

A copy of this amended and restated preliminary prospectus has been filed with the securities regulatory authorities in Alberta but has not yet become final. Information contained in this amended and restated preliminary prospectus may not be complete and may have to be further amended.

This prospectus does not constitute a public offering of securities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

NON-OFFERING

March 3, 2026

**AMENDED AND RESTATED PRELIMINARY PROSPECTUS
(amending and restating the preliminary prospectus dated November 30, 2025)**

NEW MEDIA CAPITAL 2.0 INC.

No securities are being offered pursuant to this amended and restated preliminary prospectus (the “**Prospectus**”). This Prospectus is being filed to enable New Media Capital 2.0 Inc. (the “**Company**”), a capital pool company (“**CPC**”) pursuant to *Policy 2.4 - Capital Pool Companies* (the “**CPC Policy**”) of the TSX Venture Exchange (the “**Exchange**” or “**TSXV**”), to complete its Qualifying Transaction (as defined under the CPC Policy) with Asiatel Outsourcing Ltd. (“**Asiatel**”) (the “**Proposed Qualifying Transaction**”). Asiatel carries on its business through its subsidiary, Asia Teleservices Inc. (“**ATI**”). Since no securities are being sold pursuant to this Prospectus, no proceeds will be raised pursuant to this Prospectus. All expenses in connection with the preparation and filing of this Prospectus will be paid by the Company and Asiatel from working capital.

The Company was incorporated pursuant to the provisions of the *Business Corporations Act* (Alberta) (“**ABCA**”) on March 12, 2021. The Company became a reporting issuer in the jurisdictions of British Columbia, Alberta and Ontario by filing a prospectus in respect of which a receipt was issued by the British Columbia Securities Commission, the Alberta Securities Commission and the Ontario Securities Commission on October 1, 2021.

The Company completed its initial public offering of its Common Shares (as defined below) on December 21, 2021. The Common Shares were listed for trading on the Exchange on December 21, 2021. The Company’s business has been restricted to the identification and evaluation of assets and businesses in connection with a potential Qualifying Transaction and, upon identifying and evaluating such opportunities, to negotiate an acquisition of or participation in an asset or business, subject to acceptance by the Exchange. The Company, Asiatel and the Asiatel Shareholders entered into a share exchange agreement on July 16, 2025, amended by an amendment agreement dated January 15, 2026 (the “**Definitive Agreement**”) pursuant to which the Company will acquire all of the issued and outstanding securities of Asiatel. The Proposed Qualifying Transaction is intended to serve as the Company’s Qualifying Transaction under the CPC Policy.

The Proposed Qualifying Transaction must be approved by the Exchange in accordance with the CPC Policy. Except as specifically contemplated in the CPC Policy, until Completion of the Proposed Qualifying Transaction (as defined herein), the Company has not carried on and will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. As of the date of this Prospectus, the Common Shares of the Company (the “**Common Shares**”) are listed on the Exchange under the symbol “NEME.P”.

No trading in the Common Shares has occurred through the facilities of the Exchange since February 4, 2022. The Common Shares were halted from trading on February 4, 2022, pending the announcement of a previously contemplated Qualifying Transaction which did not proceed. The trading halt imposed at that time has not been lifted. At the time of the trading halt, the Common Shares were trading at a price of \$0.10 per Common Share.

No underwriter has been involved in the preparation of this Prospectus or performed any review or independent due diligence of the contents of this Prospectus. This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities.

For greater certainty, none of the securities underlying the Subscription Receipts, the Resulting Issuer Shares or the Resulting Issuer warrants are being qualified by this Prospectus.

Neither the Exchange nor any securities regulatory authority has in any way passed upon the merits of the Proposed Qualifying Transaction described in this Prospectus.

An investment in securities of the Company or the Resulting Issuer (as defined herein) should be considered highly speculative. There is no guarantee that an investment in the Company or the Resulting Issuer will earn any positive return in the short or long term. An investment in the Company or the Resulting Issuer is appropriate only for investors who have the capacity to absorb a loss of some or all of their investment. There are certain risk factors associated with an investment in the securities of the Company or the Resulting Issuer and with Completion of the Proposed Qualifying Transaction and with respect to the Resulting Issuer's business. In reviewing this Prospectus, an investor should carefully consider the matters described in this Prospectus under the heading "*The Resulting Issuer – Risk Factors*".

The Company was incorporated on March 12, 2021, does not own any ongoing business operations and has no assets other than cash and cash equivalents, its listing on the Exchange and its rights under the Definitive Agreement. There is no assurance that the Company will successfully complete the Proposed Qualifying Transaction, or even if it does, that the business of the Resulting Issuer will be profitable or will succeed. Moreover, additional funds may be required to accomplish the business objectives of the Resulting Issuer, and the Resulting Issuer may not be able to obtain such financing or may not be able to raise sufficient funds. If future business activities of the Resulting Issuer are financed by the issuance of Resulting Issuer Shares (as defined herein) from treasury, control of the Resulting Issuer may change and shareholders may suffer additional dilution. Holders of Resulting Issuer Shares (as defined herein) may be unable to enforce Canadian statutory and civil remedies against non-residents.

The head office of the Company is located at Suite 1700, Enbridge Centre, 10175 – 101 Street NW, Edmonton, Alberta, T5J 0H3.

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GENERAL MATTERS

Readers should rely only on the information contained in this Prospectus. We have not authorized any other person to provide you with additional or different information. If anyone provides you with additional or different or inconsistent information, including information or statements in media articles about the Company, you should not rely on it. You should assume that the information appearing in this Prospectus is accurate only as at its date. The Company's business, financial conditions, results of operations and prospects may have changed since that date.

Unless otherwise noted or the context indicates otherwise, "we", "us", "our", or the "Company" refers to New Media Capital 2.0 Inc. Certain capitalized terms and phrases used in this Prospectus are defined in the *"Glossary of Terms"*.

ENFORCEMENT OF CIVIL LIABILITIES

The following persons are incorporated, continued, or otherwise organized under the laws of a foreign jurisdiction or reside outside of Canada, and have appointed Morton Law LLP, 1200-750 W. Pender Street Vancouver, British Columbia Canada, V6C 2T8, as their agent for service of process in Canada, respectively:

- Asiatel
- ATI
- Mohamed Shafi Aboobaker, Director and Chairman of ATI and proposed director of the Resulting Issuer
- Jasjit Singh Anand (Andy), Director and Chief Executive Officer of ATI and the proposed Chief Executive Officer, and director of the Resulting Issuer
- Shane Weir, independent commercial solicitor and a proposed director of the Resulting Issuer.
- Sycip Gorres Velaro & Co. (Asiatel and ATI's auditors)

It may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the person has appointed an agent for service of process.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Prospectus contains "forward-looking information" within the meaning of applicable Canadian securities legislation, with respect to the Company, Asiatel and the Resulting Issuer. The forward-looking information included in this Prospectus is not based on historical facts, but rather on the expectations of the Company's management regarding the future growth of the Resulting Issuer, its results of operations, performance, business prospects, and opportunities. This Prospectus uses words such as "will", "may", "expects", "anticipates", "intends", "plans", "believes", "estimates", "future", or similar expressions to identify forward-looking information. Such forward-looking information reflects the current beliefs of the Company's management, based on information currently available to them.

Forward-looking statements contained in this Prospectus include, without limitation, statements about:

- completion and timing of the Proposed Qualifying Transaction, including but not limited to the completion of the Concurrent Financing and Consolidation;
- use of funds;
- Asiatel's and the Resulting Issuer's expectations regarding future growth, including Asiatel's and the Resulting Issuer's ability to grow its business and increase its product offering to consumers, and the viability of Asiatel's and the Resulting Issuer's business plan;
- Asiatel's and the Resulting Issuer's expectations about growth in the industry in which it operates and its ability to increase its market penetration;

- Asiatel's and the Resulting Issuer's anticipated cash needs and ability to obtain financing to support and expand its operations;
- Asiatel's and the Resulting Issuer's perception of its competitors, emerging competition in the industry and the associated risks;
- Asiatel's and the Resulting Issuer's ability to protect, maintain and enforce its intellectual property rights;
- regulatory developments and the regulatory environment in which Asiatel and the Resulting Issuer operates;
- anticipated trends and challenges in Asiatel's and the Resulting Issuer's business and the market in which Asiatel and the Resulting Issuer operates; and
- Asiatel's and the Resulting Issuer's future financial and operating results.

Forward-looking statements are based on the reasonable assumptions, estimates, opinions and analyses of management made in light of its experience and perception of historical trends, current conditions, expected future developments and other factors management of the Company believes are appropriate, relevant and reasonable in the circumstances at the date that such statements are made. The Company has based the forward looking information in this Prospectus on various material assumptions, including that: the Proposed Qualifying Transaction will be completed as contemplated; the Resulting Issuer will sustain or increase profitability, and will be able to fund its operations with existing capital, and/or it will be able to raise additional capital to fund operations; the Company will be able to attract and retain key personnel; the Company will be successful in obtaining all necessary approvals from all applicable regulatory authorities, including the approval of the Exchange with respect to the Proposed Qualifying Transaction; the general business, economic, financial market, regulatory and political conditions in which the Resulting Issuer operates will remain positive; the general regulatory environment will not change in a manner adverse to the business of the Resulting Issuer; the tax treatment of the Company and its subsidiaries will remain constant and the Company will not become subject to any material legal proceedings; the economy generally; competition, and anticipated and unanticipated costs. The Company cautions that the foregoing list of assumptions is not exhaustive.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information. Actual results, performance or achievement could differ materially from that expressed in, or implied by, any forward-looking information in this Prospectus, and, accordingly, investors should not place undue reliance on any such forward-looking information. Certain factors that may affect the future results, performance or achievements of the Company are summarized under the heading "*Resulting Issuer – Risk Factors*" in this Prospectus.

Further, any forward-looking information speaks only as of the date on which such statement is made and the Company undertakes no obligation to update any forward-looking information to reflect the occurrence of unanticipated events, except as required by law including applicable securities laws. New factors emerge from time to time and the importance of current factors may change from time to time and it is not possible for management of the Company to predict all of such factors, changes in such factors and to assess in advance the impact of each such factor on the business of the Resulting Issuer, respectively, or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking information contained in this Prospectus.

MARKET AND INDUSTRY DATA

Unless otherwise indicated, information contained in this Prospectus concerning Asiatel's industry and the markets in which Asiatel operates, including general expectations and market position, market opportunities and market share, is based on information from independent industry organizations, other third-party sources (including industry publications, surveys and forecasts) and management studies and estimates.

