any bonds or guarantees, with no remaining obligations or liabilities outstanding, within thirty (30) days of the Closing Date;

(e) Seller will continue to respect confidentiality/nondisclosure obligations applicable to Seller in respect of all confidential information related to the Assets;

(f) Seller will, and will cause the applicable Seller Subsidiaries to, upon the reasonable request of Buyer, prepare, execute and deliver such other and further agreements, instruments, certificates and other documents, and take, do and perform such other and further actions, as may be reasonably necessary or appropriate in order to effectuate the purposes and intent of this Agreement and to consummate the Transactions. In this regard, Seller and Buyer shall, and shall cause their respective Affiliates to, execute, acknowledge and deliver all such further conveyances, notices, assumptions, releases and acquittances and such other instruments, and shall take such further actions, as may be reasonably necessary or appropriate to transfer and deliver to Buyer and its Affiliates and their successors and assigns all of the properties, rights, titles, interests, estates, remedies, powers and privileges intended to be conveyed to Buyer under this Agreement, and to assure the assumption by Buyer from Seller or the applicable Seller Subsidiaries and their respective successors and assigns of the liabilities and obligations intended to be assumed by Buyer under this Agreement, and to otherwise make effective the transactions contemplated by this Agreement. Without limiting the generality of this section, Seller will cooperate with Buyer with respect to enforcing any warranty that may exist with respect to equipment procured by Seller or a Seller Subsidiary from third parties. Seller shall, and shall cause the Seller Subsidiaries to, reasonably cooperate with Buyer and its subsidiaries as mutually agreed, at Buyer's expense, in connection with any claim Buyer or any of its Affiliates may bring (whether as a direct claim, counterclaim or defense) against any third Person to assert or enforce any assignment of, or license to, the Intellectual Property rights embodied in the Purchased Assets;

(g) Seller will provide that in the event that, within the twelve (12) month period following the Closing Date, Buyer identifies any Seller proprietary firmware, semiconductor chip designs, software, software tools, or other items (including any capital equipment or tools) that were actually used in the Business as of the Closing Date but not included in the Purchased Assets ("**Missing Technology**"), Buyer may, within the twelve (12) month period, notify Seller of such Missing Technology, and if Seller confirms that such Missing Technology was in fact actually used in the Business as of the Closing Date, the Parties will execute such documentation as is appropriate to convey such Missing Technology to Buyer as part of the Purchased Assets. In addition, to the extent that Buyer does not have a copy of such Missing Technology, then Buyer may request that Seller provide a copy and Seller will do so; and

(h) Seller will file any Tax Returns for periods including pre-Closing obligations and/or Closing items in compliance with applicable law and in a manner consistent with Seller's prior such filings.

ARTICLE III REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer that the statements contained in this ARTICLE III are true and correct as of the date hereof.

Section 3.01 Organization and Authority.

(a) Seller is a corporation duly organized, validly existing, and in good standing under the Laws of the Province of Ontario. Seller has full corporate power and authority to enter into this Agreement (and the other Transaction Documents to which Seller is a party) on behalf of itself and the Seller Subsidiaries as may be applicable, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Seller of this Agreement and any other Transaction Document to which Seller is a party, the performance by Seller of its obligations hereunder and thereunder, and the consummation by Seller of the transactions contemplated hereby and thereby have been duly authorized by all requisite board actions on the part of Seller. This Agreement and the Transaction Documents constitute legal, valid, and binding obligations of Seller enforceable against Seller in accordance with their respective terms.

(b) Seller has, concurrently with the execution of this Agreement, secured and relayed to Buyer binding written commitments from representatives of holders of over 50% of the voting equity interests of Seller, subject to conditions that are customary in such voting support commitments.

(c) Each of the Seller Subsidiaries is a corporation duly organized, validly existing, and in good standing under the Laws of its jurisdiction of incorporation. Each of the Seller Subsidiaries has full corporate power and authority to enter into the Transaction Documents to which it is a party, to carry out its obligations thereunder, and to consummate the transactions contemplated thereby. The execution and delivery by each of the Seller Subsidiaries of the Transaction Document to which it is a party, the performance by the Seller Subsidiaries of its obligations thereunder, and the consummation by the Seller Subsidiaries of the transactions contemplated thereby have been duly authorized by all requisite board actions on the part of the Seller Subsidiaries. The Transaction Documents constitute legal, valid, and binding obligations of the Seller Subsidiaries enforceable against the Seller Subsidiaries in accordance with their respective terms.