Unless otherwise indicated, the estimates included herein are derived from publicly available information released by independent industry analysts and third-party sources as well as data from Asiatel's internal research, and include assumptions made by Asiatel which Asiatel has advised the Company that it believes to be reasonable based on its knowledge of its industry and markets. Asiatel's internal research and assumptions have not been verified by any independent source, and neither the Company nor Asiatel has independently verified any third-party information. While the Company and Asiatel believe the market position, market opportunity and market share information included in this Prospectus is generally reliable, such information is inherently imprecise. In addition, projections, assumptions and estimates regarding the Resulting Issuer's future performance and the future performance of the industry and markets in which the Resulting Issuer is expected to operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described under the heading "*Cautionary Statement Regarding Forward-Looking Information*" and "*The Resulting Issuer – Risk Factors*".

CURRENCY AND EXCHANGE RATE DATA

The financial statements of the Company attached as Schedule "A" to this Prospectus are presented in Canadian dollars. The financial statements of ATI attached as Schedule "C" to this Prospectus and the financial statements of Asiatel attached as Schedule "E" to this Prospectus are presented in Philippine pesos. The balance of the financial information contained in this Prospectus, including the financial information in the management's discussion and analysis of the Company, ATI and Asiatel attached as Schedules "B", "D" and "F" to this Prospectus, is presented in Canadian dollars.

The following table sets out, for the periods indicated, the high, low, and period-end indicative rates of exchange for ₱1.00 expressed in Canadian dollars.

	Period from February 6, 2025⁽¹⁾ to December 31, 2025	Three Months ended March 31, 2025	Year ended December 31, 2024	Year ended December 31, 2023
As at end of period	[♦]	40.0964	40.2679	42.0039
Low for the period	[♦]	39.6165	40.2679	39.5414
High for the period	[♦]	41.0225	43.1077	42.3903
Average rate for the period	[♦]	40.1599	41.8728	41.2760

(1) Incorporation Date of Asiatel.

PROSPECTUS SUMMARY

The following is a summary of the principal features contained in this Prospectus, and should be read together with the more detailed information, financial data, and statements contained elsewhere in this Prospectus. Certain capitalized terms and phrases used in this Prospectus are defined in the “Glossary of Terms”.

The Company

The Company was incorporated by articles of incorporation under the *Business Corporations Act* (Alberta) (“**ABCA**”) on March 12, 2021. The Company is a CPC and completed its initial public offering (“**IPO**”) on the Exchange on December 21, 2021. The Company sold 5,000,000 Common Shares at a price of \$0.10 per Common Share pursuant to its IPO, raising gross proceeds of \$500,000. The Common Shares are listed and trade on the Exchange under the symbol “NEME.P” but are currently halted. The registered office of the Company is located at Suite 1700, Enbridge Centre, 10175 – 101 Street NW, Edmonton, Alberta, T5J 0H3.

The principal business of the Company is the identification and evaluation of assets or businesses, with a view to completing a Qualifying Transaction. Any proposed Qualifying Transaction must be approved by the Exchange in accordance with the CPC Policy. The Company has not commenced commercial operations and has no assets other than cash and cash equivalents, its listing on the Exchange and its rights under the Definitive Agreement. Except as specifically contemplated in the CPC Policy, until completion of a Qualifying Transaction, the Company will not carry on any business other than the identification and evaluation of assets and businesses with a view to completing a Qualifying Transaction and, upon identifying and evaluating such opportunities, to negotiate an acquisition or participation subject to acceptance by the Exchange. See “*The Company – Business of the Company*”.

Asiatel

Asiatel was incorporated under the laws of the Cayman Islands on February 6, 2025. Asiatel has its registered and head office address at Floor 2, Willow House, Cricket Square, PO Box 709, Grand Cayman KY1-1107, Cayman Islands. Asiatel completed the acquisition of ATI on February 17, 2025.

Asiatel through its subsidiary, ATI, has operations based in the Philippines. ATI is engaged in Business Process Outsourcing Services (“**BPO**”), offering tailored solutions for customer relationship management, data management, and other complementary support services. Leveraging advanced technologies, including cloud-based infrastructure, information technology (“**IT**”) enabled services, and telecommunication platforms, ATI provides end-to-end outsourcing solutions that enhance operational efficiency and customer experience for their clients. ATI was incorporated in 2006 to serve as a captive back office of the telecom business. A majority of this business has since been divested. Since 2016, ATI has diversified into outsourcing and provided an array of BPO services coupled with other assistance services (e.g. Employer of Record, Remote Staffing, Captive Services, Seat Lease) to its customers (the “**Services**”) ATI supplies its Services to clients primarily located throughout Asia using its two floor 6,500 sq. ft. leased office facility in Pasig City an area in the greater Manila, Philippines region. The Hanston Square Building, where ATI is located, has high quality Internet, telecom, voice and IT related infrastructure. The location is also such that local, national and international travel is convenient. For a detailed description of Asiatel, see “Asiatel – Business of Asiatel”.

The Proposed Qualifying Transaction

The Company has identified Asiatel as an appropriate target for the Company to acquire for the purpose of completing its Qualifying Transaction. The Proposed Qualifying Transaction will be completed pursuant to the Definitive Agreement, pursuant to which the Company will acquire all of the issued and outstanding Asiatel Shares (as described herein), and Asiatel will become a wholly owned subsidiary of the Company. Completion of the Proposed Qualifying Transaction is subject to, among other things, prior satisfaction or waiver of a number of conditions, including the conditional Exchange acceptance of the Proposed Qualifying Transaction, and the satisfaction or waiver of the conditions in the Definitive Agreement.

Upon Completion of the Proposed Qualifying Transaction, it is expected that the Resulting Issuer will be listed on the Exchange as a Tier 2 technology issuer.

The Proposed Qualifying Transaction is intended to serve as the Company's Qualifying Transaction under the CPC Policy. The Proposed Qualifying Transaction does not constitute a Non-Arm's Length Qualifying Transaction pursuant to the definition of such term in the CPC Policy and is not a Related Party Transaction under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

Consequently, the Proposed Qualifying Transaction does not require the approval of Company Shareholders.

Securities Exchange

On July 16, 2025, the Company entered into the Definitive Agreement with Asiatel and the Asiatel Shareholders. The Definitive Agreement includes amendments made pursuant to an amendment agreement dated January 15, 2026, which extended the Termination Date to June 16, 2026, reflected certain revised terms of the Concurrent Financing (which are disclosed herein) and more accurately reflected the agreed upon reconstitution of the board of directors of the Company and the appointment of officers of the Company on Closing of the Transaction.

Pursuant to the Definitive Agreement, the Company will acquire 100% of the issued and outstanding ordinary shares of Asiatel from the Asiatel Shareholders by issuing: 40,000,000 post-Consolidation common shares of the Company (the "**Consideration Shares**") to the Asiatel Shareholders at a deemed price of \$0.20 per Consideration Share (the "**Securities Exchange**"), for approximate consideration of \$8,000,000. As a result of the Securities Exchange, Asiatel will become a wholly-owned subsidiary of the Resulting Issuer, and the Resulting Issuer will carry on business currently carried on by Asiatel.

A portion of the 40,000,000 Consideration Shares will be issuable as special warrants ("**Special Warrants**") to the Asiatel Shareholders in lieu of Consideration Shares, with each Special Warrant being automatically convertible into one Consideration Share for no additional cost at such time the Consideration Shares can be added to the issued and outstanding share capital of the Company without resulting in "Public Shareholders" (as that term is defined in the Exchange Policies) of the Company holding less than 20% of the issued and outstanding Common Shares of the Company (the "**Special Warrant Provision**").

Immediately prior to the closing of the Transaction, the Company will conduct a share consolidation on a 1 post-consolidation share to every 2 pre-consolidation share basis, as well as a Concurrent Financing of up to 5,000,000 post-Consolidation Subscription Receipts (as defined herein) at a price of \$0.20 per Subscription Receipt for gross proceeds of up to \$1,000,000. The Company has closed an initial tranche of the Concurrent Financing, pursuant to which it issued an aggregate 3,800,000 Subscription Receipts at a price of \$0.20 per Subscription Receipt for gross proceeds of \$760,000. The balance of the Concurrent Financing is expected to close concurrent with the Closing of the Transaction. See "*The Proposed Qualifying Transaction – Concurrent Financing*".

The Securities Exchange will effectively provide for the acquisition of all of the outstanding equity interests of Asiatel by the Company in a transaction in which the security holders of Asiatel will receive securities of the Resulting Issuer. As a result of the Securities Exchange, the Company will become the sole registered and beneficial owner of all of the outstanding securities of Asiatel and Asiatel will become a wholly-owned subsidiary of the Company.

See "*The Proposed Qualifying Transaction – Securities Exchange*" and "*The Proposed Qualifying Transaction – Definitive Agreement*".

Financing

Prior to the completion of, and as a condition to, the Securities Exchange, the Company will conduct a concurrent private placement offering of 5,000,000 Subscription Receipts at a price of \$0.20 per Subscription Receipt to raise proceeds of up to \$1,000,000 (the "**Concurrent Financing**"). Each Subscription Receipt will entitle the holder to receive, without any further action on the part of the holder and for no additional consideration, one post-Consolidation Unit (as defined herein) of the Company, upon the satisfaction, or waiver by the holder, of the Escrow Release Conditions (as defined herein). Each Unit will be comprised of one post-Consolidation Common Share and one share purchase warrant entitling the holder to purchase an additional post-Consolidation Common Share at an exercise price of \$0.30 per Common Share

for a period 18 months from the date the Subscription Receipts are converted into Units, subject to an acceleration provision as described herein. The Company has closed an initial tranche of the Concurrent Financing, pursuant to which it issued an aggregate 3,800,000 Subscription Receipts for gross proceeds of \$760,000. The balance of the Concurrent Financing is expected to close concurrent with the Closing of the Transaction. See *“The Proposed Qualifying Transaction – Concurrent Financing”*.

It is intended that the proceeds from the Concurrent Financing will be used for expansion in the Philippines, IT enhancements and AI Alliances, niche product development, Canadian office expenses, investor relations, costs of Transaction and listing and general working capital purposes following completion of the Transaction.

In connection with the Concurrent Financing, the Company may pay a finders’ fees comprised of a cash commission and/or warrants. The Company intends to issue 718,500 Resulting Issuer Shares (the **“Advisory Shares”**) to an advisor on closing of the Transaction having a deemed value of \$0.20 per Resulting Issuer Shares, as an advisory fee (the **“Advisory Fee”**) in connection with the Proposed Qualifying Transaction.

Share Consolidation

Prior to the completion of, and as a condition to, the Securities Exchange, the Company will consolidate its issued and outstanding Common Shares on a 1 post-consolidation Common Share to every 2 pre-consolidation Common Share basis (the **“Consolidation”**) such that the Company will have 3,900,000 post-Consolidation Common Shares issued and outstanding immediately prior to completion of the Concurrent Financing and the Transaction.

The Consolidation was approved by the Company Shareholders at the Company’s annual and special meeting held on December 10, 2025, and will be subject to approval approved by the Exchange.

Company Shareholder Meeting

The Company held an annual and special meeting of shareholders of the Company on December 10, 2025 (the **“Shareholders Meeting”**). At the Shareholders Meeting, shareholders of the Company were asked to pass certain resolutions, in addition to ordinary course resolutions for annual matters, approving:

- (i) the change of name of “New Media Capital 2.0 Inc.” to “Asiatel Outsourcing Inc.” or such other name as may be determined by Asiatel in its sole discretion;
- (ii) the share consolidation of the issued and outstanding Common Shares of the Company on the basis of one (1) post-consolidation Common Share for every two (2) pre-consolidation Common Share;
- (iii) conditional upon the completion of the Transaction, the implementation of an Omnibus Security Based Compensation Plan which includes a 10% rolling stock option plan with cashless and net exercise provisions together with a 10% fixed equity compensation plan allowing for the grant of deferred share units, restricted share units, performance share units, stock appreciation rights and other compensation or incentive mechanisms involving the issuance or potential issuance of securities of the Company from treasury (other than stock options), such plan to replace the Stock Option Plan after the Closing of the Transaction (the **“Omnibus Security Compensation Plan”**);
- (iv) conditional upon the completion of the Transaction, an increase in the size of the board of directors of the Company from four (4) members to five (5) members and the appointment of the directors described in the section below entitled *“The Resulting Issuer – Directors, Executive Officers and Promoters”*; and
- (v) the continuation of the Company from Alberta into the province of British Columbia under the *Business Corporations Act* (BCBCA) (the **“Continuance”**).

with the approval of each of the foregoing items to be conditional upon completion of the Transaction (the **“Meeting Matters”**). All of the Meeting Matters were approved at the Meeting.

See “*The Company – Business of the Company – Company Shareholder Meeting*”.

Appointment of Asiatel Nominees to Company Board

On the Closing Date, three of the current directors of the Company (John Putters, Randa Kachkar and Catherine Hume) will resign. As noted above under “*Company Shareholder Meeting*” the number of directors will be increased to five (5). Tim Latimer will remain as a director and four additional directors will be appointed, three of whom will be selected by Asiatel and the remaining one of whom will be selected by the Company. See “*The Resulting Issuer - Directors, Executive Officers and Promoters*”.

Listing

The Common Shares have been listed and posted for trading on the Exchange but trading has been halted since February 4, 2022. The Company has applied to list the Resulting Issuer Shares issued in connection with the Proposed Qualifying Transaction on the Exchange under the symbol “ATOI”. Listing is subject to the Company fulfilling all of the requirements of the Exchange. The Exchange has not conditionally approved the Proposed Qualifying Transaction and there is no assurance that the Exchange will approve the Proposed Qualifying Transaction or the issuance of the Resulting Issuer Shares to be issued in connection with the Proposed Qualifying Transaction.

See “*The Proposed Qualifying Transaction – Definitive Agreement*”.

Escrow

Upon Completion of the Proposed Qualifying Transaction, and subject to the seed share resale rules of the Exchange if applicable, it is expected that the former holders of Common Shares and Asiatel Shares will hold freely tradeable Resulting Issuer Shares, which will be listed on the Exchange, with the exception of certain insiders and principals of the Resulting Issuer, who will be subject to escrow provisions under the policies of the Exchange.

See “*The Resulting Issuer – Escrowed Securities*”.

Business of the Resulting Issuer

The business of Asiatel will become the business of the Resulting Issuer under the name “Asiatel Outsourcing Inc.” or such other name as Asiatel may determine, upon closing of the Proposed Qualifying Transaction.

See “*The Resulting Issuer – Business of the Resulting Issuer*”.

Estimated Available Funds and Principal Uses

As at February 28, 2026 the most recent month end before the Prospectus, the Company had a working capital of \$169,629.

As at February 28, 2026 Asiatel, the most recent month end before the Prospectus, Asiatel had a working capital of \$[♦].

Assuming completion of the Concurrent Financing, it is anticipated that on Closing of the Transaction the Company will have \$[♦].

Upon Completion of the Proposed Qualifying Transaction, including giving effect to the Securities Exchange, the working capital available to the Resulting Issuer is expected to be approximately \$[♦] assuming the completion of the Concurrent Financing.

The Resulting Issuer intends to use its available funds to further the business objectives described in “*The Resulting Issuer – Available Funds and Principal Uses – Business Objectives*”, principally including:

- Expansion in the Philippines;
- IT enhancements and AI Alliances;
- Development of niche products;
- Canadian office expenses;
- Investor relations;
- Costs of Transaction and listing;
- General working capital;

The following table sets out the proposed principal uses of the funds by the Resulting Issuer, after giving effect to the Securities Exchange and assuming completion of the Concurrent Financing.

	Assuming Completion of Concurrent Financing (CDN\$)
Use of Funds	
Expansion of delivery seat capacity in the Philippines (facilities, recruitment, onboarding)	\$250,000
IT enhancements and AI Alliances (integration, licensing, and platform development)	\$200,000
Niche service development (productization of new verticals and pilot programs)	\$100,000
Establishment of Canadian office (initial set-up and operating runway)	\$150,000
Investor relations (including IR materials, PR, roadshows and digital IR campaigns)	\$100,000
Cost of listing, legal, accounting and offering expenses	\$250,000
Working capital (general corporate purposes)	\$[♦]
Total	\$[♦]

The above uses of available funds are estimates only. Funds may be reallocated for sound business reasons. Funds that are not immediately committed will be invested in short-term, investment-grade interest-bearing securities such as money market accounts, certificates of deposit, commercial paper, guaranteed obligations, and bank demand deposits. It is anticipated that the available funds will be sufficient to satisfy the Resulting Issuer's objectives over the 24 months following Completion of the Proposed Qualifying Transaction.

See "*The Resulting Issuer – Available Funds and Principal Uses*".

Directors and Executive Officers of the Resulting Issuer

Subject to Exchange approval, on Completion of the Proposed Qualifying Transaction, the following individuals are expected to be the directors and/or officers of the Resulting Issuer:

Jasjit Singh Anand (Andy) – Chief Executive Officer and Director

Mr. Anand is the current CEO and President of Asiatel overseeing day to management, strategic planning, P&L Management and business expansion. Jasjit brings over 25 years of diverse experience in business development and senior management roles, including product launches, as well as new projects while working for multinational companies such as Aditya Birla Group, Fullerton India / Fullerton Enterprises (indirect subsidiary of Temasek, Singapore), IL&FS group and National Securities Depository Limited (NSDL), India's leading depository.

Jasjit was the founding member of the BPO diversification initiative of the Asiatel group and has been an instrumental growth driver in taking the business from 0 employees to over 400 employees in May 2025.

Mohamed Shafi Aboobaker - Director

Mr. Aboobaker is an accomplished entrepreneur with over 45 years of diverse business experience. He was the founding shareholder and CEO of Asia Telecom Limited from 1997 until 2017, and of Asia Telecom Holdings since 2016 and Chairman of Asia Teleservices Inc. since 2015. In September 1997, he and a group of partners founded Asia Telecom, successfully securing the External Telecommunications License in 1999. Mr. Aboobaker helped the company achieve annual revenues of US\$28 million by 2016, with revenue-generating operations in Singapore and Taiwan, supported by offices in the Philippines and Indonesia. Since 2015, he has led the expansion and diversification of Asiatel Outsourcing into new business interests.

Shane Weir - Director

Mr. Weir has a distinguished career in the field of law and corporate advisory services. Shane is a veteran commercial-oriented solicitor and registered investment advisor with over 45 years of legal experience. He is a co-founder of Weir & Associates, a successful law firm in Hong Kong and Shanghai. Mr. Weir serves as a Director of Global Education Communities (TSX:GEC). He has extensive advisory experience along having taken up directorship roles for listed public companies and professional services firms including Canadian stock exchanges. Shane is a qualified Canadian lawyer with Hong Kong and UK qualifications, specializing in international estate planning.

Tim Latimer

Mr. Latimer is a Chief Executive Officer with more than 25 years of leadership experience across two mission-driven organizations: Cashco Financial (since 2000) and Business as a Force for Good (since 2010). At Cashco Financial, Mr. Latimer oversaw all strategic, operational and culture aspects of one of Canada's financial services organizations and drove long-term growth while championing transformative business practices. At Business as a Force for Good, Mr. Latimer lead a value-based organization dedicated to promoting responsible business practices and creating measurable social impact. Mr. Latimer is the founder of Cashco Financial and numerous other businesses and has built several companies to a national footprint employing up to 500 people. Mr. Latimer is also the founder of Village Wise Inc, JL Legacy Inc. and is a director of a number of other private companies.

Samantha Frampton - Director

Ms. Frampton has served as Chief Financial Officer of Business as a Force for Good Inc., a firm focused on providing leadership to family offices and private investment guidance within the Canadian market, for the past five years. In this role, she has led centralized accounting teams for over 40 companies, overseeing financial operations and delivering strategic, data-driven insights to support decision-making for leaders across various industries.

Ms. Frampton holds a Bachelor of Commerce degree in economics and accounting from MacEwan University and a Masters of Business Administration from University of Alberta specializing in Finance Mergers and Acquisitions, thus providing a strong foundation for her financial and strategic leadership roles.

See *"The Resulting Issuer – Directors, Executive Officers, and Promoters"*.

Interests of Insiders, Promoters and Control Persons

Except as set forth herein, no Insider, promoter or Control Person of the Company or any of their respective Associates and Affiliates (before giving effect to the Proposed Qualifying Transaction) has any interest in Asiatel.

Arm's Length Qualifying Transaction

The Proposed Qualifying Transaction is not a Non-Arm's Length Qualifying Transaction.