Section 3.02 No Conflicts or Consents. The execution, delivery, and performance by Seller and the Seller Subsidiaries of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) violate or conflict with any provision of the certificate of incorporation, by-laws, or other governing documents of Seller or the Seller Subsidiaries; (b) violate or conflict with any provision of any statute, law, ordinance, regulation, rule, code, constitution, treaty, common law, other requirement, or rule of law of any Governmental Authority (collectively, “**Law**”) or any order, writ, judgment, injunction, decree, stipulation, determination, penalty, or award entered by or with any Governmental Authority (“**Governmental Order**”) applicable to Seller, the Seller Subsidiaries, the Business, or the Purchased Assets; (c) other than the approval of the TSX Venture Exchange and applicable filings with securities regulatory authorities or the consents set forth on Section 3.02 of the Disclosure Schedules, require the consent, notice, declaration, or filing with or other action by any individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association, or other entity (“**Person**”) or require any permit, license, or Governmental Order; (d) violate or conflict with,

result in the acceleration of, or create in any party the right to accelerate, terminate, modify, or cancel any Contract to which Seller or the Seller Subsidiaries is a party or by which Seller, the Seller Subsidiaries or the Business is bound or to which any of the Purchased Assets are subject (including any Assigned Contract); or (e) result in the creation or imposition of any charge, claim, pledge, equitable interest, lien, security interest, restriction of any kind, or other encumbrance (“**Encumbrance**”) on the Purchased Assets.

Section 3.03 Financial Statements. Complete copies of the audited consolidated financial statements consisting of the balance sheet of Seller as of December 31 in each of the years 2021, 2022, and 2023 and the related statements of income and retained earnings, shareholders’ equity, and cash flow for the years then ended and the unaudited interim consolidated financial statements consisting of the balance sheet of Seller as of September 30, 2024 and the related statements of income and retained earnings, shareholders’ equity, and cash flow for the period then ended (collectively, the “**Financial Statements**”) have been delivered to Buyer. The Financial Statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board from time to time, applied on a consistent basis throughout the period involved. The Financial Statements fairly present in all material respects the financial condition of the Business as of the respective dates they were prepared and the results of the operations of the Business for the periods indicated. A copy of a management prepared unaudited balance sheet of Seller as of the date of this Agreement (the “**Balance Sheet Date**”) has also been delivered to Buyer (the “**Balance Sheet**”). The Balance Sheet fairly presents in all material respects the assets, liabilities, and shareholders’ equity as of the Balance Sheet Date.

Section 3.04 Undisclosed Liabilities. Seller and the Seller Subsidiaries do not have Liabilities with respect to the Business, except (a) those which are adequately reflected or reserved against in the Balance Sheet as of the Balance Sheet Date, and (b) those which have been incurred in the ordinary course of business consistent with past practice since the Balance Sheet Date and which are not, individually or in the aggregate, material in amount.

Section 3.05 Absence of Certain Changes, Events, and Conditions. Since the Balance Sheet Date, the Business has been conducted in the ordinary course of business consistent with past practice and there has not been any change, event, condition, or development that is, or could reasonably be expected to be, individually or in the aggregate, materially adverse to: (a) the business, results of operations, condition (financial or otherwise), or assets of the Business; or (b) the value of the Purchased Assets.

Section 3.06 Assigned Contracts. Each Assigned Contract is valid and binding on Seller or the applicable Seller Subsidiary, as the case may be, in accordance with its terms and is in full force and effect. Neither Seller nor, to Seller’s knowledge, any other party thereto is in breach of or default under (or is alleged to be in breach of or default under) in any material respect, or has provided or received any notice of any intention to terminate, any Assigned Contract. No event or circumstance has occurred that would constitute an event of default under any Assigned Contract or result in a termination thereof. Complete and correct copies of each Assigned Contract (including all modifications, amendments, and supplements thereto and waivers thereunder) have been made available to Buyer. There are no material disputes pending or threatened under any Assigned Contract.

Section 3.07 Title to Purchased Assets. Seller and the Seller Subsidiaries have good, exclusive, and valid title to all the Purchased Assets, free and clear of Encumbrances. All Intellectual Property components of the Purchased Assets have been duly and properly assigned to Seller and/or Seller Subsidiaries and may be conveyed to Buyer without additional consents of any party. To the best of Seller's knowledge based on a reasonable investigation, all Intellectual Property rights related to any item of the Purchased Assets are valid and enforceable. Seller has disclosed any and all deadlines associated with any such Intellectual Property components of the Purchased Assets and have paid all fees due to date related thereto or which fall within the six (6) month period following the date of this Agreement. Section 1.01(j) of the Disclosure Schedules contains a correct, current and complete list of: (i) all Intellectual Property Registrations (defined as all Transferred IP that are subject to any issuance, registration, or application by or with any Governmental Authority or authorized private registrar in any jurisdiction, including issued Patents, registered Trademarks, domain names and Copyrights, and pending applications for any of the foregoing) (ii) all unregistered Trademarks included in the Transferred IP; and (iii) all proprietary Software included in the Transferred IP. Neither the execution, delivery, or performance of this Agreement, nor the consummation of the transactions contemplated hereunder, will result in the loss or impairment of or payment of any additional amounts with respect to, or require the consent of any other Person in respect of, the Buyer's right to own or use any Transferred IP in the conduct of the Business as currently conducted and as proposed to be conducted.

Section 3.08 Condition and Sufficiency of Assets. Each item of Tangible Personal Property is structurally sound, is in good operating condition and repair, and is adequate for the uses to which it is being put, and no item of Tangible Personal Property is in need of maintenance or repairs except for ordinary, routine maintenance and repairs that are not material in nature or cost. The Purchased Assets are sufficient for the continued conduct of the Business after the Closing in substantially the same manner as conducted prior to the Closing and constitute all of the rights, property, and assets necessary to conduct the Business as currently conducted. None of the Excluded Assets are material to the Business.