Pro Forma Consolidated Capitalization

The following table sets out the pro forma share capital of the Resulting Issuer as at December 31, 2025, based on the pro forma statement of financial position after giving effect to the Proposed Qualifying Transaction as described in

the pro forma financial statements of the Resulting Issuer included in this Prospectus. See “*The Resulting Issuer – Pro Forma Consolidated Capitalization of the Resulting Issuer*”.

Holders	# of Shares ⁽¹⁾	Ownership % (undiluted)	Ownership % (fully diluted)
Existing Company Shareholders	3,900,000	7.86%	6.53%
Asiatel Shareholders	40,000,000 ⁽²⁾⁽³⁾	80.62% ⁽³⁾	66.97% ⁽³⁾
Concurrent Financing	5,000,000 ⁽⁴⁾	10.08% ⁽⁴⁾	8.37% ⁽⁴⁾
Advisory Shares	718,500	1.45%	1.20%
TOTAL (undiluted):	49,618,500	100%	-

Holders	# of Convertible Securities ⁽¹⁾	Ownership % (undiluted)	Ownership % (fully diluted)
Existing Company Warrants	250,000	-	0.42%
Concurrent Financing Warrants	5,000,000 ⁽⁴⁾	-	8.37% ⁽⁴⁾
Remaining number of shares reserved for issuance under Company Stock Option Plan	4,861,850	-	8.14%
TOTAL (fully diluted):	59,730,350	100%	100%

Notes:

- (1) All figures expressed on a post-Consolidation basis.
- (2) Certain securities of the Resulting Issuer are subject to escrow. See “The Resulting Issuer – Escrowed Securities”.
- (3) Subject to the Special Warrant Provision (above assumes conversion of all Special Warrants).
- (4) The Company has closed an initial tranche of the Concurrent Financing, pursuant to which it issued an aggregate 3,800,000 Subscription Receipts for gross proceeds of \$760,000. The balance of the Concurrent Financing is expected to close concurrent with the Closing of the Transaction.

Market for Securities

The Common Shares are listed on the Exchange under the trading symbol “NEME.P”.

No trading in the Common Shares has occurred through the facilities of the Exchange since February 4, 2022. The Common Shares were halted from trading on February 4, 2022, pending the announcement of a previously contemplated Qualifying Transaction which did not proceed. The trading halt imposed at that time has not been lifted. At the time of the trading halt, the Common Shares were trading at a price of \$0.10 per Common Share.

There is no public market for the Asiatel Shares.

No Proceeds Raised

This Prospectus is a non-offering prospectus and was prepared and filed in connection with the Proposed Qualifying Transaction pursuant to requirements under Applicable Securities Laws. No proceeds will be raised pursuant to this Prospectus.

Risk Factors

An investment in the Company or the Resulting Issuer following Completion of the Proposed Qualifying Transaction involves a high degree of risk. There are risks inherent with Completion of the Proposed Qualifying Transaction and

with respect to the business of the Resulting Issuer. You should carefully consider the information in this Prospectus and the information set out under “*The Resulting Issuer – Risk Factors*”.

Selected Financial Information of the Company

The following sets out selected financial information for the Company for the periods or as of the dates indicated. The selected financial information of the Company has been derived from the Company Financial Statements, which have been prepared in accordance with IFRS, and are included in this Prospectus. See Schedule “A” - *Financial Statements of the Company*. This summary financial information should be read in conjunction with, and is qualified in its entirety by, the Company Financial Statements.

	As at March 31, 2025 (audited)	As at March 31, 2024 (audited)	As at December 31, 2025 (unaudited)
Total assets	\$257,620	\$292,140	179,683
Total current liabilities	\$8,754	\$10,300	10,054
Total non-current liabilities	\$0	\$0	Nil
Total shareholders’ equity	\$ 248,866	\$ 281,840	169,629

	Year ended March 31, 2025 (audited)	Year ended March 31, 2024 (audited)	Nine Months Ended December 31, 2025 (unaudited)
General and administrative expenses	\$ 11,263	\$ 6,563	\$13,659
Share-based compensation	Nil	Nil	Nil
Interest Income	\$7,023	\$7,295	966
Net loss and comprehensive loss for the year or period, as applicable	(\$32,974)	(\$56,716)	24,542
Net loss per common share – basic and diluted	(0.01)	(0.01)	(0.00)
Weighted Average Number of Shares Outstanding	7,800,000	7,800,000	7,800,000

The Company’s management discussion and analysis (“**MD&A**”) for the financial year ended March 31, 2025 and for the nine months ended December 31, 2025 is included in Schedule “B” – *Management Discussion and Analysis of the Company* of this Prospectus. The MD&A should be read in conjunction with the Company Financial Statements and related notes which have been prepared in accordance with IFRS.

Selected Financial Information of ATI

The following sets out selected financial information for ATI for the periods or as of the dates indicated. The selected financial information of ATI has been derived from the ATI Financial Statements, which have been prepared in accordance with IFRS, and are included in this Prospectus. See Schedule “C” - *Financial Statements of ATI*. This summary financial information should be read in conjunction with, and is qualified in its entirety by, the ATI Financial Statements.

<u>As at</u>	<u>As at</u>
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	March 31, 2025 CAD (thousands) (unaudited)	December 31, 2024 CAD (thousands) (audited)
Total assets	761	667
Total current liabilities	205	124
Total non-current liabilities	111	132
Total shareholders' equity	445	411
Exchange Rate Peso to CAD	40.0964	40.2679

	Three months ended March 31, 2025 CAD (thousands, except for basic earnings per share and for number of shares) (unaudited)	Year ended December 31, 2024 CAD (thousands, except for basic earnings per share and number of shares) (audited)
Revenue	1,743	4,466
Cost of revenues	(1,589)	(3,928)
Gross profit (loss)	154	538
General and administration costs	(110)	(369)
Income taxes	(11)	(44)
Net income (loss) and comprehensive loss for the period, as applicable	33	126
Basic earnings per Asiatel Share	0.01	0.02
Weighted Average Number of Shares Outstanding	7,100,000	7,100,000
Exchange Rate Peso to CAD	40.1599	41.8728

ATI's MD&A for the three months ended March 31, 2025 and the financial year ended December 31, 2024 is included in Schedule "D" - *Management Discussion and Analysis of ATI* of this Prospectus. The MD&A should be read in conjunction with the ATI Financial Statements and related notes which have been prepared in accordance with IFRS.

Selected Financial Information of Asiatel

The following sets out selected financial information for Asiatel for the periods or as of the dates indicated. The selected financial information of Asiatel has been derived from the Asiatel Financial Statements, which have been prepared in accordance with IFRS, and are included in this Prospectus. See Schedule "E" - *Financial Statements of Asiatel*. This summary financial information should be read in conjunction with, and is qualified in its entirety by, the Asiatel Financial Statements.

	<i>As at December 31, 2025 (audited)</i> CAD (thousands)
Total assets	876
Total current liabilities	463
Total non-current liabilities	108
Total shareholders' deficit	N/A

	<i>Period from incorporation to December 31, 2025 (audited) CAD (thousands)</i>
Revenue	8,389
Cost of revenues	(7,496)
Gross profit (loss)	893
General and administration costs	(705)
Income taxes	(66)
Other Income	1
Unrealized Forex Gain (Loss)	(7)
Net income and comprehensive income for the period, as applicable	116
Basic earnings per Asiatel Share	1.16
Weighted Average Number of Shares Outstanding	100

Asiatel's MD&A for the period from incorporation to December 31, 2025 is included in "*Schedule "F" – Management Discussion and Analysis of Asiatel*". The MD&A should be read in conjunction with Asiatel's Financial Statements and related notes, which have been prepared in accordance with IFRS.

Selected Pro Forma Financial Information

The following table sets out selected pro forma financial information for the Resulting Issuer as at December 31, 2025 after giving effect to the Proposed Qualifying Transaction. Such information is derived from the unaudited pro forma consolidated statements of financial position of the Resulting Issuer as at December 31, 2025. See "*Schedule "G" – Pro Forma Financial Statements of the Resulting Issuer*".

Pro Forma Consolidated Amount as at December 31, 2025 (unaudited) \$CAD

Total current assets	692,132
Total assets	876,463
Total current liabilities	462,828
Total liabilities	570,804
Total shareholders' equity	305,659

THE COMPANY

CORPORATE STRUCTURE

Name, Incorporation and Place of Business

The full corporate name of the Company is “New Media Capital 2.0 Inc.” The Company was incorporated pursuant to the provisions of the ABCA on March 12, 2021. The registered and head office address of the Company is located at Suite 1700, Enbridge Centre, 10175 – 101 Street NW, Edmonton, Alberta, T5J 0H3.

BUSINESS OF THE COMPANY

Overview of the Company

The Company is a CPC established pursuant to the CPC Policy. The Company does not own any assets, other than cash, its listing on the Exchange and its rights under the Definitive Agreement. The principal business of the Company is to identify and evaluate opportunities for the acquisition of an interest in assets or businesses and, once identified and evaluated, to negotiate an acquisition of or participation in an asset or business, subject to acceptance by the Exchange, so as to complete a Qualifying Transaction in accordance with the policies of the Exchange.

The Company completed its IPO on December 21, 2021, and its Common Shares were listed on the Exchange and began trading on December 21, 2021.

No trading in the Common Shares has occurred through the facilities of the Exchange since February 4, 2022. The Common Shares were halted from trading on February 4, 2022, pending the announcement of a previously contemplated Qualifying Transaction which did not proceed. The trading halt imposed at that time has not been lifted. At the time of the trading halt, the Common Shares were trading at a price of \$0.10 per Common Share.

History

The Company was incorporated under the ABCA on March 12, 2021. The Company is classified as a Capital Pool Company as defined in the CPC Policy.

Since the date of incorporation, the Company has issued the following shares:

On March 12, 2021, the Company issued 2,800,000 Common Shares at a price of \$0.05 per Common Share for total proceeds of \$140,000.

On December 21, 2021, the Company completed its initial public offering of 5,000,000 Common Shares at \$0.10 per Common Share for gross proceeds of \$500,000. The Common Shares began trading on the Exchange on December 21, 2021 under the symbol “NEME.P”.

The Company entered into a non-binding Letter of Intent (the “LOI”) dated April 29, 2025 with Asiatel, a company incorporated under the laws of the Cayman Islands, pursuant to which the Company will acquire all of the issued and outstanding shares in the capital of Asiatel.

On July 18, 2025, the Company announced that it entered into the Definitive Agreement with Asiatel and the Asiatel Shareholders dated July 16, 2025. The Definitive Agreement currently includes amendments made pursuant to an amendment agreement dated January 15, 2026. See “*The Proposed Qualifying Transaction – Definitive Agreement*”.

Narrative Description of the Business

As stated above under “*The Company – Business of the Company*”, the Company is a CPC and, pursuant to the CPC Policy, to date has not carried on any operations. For information on the proposed principal business to be conducted following the Completion of the Proposed Qualifying Transaction, see “*Asiatel– Business of Asiatel*”.

Company Shareholder Meeting

The Company held an annual and special meeting of shareholders of the Company on December 10, 2025 (the “**Shareholders Meeting**”). At the Shareholders Meeting, shareholders of the Company were asked to pass certain resolutions, in addition to ordinary course resolutions for annual matters, approving:

- (i) the change of name of “New Media Capital 2.0 Inc.” to Asiatel Outsourcing Inc. or such other name as may be determined by Asiatel in its sole discretion;
- (ii) the share consolidation of the issued and outstanding Common Shares of the Company on the basis of one (1) post-consolidation Common Share for every two (2) pre-consolidation Common Share;
- (iii) conditional upon the completion of the Transaction, the implementation of an Omnibus Security Compensation Plan which includes a 10% rolling stock option plan with cashless and net exercise provisions together with a 10% fixed equity compensation plan allowing for the grant of deferred share units, restricted share units, performance share units, stock appreciation rights and other compensation or incentive mechanisms involving the issuance or potential issuance of securities of the Company from treasury (other than stock options), such plan to replace the Stock Option Plan after the Closing of the Transaction; and
- (iv) conditional upon the completion of the Transaction, an increase in the size of the board of directors of the Company from four (4) members to five (5) members and the appointment of the directors described in the section below entitled “*The Resulting Issuer – Directors, Executive Officers and Promoters*”. and
- (v) the continuation of the Company from Alberta into the province of British Columbia under the *Business Corporations Act* (BCBCA) (the “**Continuance**”).

with the approval of each of the foregoing items to be conditional upon completion of the Transaction (the “**Meeting Matters**”). All of the Meeting Matters were approved at the Meeting.

See “*The Company – Business of the Company – Company Shareholder Meeting*”.

Appointment of Asiatel Nominees to Company Board

On the Closing Date, three of the current directors of the Company (John Putters, Randa Kachkar and Catherine Hume) will resign. As noted above under “*Company Shareholder Meeting*” the number of directors will be increased to five (5). Tim Latimer will remain as a director and four additional directors will be appointed, three of whom will be selected by Asiatel and the remaining one of whom will be selected by the Company. See “*The Resulting Issuer – Directors, Executive Officers and Promoters*”.

DIVIDENDS OR DISTRIBUTIONS

To date, the Company has not declared any dividends or distributions on the Common Shares although there are no restrictions precluding the Company from declaring any such dividends. The Company intends to direct its cash towards the development of its business and the identification and evaluation of assets or businesses and does not expect to declare or pay any dividends or distributions in the foreseeable future.

SELECTED FINANCIAL INFORMATION OF THE COMPANY AND MD&A

Selected Financial Information

Since incorporation, the following costs have been incurred by the Company in carrying out its IPO, in seeking, evaluating and negotiating potential Qualifying Transactions, and in meeting the disclosure obligations imposed upon it as a reporting issuer listed for trading on the Exchange. The following tables sets out selected historical financial information for the Company for the years ended March 31, 2025 and March 31, 2024 and the nine months ended December 31, 2025, and selected statement of financial position and statement of operations data. Such information is derived from the audited annual financial statements of the Company and should be read in conjunction with such financial statements. See Schedule “A” – *Financial Statements of the Company*.

	Year ended March 31, 2025 (\$) (audited)	Year ended March 31, 2024 (\$) (audited)	Nine Months Ended December 31, 2025 (\$) (unaudited)
Total expenses	\$39,997	\$64,011	\$25,508

SELECTED STATEMENT OF FINANCIAL POSITION DATA

	Year ended March 31, 2025 (\$) (audited)	Year ended March 31, 2024 (\$) (audited)	As at December 31, 2025 (\$) (unaudited)
Net working capital	\$248,866	\$281,840	\$169,629
Total current assets	\$257,620	\$292,140	\$179,683
Total current liabilities	\$8,754	\$10,300	\$10,054
Total shareholders' equity	\$248,866	\$281,840	\$169,629

SELECTED STATEMENT OF OPERATIONS DATA

	Year ended March 31, 2025 (\$) (audited)	Year ended March 31, 2024 (\$) (audited)	Nine Months Ended December 31, 2025 (\$) (unaudited)
Interest Income	7,023	7,295	966
Total Expenses	39,997	64,011	25,508
Net loss for the period	(32,974)	(56,716)	24,542
Basic and diluted loss per share	(0.01)	(0.01)	(0.00)

Selected Management's Discussion and Analysis

The Company's MD&A for the financial year ended March 31, 2025 and for the nine months ended December 31, 2025 is included in Schedule "B" – *Management Discussion and Analysis of the Company* of this Prospectus. The MD&A should be read in conjunction with the Company Financial Statements. All statements have been prepared in accordance with IFRS. See Schedule "A" – *Financial Statements of the Company*.

DESCRIPTION OF SECURITIES

The Company is authorized to issue an unlimited number of Common Shares without nominal or par value and an unlimited number of Preferred Shares issuable in series, of which, as at the date hereof, 7,800,000 Common Shares are issued and outstanding as fully paid and non-assessable and no Preferred Shares are issued and outstanding.

The holders of Common Shares are entitled to: (i) receive notice of and to vote at every meeting of shareholders of the Company and shall have one vote thereat for each such Common Share so held; (ii) receive such dividend as the directors may from time to time declare on the Common Shares, subject to the rights, privileges, restrictions and conditions attached to the Preferred Shares of the Company; and (iii) subject to the rights, privileges, restrictions and conditions attached to the Preferred Shares of the Company, receive the remaining property of the Company in the event of dissolution, liquidation or winding up of the Company or upon any distribution of the assets of the Issuer (other than by way of dividend out of monies properly applicable to the payment of dividends).

All Common Shares which are issued and outstanding as at the date of this Prospectus are fully paid and non-assessable.

CONSOLIDATED CAPITALIZATION

For information regarding changes in the Company's consolidated capitalization as at September 30, 2025, that will result from the Proposed Qualifying Transaction, see "*The Resulting Issuer – Pro Forma Fully-Diluted Capitalization of the Resulting Issuer*".

PRIOR SALES

Prior Sales

The Company has not issued any Common Shares or securities convertible or exchangeable into Common Shares during the 12-month period before the date of this Prospectus.

Trading Price and Volume

The Common Shares have been listed and posted for trading on the Exchange since December 21, 2021. No trading in the Common Shares has occurred through the facilities of the Exchange since February 4, 2022. The Common Shares were halted from trading on February 4, 2022, pending the announcement of a previously contemplated Qualifying Transaction which did not proceed. The trading halt imposed at that time has not been lifted. At the time of the trading halt, the Common Shares were trading at a price of \$0.10 per Common Share.

ESCROWED SECURITIES

2,800,000 Common Shares which were issued prior to the Company's IPO at a price of \$0.05 per Common Share, were deposited with TSX Trust Company (the "**Escrow Agent**") under the terms of a CPC Escrow Agreement dated September 28, 2021 between the Company and the Escrow Agent (the "**CPC Escrow Agreement**"). All Company Options are subject to escrow under the CPC Escrow Agreement. In addition, all Common Shares issued pursuant to the exercise of Company Options are also subject to escrow under the CPC Escrow Agreement.

As of the date of this Prospectus, an aggregate of 2,800,000 Common Shares representing approximately 35.9% of the presently outstanding Common Shares are held in escrow with the Escrow Agent under the terms of the CPC Escrow Agreement. See "*The Resulting Issuer – Escrowed Securities*".

The following table sets out, as at the date hereof, the securities which were deposited under the CPC Escrow Agreement:

Name and Municipality of Residence of Shareholder	Number of Company Options held in escrow	Number of Escrowed Common Shares ⁽¹⁾⁽²⁾	Percentage of Common Shares as at the date of this Prospectus ⁽³⁾	Percentage of Resulting Issuer Shares after giving effect to the Proposed Qualifying Transaction and the Concurrent Financing ⁽²⁾
John Putters Edmonton, Canada	Nil	400,000	5.13%	0.40%
Randa Kachkar Edmonton, Canada	Nil	800,000	10.26%	0.81%
Tim Latimer Edmonton, Canada	Nil	400,000	5.13%	0.40%
Catherine Hume Toronto, Canada	Nil	400,000	5.13%	0.40%
Ben Tong Edmonton, Canada	Nil	400,000	5.13%	0.40%
David Tam Edmonton, Alberta	Nil	400,000	5.13%	0.40%

Notes:

- (1) These securities are held in escrow with TSX Trust Company under an escrow agreement dated September 28, 2021.
- (2) On a pre-Consolidation basis.
- (3) On an undiluted basis.

PRINCIPAL SECURITYHOLDERS

No Persons beneficially own, directly or indirectly or exercise control or direction over more than 10% of the issued and outstanding Common Shares as at the date of this Prospectus, other than as set out below:

Name and Municipality of Residence of Shareholder	Number of Common Shares Held	Percentage of Class
Randa Kachkar Edmonton, Alberta	800,000	10.26%

Following the Proposed Qualifying Transaction:

Name and Municipality of Residence	Position with the Resulting Issuer	Member of the Audit Committee (Y/N)	Number of Common Shares of the Resulting Issuer to be held ⁽¹⁾	% of Common Shares of the Resulting Issuer (on an undiluted basis) ⁽¹⁾	Number and Type of all other Securities of the Resulting Issuer to be held
Mohamed Shafi Aboobaker Wanchai, Hong Kong	Director & Principal Securityholder	Yes	10,000,000	20.15%	Nil
David Kieran Parke Regina, Saskatchewan, Canada	Principal Securityholder	No	10,000,000	20.15%	Nil

Name and Municipality of Residence	Position with the Resulting Issuer	Member of the Audit Committee (Y/N)	Number of Common Shares of the Resulting Issuer to be held ⁽¹⁾	% of Common Shares of the Resulting Issuer (on an undiluted basis) ⁽¹⁾	Number and Type of all other Securities of the Resulting Issuer to be held
Michael Joseph Kinane Loule, Portugal	Principal Securityholder	No	20,000,000	40.31%	Nil

Notes:

(1) Subject to the Special Warrant Provision (above assumes exercise of all Special Warrants).