Section 3.09 Inventory. All Inventory, whether or not reflected in the Balance Sheet, consists of a quality and quantity usable and salable in the ordinary course of business consistent with past practice, except for obsolete, damaged, defective, or slow-moving items that have been written off or written down to fair market value or for which adequate reserves have been established.

Section 3.10 Accounts Receivable. Seller has used commercially reasonable efforts to collect any outstanding Accounts Receivable. Any remaining Accounts Receivable: (a) have arisen from bona fide transactions entered into by Seller involving the sale of goods or the rendering of services in the ordinary course of business consistent with past practice; and (b) constitute only valid, undisputed claims of Seller not subject to claims of set-off or other defenses or counterclaims other than normal cash discounts accrued in the ordinary course of business consistent with past practice.

Section 3.11 Material Customers and Suppliers.

(a) Section 3.11(a) of the Disclosure Schedules sets forth with respect to the Business (i) each customer who has paid aggregate consideration to Seller for goods or services rendered in an amount greater than or equal to \$10,000 USD for each of the two (2) most recent fiscal years (collectively, the “**Material Customers**”); and (ii) the amount of consideration paid by each Material Customer during such periods. Seller has not received any notice, and has no reason to believe, that any of the Material Customers has ceased, or intends to cease after the Closing, to use the goods or services of the Business or to otherwise terminate or materially reduce its relationship with the Business.

(b) Section 3.11(b) of the Disclosure Schedules sets forth with respect to the Business (i) each supplier to whom Seller has paid aggregate consideration for goods or services rendered in an amount greater than or equal to \$10,000 USD for each of the two (2) most recent fiscal years (collectively, the “**Material Suppliers**”); and (ii) the amount of purchases from each Material Supplier during such periods. Seller has not received any notice, and has no reason to believe, that any of the Material Suppliers has ceased, or intends to cease, to supply goods or services to the Business or to otherwise terminate or materially reduce its relationship with the Business.

Section 3.12 Legal Proceedings; Governmental Orders.

(a) There are no claims, actions, causes of action, demands, lawsuits, arbitrations, inquiries, audits, notices of violation, proceedings, litigation, citations, summons, subpoenas, or investigations of any nature, whether at law or in equity (collectively, “**Actions**”) pending or, to Seller’s knowledge, threatened against or by Seller or the Seller Subsidiaries: (i) relating to or affecting the Business, the Purchased Assets, or the Assumed Liabilities; or (ii) that challenge or seek to prevent, enjoin, or otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such Action.

(b) There are no outstanding Governmental Orders against, relating to, or affecting the Business or the Purchased Assets.

Section 3.13 Compliance with Laws. Each of Seller and each of the Seller Subsidiaries is, in all material respects, in compliance with all Laws applicable to the conduct of the Business as currently conducted or the ownership and use of the Purchased Assets.

Section 3.14 Taxes. All Taxes due and owing by Seller and the Seller Subsidiaries have been, or will be, timely paid. No extensions or waivers of statutes of limitations have been given or requested with respect to any Taxes of Seller. All Tax Returns with respect to the Business required to be filed by Seller for any tax periods prior to Closing have been, or will be, timely filed. Such Tax Returns are, or will be, true, complete, and correct in all respects. The term “**Tax**” or “**Taxes**” means all federal, state, local, foreign, and other income, gross receipts, sales, use, production, ad valorem, transfer, documentary, franchise, registration, profits, license, withholding, payroll, employment, unemployment, excise, severance, stamp, occupation,

premium, property (real or personal), customs, duties, or other taxes, fees, assessments, or charges of any kind whatsoever, together with any interest, additions, or penalties with respect thereto.

Section 3.15 Related Party Transactions. There are no Contracts or other arrangements involving the Business in which Seller, the Seller Subsidiaries, or any of its or their respective directors, officers, or employees (or any immediate family members thereof) is a party, has a financial interest, or otherwise owns or leases any Purchased Asset.

Section 3.16 Brokers. Except as may be set forth in Section 3.16, no broker, finder, or investment banker is entitled to any brokerage, finder's, or other fee or commission in connection with the transactions contemplated by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of Seller.

Section 3.17 CFIUS. Seller is not a US TID business as defined by CFIUS. Seller's products (both existing and planned) are not subject to export control requirements.

Section 3.18 Sufficiency of Assets. After giving effect to the transactions contemplated by this Agreement and the Transaction Documents as well as any other agreements entered into in connection with the transactions contemplated hereby and other arrangements by or between the Parties, the Transferred Assets are and will be sufficient to conduct the Business as currently conducted by Seller and as will be conducted by Seller immediately prior to the Closing.