For information on principal holders of Resulting Issuer Shares after giving effect to the Concurrent Financing and the Proposed Qualifying Transaction, see “*The Resulting Issuer – Principal Securityholders*”.

DIRECTORS AND EXECUTIVE OFFICERS

Name, Address, Occupation, Security Holdings and Involvement with Other Reporting Issuers

The Company Board consists of four persons. Each director became a member of the Company Board on March 12, 2021, and will hold office until the next annual meeting of shareholders or until his successor is elected or appointed. An audit committee has been established as a committee of the Company Board. The following are the names and municipalities of residence of the directors and officers of the Company, their current positions with the Company and their current principal occupation:

Name & Municipality of Residence	Principal Occupation	Positions and Offices Held	Common Shares Held
John Putters Edmonton, Alberta	Mr. Putters is one of the founders and has been acting as CEO of Visionstate Corp., an Exchange traded company for the past 17 years. Prior to that Mr. Putters founded a .com company.	Chief Executive Officer and Director	400,000
Randa Kachkar ⁽¹⁾ Edmonton, Alberta	CFO, Board Governance Secretary and Compliance Secretary of Visionstate Corp. since 2012. Associate Director in Ancillary Services, University of Alberta since 2012.	Chief Financial Officer and Director	800,000
Tim Latimer ⁽¹⁾ Edmonton, Alberta	Founder of Cashco Financial Inc, Village Wise Inc, JL Legacy Inc. and is a director of a number of other private companies.	Director	400,000
Catherine Hume ⁽¹⁾ Toronto, Ontario	CEO of CHF Capital Markets Inc.	Director	400,000

Note:

(1) Member of the Audit Committee.

The total aggregate number of Common Shares beneficially owned, directly or indirectly, by all directors and officers of the Company is 2,000,000, which is equal to 25.64% of the issued and outstanding Common Shares.

Set forth below is a description of the background of the directors and officers of the Company, including a description

of each individual's principal occupation(s) within the past five years.

John Putters - Edmonton, Alberta - Chief Executive Officer and Director (Age 64)

Mr. Putters is the founder, director and CEO of the Company, a publicly listed company formed under Exchange Policy 2.4. Mr. Putters is also the Chief Executive Officer and a director of Visionstate Corp., a publicly trading company on the Exchange (TSXV: VIS), that specializes in Internet of Things (IoT) solutions for facility management and the Chief Executive Officer and a director of Crystal Pool Capital 2.0 Inc., a reporting issuer in the provinces of Alberta, British Columbia and Ontario. With his robust skill set that includes business development, business strategy, corporate governance, entrepreneurship, interactive advertising and more, that includes WANDA, a smart tablet that tracks cleaning, maintenance, and supply usage in high-traffic facilities, he has gained national recognition and endorsements. Mr. Putters received a Bachelor of Arts degree in Political Science and Economics from the University of Alberta.

Randa Kachkar - Edmonton, Alberta - Director and Chief Financial Officer (Age 65)

Ms. Kachkar is the current Chief Financial Officer and Director of the Company, a publicly listed company formed under Exchange Policy 2.4. Ms. Kachkar is also the Chief Financial Officer, Board Governance Secretary and Compliance Secretary of Visionstate Corp., a publicly trading company on the Exchange (TSXV: VIS), that specializes in Internet of Things (IoT) solutions for facility management. Ms. Kachkar has served in this role with Visionstate since April 2012, overseeing financial reporting and audits. She has also been, at the same time, an Associate Director in Ancillary Services at the University of Alberta since 2012. Additionally, Ms. Kachkar serves as a Chair of the board at Oxford House Foundation of Canada. Ms. Kachkar received her undergraduate degree from the University of Alberta and has taken the TSX Board Governance course through Simon Fraser University.

Tim Latimer - Edmonton, Alberta – Director (Age 68)

Mr. Latimer is a Chief Executive Officer with more than 25 years of leadership experience across two mission-driven organizations: Cashco Financial (since 2000) and Business as a Force for Good (since 2010). At Cashco Financial, Mr. Latimer oversaw all strategic, operational and culture aspects of one of Canada's financial services organizations and drove long-term growth while championing transformative business practices. At Business as a Force for Good, Mr. Latimer lead a value-based organization dedicated to promoting responsible business practices and creating measurable social impact. Mr. Latimer is the founder of Cashco Financial and numerous other businesses and has built several companies to a national footprint employing up to 500 people.

Catherine Hume - Toronto, Ontario – Director (Age 74)

Ms. Hume has built her career in investor relations specializing in small cap companies upon recognizing their intrinsic needs from the point of view of a Toronto retail broker, a position she held for 11 years. Catherine's integrity and personable personality has fostered enduring business relationships and has permitted her IR portfolio of clients to grow exclusively from referrals since 1993. Over the years, Catherine has volunteered by supporting several not-for-profit organizations as well as professional associations. In the late 1980's she sat on the Board of Directors of the PDAC and the University of Guelph. She was Co-Chair of Women In Mining, Toronto branch, and an instructor of Ryerson University's course "Resource Valuation, Financing, and Investor Relations" offered by The Chang School of Business as part of its Certificate in Mining Management. Catherine is also a dedicated board member of The Townships Project, a South African-focused charity. Ms. Hume graduated with a Bachelor of Commerce (Honours). She has completed the Canadian Securities Course and the officers and directors certification with Deacon BZW securities firm. Ms. Hume is also a director of Sokoman Minerals Corp., a publicly trading company on the TSXV.

Other Reporting Issuer Experience

The following table sets out the directors, officers and promoters of the Company that are, or have been within the last five years, directors, officers or promoters of other issuers that are or were reporting issuers in any Canadian jurisdiction (or the equivalent in a jurisdiction outside of Canada):

Name of Director, Officer or Promoter	Name of Reporting Issuer	Market	Position	Term
John Putters	Visionstate Corp.	TSXV	President, Chief Executive Officer	March 2000

			and Director	
	Crystal Pool Capital 2.0 Inc.	Not Applicable	Chief Executive Officer and Director	January 2021
Randa Kachkar	Visionstate Corp.	TSXV	Chief Financial Officer	April 2011
	Crystal Pool Capital 2.0 Inc.	Not Applicable	Director	January 2021
Catherine D. Hume	Sokoman Minerals Corp.	TSXV	Director	March 2017
	Crystal Pool Capital 2.0 Inc.	Not Applicable	VP - Finance	February 2022

Corporate Cease Trade Orders or Bankruptcies

No director, officer, insider or promoter of the Company is, or within the 10 years prior to the date of this Prospectus has been, a director, officer or promoter of any other issuer that:

- (a) was subject to (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

To the Company's knowledge, no director, executive officer, insider or promoter of the Company or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

- (a) is, as at the date of this Prospectus, or has been within the 10 years before the date hereof, a director or executive officer of any company, including the Company, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the 10 years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Penalties or Sanctions

No director, officer, insider or promoter of the Company or a shareholder holding sufficient securities of the Company to affect materially the control of the Company, has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by any securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or
- (b) any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would be likely to be considered important to a reasonable investor in making an investment decision.

Conflict of Interests

There are potential conflicts of interest to which all of the directors, officers, insiders and promoters of the Company will be subject in connection with the operations of the Company. All of the directors, officers, insiders and promoters are engaged in and will continue to be engaged in corporations or businesses which may be in competition with the search by the Company for businesses or assets in order to close a Qualifying Transaction. Accordingly, situations may arise where all of the directors, officers, insiders and promoters will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies as provided under the ABCA.

EXECUTIVE COMPENSATION

Director and Named Executive Officer compensation, excluding compensation securities

John Putters and Randa Kachkar, being the Named Executive Officers of the Company during the financial years ended March 31, 2025 and 2024, were not paid any compensation, as the CPC Policy prohibits directors and officers from receiving remuneration while the Company is a CPC.

The following table sets forth information concerning the compensation, other than securities-based compensation, paid to the directors and Named Executive Officers of the Company during the financial years ended December 31, 2025 and 2024.

Compensation Excluding Compensation Securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
John Putters <i>Director, Chief Executive Officer</i>	2025	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
	2024	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Randa Kachkar <i>Director, Chief Financial Officer</i>	2025	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
	2024	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Tim Latimer <i>Director</i>	2025	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
	2024	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Catherine Hume <i>Director</i>	2025	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
	2024	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil

Stock options and other compensation securities

The Company has never granted any stock options or other security based compensation awards and as a result no such options or awards are outstanding.

Exercise of compensation Securities by Directors and Named Executive Officers

The Company has never granted any stock options or other security based compensation awards and as a result no such options or awards have ever been exercised or vested.

Stock option plans and other incentive plans

Stock Option Plan

The Company has adopted an incentive stock option plan in accordance with the policies of the Exchange (the "**Stock Option Plan**") which provides that the board of directors of the Company may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance under the Stock Option Plan shall not exceed ten percent (10%) of the issued and outstanding Common Shares if the Company issued and outstanding as at the date of grant of any stock options, exercisable for a period of up to ten (10) years from the date of grant. In addition, the number of Common Shares reserved for issuance to any one person shall not exceed five percent (5%) of the issued and outstanding Common Shares issuable at any given time to all technical consultants in aggregate will not exceed two percent (2%) of the issued and outstanding Common Shares of the Company as at the date of grant of any stock options. The board of directors determines the price per Common Share and the number of Common Shares which may be allotted to each director, officer, employee and consultant and all other terms and conditions of the option, subject to the rules of the Exchange. If the holder ceases to be a director, officer, employee or consultant of the Company, such holder's options must also be exercised within the later of: (i) twelve (12) months after the Completion of the Qualifying Transaction; and (ii) ninety (90) days from the date of termination of employment or cessation of position with the Company, other than by reason of death. All stock options and Common Shares issued prior to the date of the Final QT Exchange Bulletin pursuant to the exercise of stock options are subject to escrow under the CPC Escrow Agreement.

For further details of the escrow requirements and release provisions, see "Escrowed Securities".

Employment, consulting and management agreements

There is no employment contract, compensatory plan or other arrangement in place with the Named Executive Officers of the Company, nor is there any agreement between the Company and the Named Executive Officers that provides for payment to the Named Executive Officers in connection with any termination, resignation, retirement, change in control of the Company or change in responsibilities of the Named Executive Officers of the Company.