Section 3.19 Intellectual Property Assurances. All of the Transferred IP are valid and, to the knowledge of the Seller, based on a reasonable investigation, enforceable, and all Intellectual Property Registrations are subsisting and in full force and effect. Seller has taken all reasonable and necessary steps to maintain and enforce the Transferred IP and to preserve the confidentiality of all Trade Secrets included in the Transferred IP, including by requiring all persons having access thereto to execute binding, written non-disclosure agreements. All required filings and fees related to the Intellectual Property Registrations have been timely submitted with and paid to the relevant Governmental Authorities and authorized registrars. The conduct of the Business as currently and formerly conducted and as proposed to be conducted, including the use of the Transferred IP in connection therewith, and the products, processes, and services of the Business have not infringed, misappropriated, or otherwise violated, the Intellectual Property or other rights of any other party. In the past five years, there has been no data breach, unauthorized access to, or other cyber security incident relating to any of the Purchased Assets that has materially compromised their security or confidentiality. There are no agreements under which Seller is a licensor or otherwise grants to any third party any right or interest relating to any Transferred IP. Except for the Assigned Contracts, there are no agreements under which Seller is a licensee or otherwise is granted any right or interest relating to the Intellectual Property of any third party, or which otherwise relate to Seller's use of any Intellectual Property of a third party in the conduct of the Business as currently conducted or proposed to be conducted.

Section 3.20 Full Disclosure. No representation or warranty by Seller in this Agreement and no statement contained in the Disclosure Schedules to this Agreement or any certificate or other document furnished or to be furnished to Buyer pursuant to this Agreement contains any untrue statement of a material fact, or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances in which they are made, not misleading.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller that the statements contained in this ARTICLE IV are true and correct as of the date hereof.

Section 4.01 Organization and Authority of Buyer. Buyer is an exempted company duly organized, validly existing, and in good standing incorporated under the Laws of the Cayman Islands with limited liability. Buyer has full corporate power and authority to enter into this Agreement and the other Transaction Documents to which Buyer is a party, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Buyer of this Agreement and any other Transaction Document to which Buyer is a party, the performance by Buyer of its obligations hereunder and thereunder, and the consummation by Buyer of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of Buyer. This Agreement and the Transaction Documents constitute legal, valid, and binding obligations of Buyer enforceable against Buyer in accordance with their respective terms.

Section 4.02 No Conflicts; Consents. The execution, delivery, and performance by Buyer of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) violate or conflict with any provision of the certificate of incorporation, by-laws, or other organizational documents of Buyer; (b) violate or conflict with any provision of any Law or Governmental Order applicable to Buyer; or (c) require the consent, notice, declaration, or filing with or other action by any Person or require any permit, license, or Governmental Order.

Section 4.03 Sufficiency of Funds. Buyer has sufficient cash on hand or other sources of immediately available funds to enable it to make payment of the Purchase Price and consummate the transactions contemplated by this Agreement.

Section 4.04 Brokers. No broker, finder, or investment banker is entitled to any brokerage, finder's, or other fee or commission in connection with the transactions contemplated by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of Buyer.

Section 4.05 Legal Proceedings. There are no Actions pending or, to Buyer's knowledge, threatened against or by Buyer that challenge or seek to prevent, enjoin, or otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such Action.

Section 4.06 Bankruptcy. There are no bankruptcy, reorganization or arrangement proceedings pending against, being contemplated by or, to the knowledge of Buyer, threatened against Buyer. No act or proceeding has been taken by or, to the knowledge of Buyer against Buyer in connection with the dissolution, liquidation, winding up, bankruptcy or reorganization of Buyer or for the appointment of a trustee, receiver, manager or other administrator of Buyer or any of its properties or assets nor, to the knowledge of Buyer, has any such act or proceeding been threatened.

Section 4.07 Residency. Buyer is, and will be as of Closing, a non-resident of Canada within the meaning of the Excise Tax Act, R.S.C., 1985, c. E-15 (Canada).

Section 4.08 Transfer Taxes (Canada). Buyer is not registered, and will not be registered as of Closing, for GST/HST pursuant to any part of the Excise Tax Act, R.S.C., 1985, c. E-15 (Canada).

ARTICLE V ADDITIONAL COVENANTS

Section 5.01 Confidentiality. From and after the Closing, Seller shall, and shall cause its Affiliates to, hold, and shall use its reasonable best efforts to cause its or their respective directors, officers, employees, consultants, counsel, accountants, and other agents (“**Representatives**”) to hold, in confidence any and all information, whether written or oral, concerning the Business, except to the extent that Seller can show that such information: (a) is generally available to and known by the public through no fault of Seller, any of its Affiliates, or their respective Representatives; or (b) is lawfully acquired by Seller, any of its Affiliates, or their respective Representatives from and after the Closing from sources which are not prohibited from disclosing such information by a legal, contractual, or fiduciary obligation. If Seller or any of its Affiliates or their respective Representatives are compelled to disclose any information by Governmental Order or Law, Seller shall promptly notify Buyer in writing and shall disclose only that portion of such information which is legally required to be disclosed, *provided that* Seller shall use reasonable best efforts to obtain as promptly as possible an appropriate protective order or other reasonable assurance that confidential treatment will be accorded such information.

Section 5.02 Non-Competition; Non-Solicitation.

(a) Seller acknowledges the competitive nature of the Business and accordingly agrees, in connection with the sale of the Purchased Assets, including the goodwill of the Business, which Buyer considers to be a valuable asset, and in exchange for good and valuable consideration, that for a period of two (2) years commencing on the Closing Date (the “**Restricted Period**”), Seller shall not, and shall not permit any of its Affiliates to, directly or indirectly, (i) engage in or assist others in engaging in business substantially similar to the Business (the “**Restricted Business**”); (ii) have an interest in any Person that engages directly or indirectly in the Restricted Business in any capacity, including as a partner, shareholder, director, member, manager, employee, principal, agent, trustee, or consultant; or (iii) cause, induce, or encourage any material actual or prospective client, customer, supplier, or licensor of the Business (including any existing or former client or customer of Seller and any Person that becomes a client or customer of the Business after the Closing), or any other Person who has a material business relationship with the Business, to terminate or modify any such actual or prospective relationship. Notwithstanding the foregoing, Seller may own, directly or indirectly, solely as an investment, securities of any Person traded on any national securities exchange if Seller is not a controlling Person of, or a member of a group which controls, such Person and does not, directly or indirectly, own five percent (5%) or more of any class of securities of such Person.

(b) During the Restricted Period, Seller shall not, and shall not permit any of its Affiliates to, directly or indirectly, hire or solicit any person who is or was employed in the Business during the Restricted Period, or encourage any such employee to leave such employment or hire any such employee who has left such employment, except pursuant to a general solicitation which is not directed specifically to any such employees; *provided that* nothing in this Section 5.02(b) shall prevent Seller or any of its Affiliates from hiring (i) any employee whose employment has been terminated by Buyer; or (ii) after one hundred eighty (180) days from the date of termination of employment, any employee whose employment has been terminated by the employee.

(c) Seller acknowledges that a breach or threatened breach of this Section 5.02 would give rise to irreparable harm to Buyer, for which monetary damages would not be an adequate remedy, and hereby agrees that in the event of a breach or a threatened breach by Seller of any such obligations, Buyer shall, in addition to any and all other rights and remedies that may be available to it in respect of such breach, be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance, and any other relief that may be available from a court of competent jurisdiction (without any requirement to post bond).

(d) Seller acknowledges that the restrictions contained in this Section 5.02 are reasonable and necessary to protect the legitimate interests of Buyer and constitute a material inducement to Buyer to enter into this Agreement and consummate the transactions contemplated by this Agreement. In the event that any covenant contained in this Section 5.02 should ever be adjudicated to exceed the time, geographic, product or service, or other limitations permitted by applicable Law in any jurisdiction or any Governmental Order, then any court is expressly empowered to reform such covenant in such jurisdiction to the maximum time, geographic, product or service, or other limitations permitted by applicable Law or such Governmental Order. The covenants contained in this Section 5.02 and each provision hereof are severable and distinct covenants and provisions. The invalidity or unenforceability of any such covenant or provision as written shall not invalidate or render unenforceable the remaining covenants or provisions hereof, and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such covenant or provision in any other jurisdiction.

(e) The Buyer and Seller hereby agree that no consideration is allocated to the restrictive covenants granted to Buyer under this Section 5.02, and, if applicable, Buyer agrees to make joint elections with Seller pursuant to subsection 56.4(7) of the *Income Tax Act* (Canada) in respect of the restrictive covenants. Seller shall provide Buyer with completed elections for review and signature by Buyer, which shall contain all information required to make valid elections. Buyer will have no liability with respect to such elections other than to execute such elections and return them to Seller. Seller shall be responsible for filing the completed and signed elections with the Canada Revenue Agency, within the time limits and containing the documentation prescribed by subsection 56.4(13) of the *Income Tax Act* (Canada).

Section 5.03 Canadian Tax Covenants.

(a) At the option of Seller, Seller and Buyer shall, as soon as possible after the Closing Date, make and file on a timely basis one or more joint elections to have the rules in subsection 20(24) of the *Income Tax Act* (Canada), and any equivalent or corresponding provision under applicable provincial or territorial Tax legislation, apply to the undertaking by Buyer of any future obligations of Seller as part of the Assumed Liabilities and to which paragraph 12(1)(a) of the *Income Tax Act* (Canada) applies. The parties hereto acknowledge that Seller is transferring assets to Buyer which has a value equal to the elected amount in such election as consideration for the undertaking of such future obligations.

(b) At the option of Seller, Seller and Buyer shall, as soon as possible after the Closing Date, jointly execute one or more elections under section 22 of the *Income Tax Act* (Canada) and any equivalent provision under any provincial or territorial Tax legislation in prescribed form and manner, and in the prescribed time with respect to the sale of the Accounts Receivable. Each such election shall designate therein the portion of the Purchase Price allocated to the Accounts Receivable in the Allocation Schedule as consideration paid by Buyer for the Accounts Receivable. Buyer represents and warrants to Seller that Buyer proposes to continue the Business carried on by Seller.