No cash compensation was paid to the directors of the Company in their capacity as directors during the financial year ended March 31, 2025.

Oversight and description of director and named executive officer compensation

The Company has not established a compensation committee. However, it is anticipated that such a committee will be established upon completion of a Qualifying Transaction. The Company Board has not, at any time since the Company's most recently completed fiscal year, retained a compensation consultant or advisor to assist the Company Board in determining the compensation for any of the Company's executive officers' or directors' compensation.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Prospectus, no former or current director, executive officer, or employee of the Company is or has been indebted to the Company or is indebted to another entity, which indebtedness has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company, at any time.

AUDIT COMMITTEE

The following information of the Company is disclosed in accordance with National Instrument 52-110 – *Audit Committees* ("NI 52-110").

Audit Committee Charter

The complete text of the charter of the Company's audit committee is attached to this Prospectus as Schedule "H". See Schedule "H" – *Audit Committee Charter*.

Composition of the Audit Committee

The audit committee of the Company currently consists of Catherine Hume, Tim Latimer and Randa Kachkar. Tim Latimer acts as chairman of the audit committee of the Company. Each member of the audit committee of the Company is financially literate, with Catherine Hume and Tim Latimer comprising its independent members.

Relevant Education and Experience

Please refer to “*Company – Directors and Executive Officers*” for biographical information detailing the relevant education and experience of each audit committee member of the Company that would provide an understanding of the accounting principles used by the Company to prepare its financial statements; the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions; experience preparing, auditing, analyzing or evaluating financial statements that present a breadth of and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company’s financial statements, or experience actively supervising one or more individuals engaged in such activities; and an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

At no time has a recommendation of the audit committee of the Company to nominate or compensate an external auditor not been adopted by the Company Board.

Reliance on Certain Exemptions

At no time since the commencement of the Issuer’s most recently completed financial year has the Issuer relied on the exemption in section 2.4 of NI 52-110 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (Exemptions).

Pre-Approval Policies and Procedures

The audit committee of the Company has not adopted any specific policies and procedures for the engagement of non-audit services.

External Auditor Services Fees (By Category)

The aggregate fees billed by the Company’s external auditors for the fiscal year ended March 31, 2025 and 2024 are as follows:

Financial Period	Audit Fees ⁽¹⁾	Audit-Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
Year ended March 31, 2025	\$4,500	Nil	\$500	Nil
Year ended March 31, 2024	\$5,500	Nil	\$500	Nil

Notes:

- (1) The aggregate fees billed for audit services.
- (2) The aggregate fees billed for assurance and related services by the Company’s external auditor that are reasonably related to the performance of the audit or review of the issuer’s financial statements and are not reported under “Audit Fees”.
- (3) The aggregate fees billed for tax compliance, tax advice, and tax planning services.
- (4) The aggregate fees billed for professional services other than those listed in the other three columns.

Exemption

The Company is a “venture issuer” for the purposes of NI 52-110. The Company is therefore relying on the exemption set out in Section 6.1 of NI 52-110 in respect of Part 3 (Composition of the Audit Committee) thereof, that would otherwise require, subject to certain exceptions, that all members of the audit committee be independent.

CORPORATE GOVERNANCE

Board of Directors

The Company's Board consists of four directors: John Putters, Randa Kachkar, Tim Latimer and Catherine Hume.

Tim Latimer and Catherine Hume are independent based upon the tests for independence set forth in NI 52-110.

John Putters, Randa Kachkar are not independent on the basis that they are the CEO and CFO of the Company.

There is no specific written mandate of the Company Board. The Company Board has overall responsibility for the management of the business affairs of the Company.

Directorships

See "*The Company - Directors and Executive Officers- Other Reporting Issuer Experience*" for the directors of the Company who also serve as directors of other reporting issuers.

Orientation and Continuing Education

The skills and knowledge of the Company Board as a whole are such that no formal continuing education process is currently deemed required. The Company Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience in running and managing public companies.

Ethical Business Conduct

The Company has not adopted formal guidelines to encourage and promote a culture of ethical business conduct, but does so by nominating directors it considers ethical, by avoiding or minimizing conflicts of interest and by having a sufficient number of independent Board members. It is not anticipated that the Company Board will adopt formal guidelines in the 12 months following the date of this Prospectus.

Nomination of Directors

The Company Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Company Board's duties effectively and to maintain a diversity of view and experience.

The Company Board does not have a nominating committee, and these functions are currently performed by the Company Board as a whole.

Compensation

The Company Board is responsible for, among other things, reviewing and shaping all compensation arrangements for the executive officers and directors of the Company.

To determine the recommended compensation payable, the Company Board will review compensation paid for directors and executive officers of companies of similar size and stage of development and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and executive officers while taking into account the financial and other resources of the Company.

In setting the compensation, the Company Board will annually review the performance of the executive officers in light of the Company's objectives and consider other factors that may have impacted the success of the Company in achieving its objectives. For further information regarding how the Company determines compensation for its directors and executive officers, see "*The Company - Executive Compensation*".

Other Board Committees

The Company does not have any committees of the Company Board other than the audit committee of the Company.

Assessments

No formal policy has been established to assess the Company Board and its committees. However, the Company believes that its corporate governance practices are appropriate and effective given the Company is a CPC.

RISK FACTORS

An investment in the Company or the Resulting Issuer following Completion of the Proposed Qualifying Transaction involves a high degree of risk. There are risks inherent with Completion of the Proposed Qualifying Transaction and with respect to the business of the Company and the Resulting Issuer. You should carefully consider the information in this Prospectus and the information set out under “*The Resulting Issuer – Risk Factors*”.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings outstanding, threatened or pending as of the date of this Prospectus by or against the Company or to which it is a party or its business or any of its assets is the subject of, nor to the knowledge of the directors and officers of the Company, are any such legal proceedings contemplated which could become material to the Company.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Each of the directors and officers of the Company have acquired Common Shares. Except as disclosed elsewhere herein, none of the directors, officers or principal shareholders of the Company, and no Associate or Affiliate of any of them, has or has had any material interest in any transaction that materially affects the Company. See “*The Company – Directors and Executive Officers*”, “*Audit Committee and Corporate Governance*” and “*Principal Securityholders*”.

AUDITORS, TRANSFER AGENTS AND REGISTRARS

Auditors

The Company’s auditor is Kenway Mack Slusarchuk Stewart LLP (**KMSS**), located at 300-150 13 Ave SW Calgary AB T2R 0V2.

KMSS is independent with respect to the Company within the meaning of the Chartered Professional Accountants of Alberta Rules of Professional Conduct.

Transfer Agent and Registrar

The Company’s transfer agent and registrar for the Common Shares is TSX Trust Company (the “**Transfer Agent**”), through its offices at 301 – 100 Adelaide Street West, Toronto, Ontario M5H 4H1.

MATERIAL CONTRACTS

The following are the material contracts of the Company that are outstanding as of the date of this Prospectus:

1. The CPC Escrow Agreement among the Company, TSX Trust Company and certain shareholders of the Company.
2. The Agency Agreement between the Company and Haywood Securities Inc.
3. A registrar and transfer agency agreement dated as of May 3, 2021 between the Company and TSX Trust Company.
4. Company Stock Option Plan dated September 3, 2021.

5. The Definitive Agreement dated July 16, 2025 and amended January 15, 2026 between the Company and Asiatel. See “*The Proposed Qualifying Transaction – Definitive Agreement*”.

The material contracts described above may be inspected at the registered office of the Company, located at Suite 1700, Enbridge Centre, 10175 – 101 Street NW, Edmonton, Alberta, T5J 0H3, during normal business hours for a period of 30 days after the date of this Prospectus.

ASIATEL OUTSOURCING LTD.

CORPORATE STRUCTURE

The full corporate name of Asiatel is “Asiatel Outsourcing Ltd.” Asiatel was incorporated on February 6, 2025, under the laws of the Cayman Islands. Asiatel has its registered and head office address at Floor 2, Willow House, Cricket Square, PO Box 709, Grand Cayman KY1-1107, Cayman Islands.

Intercorporate Relationships

Asiatel has one subsidiary, ATI. The organization structure of Asiatel and its subsidiary is as shown in the diagram below.



Note:

- (1) ATI has 7,100,000 shares issued and outstanding. Asiatel owns 7,099,995 shares of ATI and five business contributory minority shareholders (which includes Shafi Aboobaker, Jasjit Singh Anand (Andy) and Erlinda G Feliciano) each own 1 share of ATI for an aggregate of 5 shares. The minority shareholders are directors and officers of ATI and hold shares to comply with Philippine corporate law. The shares held by these minority shareholders are held in trust for Asiatel and do not carry any special voting rights.

BUSINESS OF ASIATEL - OVERVIEW AND HISTORY

Asiatel, through its subsidiary, ATI, has operations based in the Philippines. ATI is engaged in BPO Services offering tailored solutions for sales, customer relationship management, IT Support, Finance & Accounting, and other complementary support services. Leveraging the industry expertise available in Philippines, along advanced technologies, including cloud-based infrastructure, IT-enabled services, and telecommunication platforms, ATI provides end-to-end outsourcing solutions that enhance operational efficiency and customer experience for their clients. Since 2016, ATI has provided an array of BPO services coupled with other assistance services (e.g. employer of record, remote staffing, captive services, seat lease) to its customers. ATI supplies these services to clients primarily located throughout Asia (with an increasing focus on North America) using its two offices with 6,500 sq. ft. leased office facility in Pasig City, an area in the greater Manila, Philippines region. The Hanston Square Building, where ATI is located, has high quality internet, telecom, voice and IT-related infrastructure. The location is also such that local, national and international travel is convenient.

Asiatel, pursuant to a restructuring transaction, was incorporated on February 6, 2025 and on February 17, 2025, completed the acquisition of ATI.

The services provided by ATI are referred to herein as the Services.

Clients:

ATI is a profitable BPO firm based in Manila, Philippines. Since inception, ATI has serviced over 100 international accounts across a range of industries, and currently supports approximately 25 active small and mid-sized enterprise accounts. The company employs more than 400 full-time staff and continues to scale its operations to meet growing global demand.

ATI's account portfolio spans a range of sectors, including telecommunications, insurance, fintech, and emerging tech, and includes companies from Australia, Canada, Hong Kong, Ireland, New Zealand, the Philippines, Singapore, the UK, and the US.

ATI's historical accounts include over 100 international enterprises spanning multiple industries and geographies. ATI's current accounts include over 25 globally diversified enterprises across 9 countries.