Section 5.04 Public Announcements. Unless otherwise required by applicable Law or the rules of the stock exchange upon which the shares of a party are listed, no party to this Agreement shall make any public announcements in respect of this Agreement or the transactions contemplated by this Agreement without the prior written consent of the other party (which consent shall not be unreasonably withheld or delayed), and the parties shall cooperate as to the timing and contents of any such announcement.

Section 5.05 Bulk Sales Laws. The parties hereby waive compliance with the provisions of any bulk sales, bulk transfer, or similar Laws of any jurisdiction that may otherwise be applicable with respect to the sale of any or all of the Purchased Assets to Buyer. Any Liabilities arising out of the failure of Seller to comply with the requirements and provisions of any bulk sales, bulk transfer, or similar Laws of any jurisdiction which would not otherwise constitute Assumed Liabilities shall be treated as Excluded Liabilities.

Section 5.06 Receivables. From and after the Closing, if Seller or any of its Affiliates receives or collects any funds relating to any Accounts Receivable or any other Purchased Asset, Seller or its Affiliate shall remit such funds to Buyer within five (5) Business Days after its receipt thereof. From and after the Closing, if Buyer or its Affiliate receives or collects any funds relating to any Excluded Asset, Buyer or its Affiliate shall remit any such funds to Seller within five (5) Business Days after its receipt thereof.

Section 5.07 Transfer Taxes. All sales, use, registration, and other such Taxes and fees (including any penalties and interest) incurred in connection with this Agreement and the other Transaction Documents, if any, shall be borne and paid by Seller when due. Seller shall, at its own expense, timely file any Tax Return or other document with respect to such Taxes or fees (and Buyer shall cooperate with respect thereto as necessary).

Section 5.08 Further Assurances. Following the Closing, each of the parties hereto shall, and shall cause their respective Affiliates to, execute and deliver such additional documents, instruments, conveyances, and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement and the other Transaction Documents (including but not limited to Seller's paying off and confirming said payoff of any obligations to Seller's creditors).

ARTICLE VI TERMINATION

Section 6.01 Termination by Mutual Consent. This Agreement may be terminated at any time prior to the Closing Date by mutual written consent of Seller and Buyer.

Section 6.02 Termination by either Seller or Buyer. This Agreement may be terminated by either Seller or Buyer if the Closing does not occur on or before June 30, 2025 (the "**Outside Date**"), except that the right to terminate this Agreement under this Section 6.02 shall not be available to any party whose failure to fulfil any of its covenants or obligations, or breach of any of its representations and warranties, under this Agreement has been the principal cause of, or resulted in, the failure of the Closing to occur by the Outside Date.

Section 6.03 Effect of Termination. Upon termination of this Agreement, the Buyer Bridge Loans will become immediately due and payable, and any and all restrictions on Buyer's ability to solicit and/or hire the Seller employees identified herein will cease. In such event, Seller hereby releases Buyer from any and all claims related to this Agreement or the transactions contemplated hereby.

ARTICLE VII INDEMNIFICATION

Section 7.01 Survival. All representations, warranties, covenants, and agreements contained herein and all related rights to indemnification shall survive the Closing

Section 7.02 Indemnification by Seller. Subject to the other terms and conditions of this ARTICLE VII, from and after Closing, Seller shall indemnify and defend each of Buyer and its Affiliates and their respective Representatives (collectively, the "**Buyer Indemnitees**") against, and shall hold each of them harmless from and against, any and all losses, damages, liabilities, deficiencies, Actions, judgments, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorneys' fees (collectively, "**Losses**"), incurred or sustained by, or imposed upon, the Buyer Indemnitees based upon, arising out of, relating to, or with respect to:

(a) any fraud, intentional misrepresentation, or deliberate or willful breach by Seller of any commitment set forth in this Agreement;

(b) any inaccuracy in or breach of any of the representations or warranties of Seller contained in this Agreement, any other Transaction Document, or any schedule, certificate, or exhibit related thereto, as of the date such representation or warranty was made or as if such representation or warranty was made on and as of the Closing Date;

(c) any breach or non-fulfillment of any covenant, agreement, or obligation to be performed by Seller pursuant to this Agreement, any other Transaction Document, or any schedule, certificate, or exhibit related thereto;

(d) any Excluded Asset or any Excluded Liability;

(e) any Third-Party Claim based upon, resulting from, relating to, or arising out of the business, actions, omissions, operations, properties, assets, or obligations of Seller or any of its directors, officers, employees, agents, or Affiliates (other than the Purchased Assets or Assumed Liabilities) conducted, existing, or arising on or prior to the Closing Date. For purposes of this Agreement, "Third-Party Claim" means notice of the assertion or commencement of any Action made or brought by any Person who is not a party to this Agreement or an Affiliate of a party to this Agreement or a Representative of the foregoing;

(f) all Tax liabilities of Seller or the Seller Subsidiaries that are borne by the Buyer relating to periods ending on or prior to the Closing, and/or relating to the Closing and/or transactions related thereto;

(g) all claims related to any bulk sales or transfer laws;

(h) any liabilities relating to Intellectual Property matters, including, but not limited to, infringement by Seller of the Intellectual Property rights of others;

(i) any liability arising out of or relating to any employee matters; and

(j) all governmental and third-party claims brought relating to environmental matters alleged to have occurred on or prior to the Closing.

All claims for indemnification by Buyer shall first be satisfied out of the Escrow Amount.

Section 7.03 Indemnification by Buyer. Subject to the other terms and conditions of this ARTICLE VII, from and after Closing, Buyer shall indemnify and defend each of Seller and its Affiliates and their respective Representatives (collectively, the "**Seller Indemnitees**") against, and shall hold each of them harmless from and against any and all Losses incurred or sustained by, or imposed upon, the Seller Indemnitees based upon, arising out of, relating to, or with respect to:

(a) any inaccuracy in or breach of any of the representations or warranties of Buyer contained in this Agreement, any other Transaction Document, or any schedule, certificate, or exhibit related thereto, as of the date such representation or warranty was made or as if such representation or warranty was made on and as of the Closing Date (except for representations and warranties that expressly relate to a specified date, the inaccuracy in or breach of which will be determined with reference to such specified date);

(b) any breach or non-fulfillment of any covenant, agreement, or obligation to be performed by Buyer pursuant to this Agreement; or

(c) any Assumed Liability.

Section 7.04 Thresholds and Time Periods for Indemnification. The indemnities for breaches of representations and warranties contemplated in this Agreement will cover all claim notices given on or before the end of the twenty-fourth (24th) full calendar month following the Closing, and such indemnities will be subject to a \$200,000 USD “basket” (i.e., no indemnification will be owed unless and until the aggregate of all claims exceeds \$200,000 USD, at which time all claims are recoverable, including the first \$200,000 USD) and a “cap” equal to the Purchase Price (i.e., indemnification for representation and warranties will not exceed the Purchase Price). However, representations relating to environmental matters shall survive for 10 years, representations relating to taxes and employee matters shall survive until the applicable statute of limitations has expired. Notwithstanding the foregoing, representations relating to authority and ownership will not be subject to any time limitations, and indemnification for any such matters shall not be subject to any “basket” or “cap” limitations.

Section 7.05 Indemnification Procedures. Whenever any claim shall arise for indemnification hereunder, the party entitled to indemnification (the “**Indemnified Party**”) shall promptly provide written notice of such claim to the other party (the “**Indemnifying Party**”). In connection with any claim giving rise to indemnity hereunder resulting from or arising out of any Action by a Person who is not a party to this Agreement, the Indemnifying Party, at its sole cost and expense and upon written notice to the Indemnified Party, may assume the defense of any such Action with counsel reasonably satisfactory to the Indemnified Party. The Indemnified Party shall be entitled to participate in the defense of any such Action, with its counsel and at its own cost and expense. If the Indemnifying Party does not assume the defense of any such Action, the Indemnified Party may, but shall not be obligated to, defend against such Action in such manner as it may deem appropriate, including settling such Action, after giving notice of it to the Indemnifying Party, on such terms as the Indemnified Party may deem appropriate and no action taken by the Indemnified Party in accordance with such defense and settlement shall relieve the Indemnifying Party of its indemnification obligations herein provided with respect to any damages resulting therefrom. The Indemnifying Party shall not settle any Action without the Indemnified Party’s prior written consent (which consent shall not be unreasonably withheld or delayed).

Section 7.06 Cumulative Remedies. The rights and remedies provided in this ARTICLE VII are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise. .

Section 7.07 Mitigation. Each Indemnified Party shall take, and cause their Affiliates to take, all reasonable steps and use all reasonable efforts to mitigate any Loss that is subject to indemnification under this ARTICLE VII upon becoming aware of any event or circumstance that would be reasonably expected to, or does, give rise thereto, including incurring costs only to the minimum extent necessary to remedy the breach that gives rise to such Loss or needed to mitigate such Loss.

Section 7.08 Release of Escrow Amount. Upon the first anniversary of the Closing Date (the “**Release Date**”), and provided that all creditors of Seller have first been paid in full and confirmation of such full satisfaction has been delivered to Buyer, the parties shall instruct the Escrow Agent in accordance with the terms of the Escrow Agreement to release to Seller the Escrow Amount, *plus* all interest accrued thereon, *less* any pending and unresolved indemnification claims outstanding on the Release Date that have been asserted by an Indemnified

Party in accordance with this Agreement on or prior to the Release Date and remain pending on such date (as to which any excess retained amounts shall be so paid to Seller promptly following resolution of such pending and resolved indemnification claims).

Section 7.09 Breakup Compensation. In the event that Seller does not complete the Closing by reason of failure to secure the Seller Shareholder Approval, Buyer shall be entitled to compensation in the amount of \$2,500,000 USD.

ARTICLE VIII MISCELLANEOUS

Section 8.01 Expenses. All costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses.

Section 8.02 Notices. All notices, claims, demands, and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by email of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient, or (d) on the third Business Day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 8.02):

If to Seller: Spectra7 Microsystems Inc.
2550 North First St., Suite 500
San Jose, California, 95131

Email: *[Email intentionally redacted as personal information]*
Attention: Omar Javaid, Chief Executive Officer

with a copy to (which shall not constitute notice): Aird & Berlis LLP
181 Bay St. Suite 1800
Toronto, Ontario, M5J 2T9

Email: *[Email intentionally redacted as personal information]*
Attention: Richard Kimel

If to Buyer: Parade Technologies, Ltd.
c/o Parade Technologies, Inc,
2720 Orchard Parkway
San Jose, CA 95134

Email: *[Email intentionally redacted as personal information]*
Attention: VP of Legal

Morgan, Lewis & Bockius LLP
1400 Page Mill Road
Palo Alto, CA 94304
with a copy to (which shall not constitute notice): *Attn: John Park*
Email: *[Email intentionally redacted as personal information]*

Section 8.03 Interpretation; Headings. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 8.04 Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement.

Section 8.05 Entire Agreement. This Agreement and the other Transaction Documents constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement and those in the other Transaction Documents, the Exhibits, and the Disclosure Schedules (other than an exception expressly set forth as such in the Disclosure Schedules), the statements in the body of this Agreement will control.

Section 8.06 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party may assign its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. Any purported assignment in violation of this Section shall be null and void. No assignment shall relieve the assigning party of any of its obligations hereunder.

Section 8.07 Amendment and Modification; Waiver. This Agreement may only be amended, modified, or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No failure to exercise, or delay in exercising, any right or remedy arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right or remedy.

Section 8.08 Governing Law; Submission to Jurisdiction; Waiver of Jury Trial.

(a) This Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction). Any legal suit, action, proceeding, or dispute arising out of or related to this Agreement, the other Transaction Documents, or the transactions contemplated hereby or thereby may be instituted in the state or federal courts located in the Northern District of California, and

each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, proceeding, or dispute.

(b) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT OR THE OTHER TRANSACTION DOCUMENTS IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL ACTION, PROCEEDING, CAUSE OF ACTION, OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT, INCLUDING ANY EXHIBITS AND SCHEDULES ATTACHED TO THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS, OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT: (I) NO REPRESENTATIVE OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION; (II) EACH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER; (III) EACH PARTY MAKES THIS WAIVER KNOWINGLY AND VOLUNTARILY; AND (IV) EACH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 8.09 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their duly authorized representatives.

Spectra7 Microsystems Inc.

By (signed) "Omar Javaid"
Omar Javaid
Chief Executive Officer

By (signed) "Ron Pasek"
Ron Pasek
Chair of the Board

Parade Technologies, Ltd.

By (signed) "Jack Zhao"
Jack Zhao
Chairman

EXHIBIT A

DEFINITIONS CROSS-REFERENCE TABLE

The following terms have the meanings set forth in the location in this Agreement referenced below:

Term	Section
Accounts Receivable	Section 1.01(b)
Actions	Section 3.12(a)
Affiliate	Section 1.03(b)
Agreement	Preamble
Allocation Schedule	Section 1.06
Assigned Contracts	Section 1.01(d)
Assignment and Assumption Agreement	Section 2.02(a)(ii)
Assumed Liabilities	Section 1.03(a)
Balance Sheet	Section 3.03
Balance Sheet Date	Section 3.03
Bill of Sale	Section 2.02(a)(i)
Books and Records	Section 1.01(i)
Business	Preamble
Business Day	Section 2.01
Buyer	Preamble
Buyer Bridge Loans	Section 1.06
Buyer Indemnitees	Section 7.02
Closing	Section 2.01
Closing Date	Section 2.01
Closing Payment	Section 1.04(b)
Contracts	Section 1.01(d)
Control	Section 1.03(b)
Corp	Recitals
Disclosure Schedules	Section 1.01(d)
Encumbrance	Section 3.02
Escrow Agent	Section 1.05

Escrow Agreement	Section 1.05
Escrow Amount	Section 1.05
Exchange Approval	Section 2.03(e)
Excluded Assets	Section 1.02
Excluded Liabilities	Section 1.03(b)
Financial Statements	Section 3.03
Governmental Authority	Section 1.01(i)
Governmental Order	Section 3.02
Indemnified Party	Section 7.04
Indemnifying Party	Section 7.04
Inventory	Section 1.01(c)
Law	Section 3.02
Liabilities	Section 1.03(a)
Losses	Section 7.02
Material Customers	Section 3.11(a)
Material Suppliers	Section 3.11(b)
Missing Technology	Section 2.05(g)
Outside Date	Section 6.02
Person	Section 3.02
Purchased Assets	Section 1.01
Purchase Price	Section 1.04
Release Date	Section 7.08
Representatives	Section 5.01
Restricted Business	Section 5.02(a)
Restricted Period	Section 5.02(a)
Security Agreement	Section 1.06
Seller	Preamble
Seller Indemnitees	Section 7.03
Seller Shareholder Approval	Section 2.03(e)
Seller Subsidiaries	Recitals
Tangible Personal Property	Section 1.01(e)

Taxes	Section 3.14
Tax Returns	Section 1.06
Territory	Section 5.02(a)
Third-Party Claim	Section 7.02(e)
Transaction Documents	Section 2.02(a)(v)

[All other Exhibits and Schedules intentionally redacted as commercially sensitive information.]