Brief Financial Summary:

For the year ended December 31, 2024 and December 31, 2023, ATI had gross revenues of approximately C\$4,571,768 and C\$2,650,986, respectively (based on an exchange rate of C\$1: ₱40.91). In addition, for the three months ended March 31, 2025, Asiatel and ATI on a consolidated basis had gross revenues of C\$1,711,606. Asiatel on a consolidated basis is effectively a break-even company with net comprehensive incomes of approximately C\$128,804 and C\$100,212 for the years ended December 31, 2024 and December 31, 2023, respectively (based on exchange rate of C\$1: ₱40.91) and prospects are considerably better with the projected revenues mentioned above.

For the fiscal year ending December 31, 2023, ATI generated revenues of C\$2.6 million with profits before tax of approximately C\$125,000.

Ownership:

ATI is currently owned 99.99% by Asiatel (which owns 7,099,995 ATI shares) and five other business contributory minority shareholders. These minority shareholders are Mohamed Shafi Aboobaker (1 share), Jasjit Singh Anand (1 share), Arsenio C. Cabrera, Jr. (1 share), Erlinda G. Feliciano (1 share) and Alicia M Waga (1 share). The minority shareholders are directors and officers of ATI and hold shares to comply with Philippine corporate law. The shares held by these minority shareholders are held in trust for Asiatel and do not carry any special voting rights.

ATI was founded by the existing shareholders of Asiatel, Mohamed Shafi Aboobaker (25%), Michael Joseph Kinane (50%) and David Kieran Parke (25%) (the “**ATI Founders**”). Prior to Asiatel's acquisition of ATI, ATI operated as a subsidiary of Asia Telecom Holdings Limited (“**ATHL**”), which was owned by the ATI Founders. During this period, ATI primarily delivered BPO services to clients of ATHL.

ATI currently services approximately 25 enterprises in 9 different countries. Many of these enterprises continue to be serviced through ATHL with ATHL acting as ATI's client and ATI delivering BPO services to the underlying enterprises. Revenue generated from these services represent approximately 95% of ATI's total revenue. While ATI aims to broaden its client base beyond ATHL related enterprises, it remains significantly dependent on ATHL and these enterprises for a substantial portion of its revenues.

Business Overview:

ATI's objective is to help its clients conduct more efficient, accurate, secure and cost effective operations with greater flexibility and security. ATI does this while trying to secure profitable and long-term customers that drive revenues and increase profit before tax.

ATI has developed proprietary and practical operating and co-management method techniques and methods to solve clients' problems. ATI offers a comprehensive range of BPO and related corporate assistance services, from full outsourcing of a client's business operations to handling specific business tasks.

ATI handles the spectrum of BPO and related corporate assistance services of its clients, including the full outsourcing of a client's business and/or operations to performing a discrete portion of a client's business tasks. BPO services are made up of many small components. ATI has sufficient operational flexibility to enable it to offer a full spectrum solution or to provide as little as one service component. ATI's overall objective is to promote these deliverables to secure profitable, long-term customer relationships, which management believes will drive revenue growth and increase profit before tax for the company. By operating in the Philippines, a well-known outsourcing hub with supportive government policies, ATI can pass on multiple benefits to its clients, including cost advantages, a skilled labor pool, high English proficiency, and a cultural affinity with Canada and the USA.

ATI's scalable approach allows for adaptability to customer needs. Management believes that this enhances client capabilities, flexibility, and effectiveness with ATI's approach:

- Most services are offered on a fee-for-service basis, transforming clients' fixed costs into variable costs, allowing for nimble responses to capacity changes without asset investments.
- ATI enables corporate clients to focus on their own core competencies by relieving them of non-core administrative or support tasks, allowing key employees to concentrate on building core business areas.
- ATI accelerates business processes, helping clients maintain growth goals and avoid standard business bottlenecks.
- Management believes that ATI's services allow its clients to grow at a faster pace with reduced constraints from large capital expenditures on personnel or equipment, which may become outdated or mismatched over time.
- ATI provides access to the cost-effective yet skilled manpower of the Philippines, enabling clients to expand their workforce and grow their business further.

Corporate Location

ATI provides its Services to clients using its two offices with 6500 sq. ft. leased office facility in Pasig City, an area in the greater Manila, Philippines region. The Hanston Square Building, where ATI is located, has high quality internet, telecom, voice services and IT-related infrastructure. The location offers convenient access to local, national, and international travel.

Employees

As of March, 2025, ATI employs approximately four hundred and fifty (450) professional staff and/or consultants to provide its Services to its approximately twenty-five (25) international accounts.

BPO Summary:

ATI is primarily an offshore BPO and related professional services provider, meaning it operates outside of its clients' countries.

Business process outsourcing involves contracting work processes to an external service provider for end-to-end delivery. BPO supports supplementary business functions such as hiring manpower to deliver outputs, providing office infrastructure for secure and convenient work, handling payroll, and ensuring statutory compliance. ATI is responsible for the set up and overall delivery of the Services.

Businesses of all sizes outsource processes required for the conduct of their business, and the demand for BPO continues to grow as new and innovative services are introduced. Companies seek outsourcing advantages to gain a competitive edge. Among other things, BPO can serve as an alternative to labor migration, allowing the workforce to remain in their home country while contributing their skills abroad.

BPO is often divided into two main types of services: back-office services and front-office services. Back-office services include internal business processes such as billing, purchasing, and accounting functions. Front-office services involve customer-facing operations like inside sales, lead generation, marketing, and tech support. ATI integrates these services, as required, to work cohesively rather than independently. Post-COVID, companies are accelerating efforts to outsource operations where possible.

Businesses cite several reasons for engaging in BPO and outsourcing, including:

1. *Decrease Operational Costs:* BPO and outsourcing generally reduce costs associated with in-house labor, particularly for staffing, training, and workspace to accommodate local employees. An outsourcing company located in a developing country leverages lower-cost labor markets and reduces office expenses. Outsourcing also allows businesses to adopt variable-cost models, such as fee-for-service plans, instead of fixed-cost models

required for local employees.

2. *Focus on Core Functions:* BPO and outsourcing enable businesses to concentrate on their main offerings rather than functions not directly tied to their core processes. By outsourcing support functions, companies can reduce internal management overhead and concentrate on key business areas.
3. *Improved Results in Noncore Functions:* BPO and outsourcing companies specialize in noncore functions, delivering high quality capabilities to clients. An outsourcing company investing in specialized processes and technologies can provide affordable solutions.
4. *Global Presence Expansion:* Some outsourcing companies can serve customers in multiple languages and time zones, relieving the local company of this responsibility. These companies leverage their presence in multiple countries to minimize redundant divisions for the local company.
5. *Enhanced Flexibility:* Companies outsourcing noncritical functions can manage risks associated with new products or services more quickly and efficiently. Companies can reallocate internal resources to critical functions, ensuring better coverage and responsibility allocation.
6. *Increase Speed and Efficiency:* Outsourcing allows specialists to handle specific tasks, saving time, improving accuracy, and increasing capacity.

Products and Services

ATI's Specific BPO and Related Service Offerings:

ATI offers a range of services, including traditional BPO outsourcing, remote staffing, and managed operations, with a focus on flexibility and cost competitiveness. ATI tailors its solutions to align with their specific requirements of each client, positioning itself as a strategic partner rather than a supplier. Management believes that this flexible and personalized approach fosters long-term client partnerships and creates an understanding of clients' needs and challenges, enabling ATI to effectively address them.

In last 10 years, ATI has developed its business in the outsourcing industry, enabling companies worldwide to establish and efficiently manage remote teams in the Philippines. With its range of services, including traditional outsourcing, remote staffing, and managed operations, ATI offers flexibility and cost effective solutions tailored to align with clients' specific requirements. ATI was originally a captive BPO serving a licensed Telco in Hong Kong. It has evolved into an established service provider, catering to clients across diverse industries such as technology, e-commerce, telecommunications, and others. Key outsourcing roles cover a wide spectrum, including sales and customer support, back office operations, IT assistance and network monitoring, creative services and digital marketing, finance, accounting, and HR Support, as well as some software development.

Asiatel Outsourcing offers the following main domains (not exhaustive list):

- Telesales
- Inside Sales
- Lead Generation
- Chat Support
- Customer Service,
- IT Support & Helpdesk
- Network Operating Centers
- Accounting
- Marketing and social media management
- Graphic Design
- Web Design
- Software Developers in form of remote staffing (at nascent stages)

Asiatel also offers “Co-working spaces” tailored at BPO services or and its variation that is colloquially referred to as “Seat Leasing” in the Philippines.

The key industries of focus include:

- Telecom & ISP
- E-commerce
- Insurance
- Financial Services
- E-learning
- Energy and Utilities
- Events and Conferences
- Travel and Tours
- Real Estate
- Law companies
- Software
- IT Hardware
- Startup enterprises in general

Delivery Models for Outsourcing Products and Services:

Business Process Outsourcing in the Philippines works through multiple models. Every company, whether it is a large enterprise or a single person entrepreneurial unit, can make use of outsourcing to the Philippines. ATI endeavors to be a consultative partner, helping its customers narrow down the option that suits their size, scale, and requirements. Customers use one of the following five models for Outsourcing to the Philippines:

1. Outsourcing with a BPO
2. Remote Staffing with an offshoring partner
3. Captive operations
4. Using Freelancers
5. Shared Services

ATI specializes in a series of professional BPO and related Services that may be broadly grouped as follows:

Customer Support Services: ATI can provide a business’s customer interface and interaction services (often termed as voice services) that includes but is not restricted to customer service, customer chat, appointment setting, email services and social media engagement, marketing program, surveys, order processing, customer support, warranty, and any other customer interaction or business partner interaction as may be required by a business.

Back-office Transactions: This category encompasses a range of administrative and operational functions, including accounting and finance, collections, direct and indirect procurement, transportation administration, logistics, and dispatch services.

IT and Software Operations: These technical support functions include application development and testing, implementation services, and IT helpdesk services. While software outsourcing represents a significant segment of the global outsourcing market, it is generally classified under the software or IT services industry rather than traditional BPO.

Finance and Accounting Services: These functions include billing services, accounts payable, receivables, general accounting, auditing, and regulatory compliance.

Knowledge Services: These higher-level processes can include data analytics, data mining, data and knowledge management, and internet and web research, as well as developing an information governance program and providing the voice of customer feedback. This is an area that ATI has just started to explore.

Specific ATI Services:

1. BPO/Outsourcing

ATI provides full-process outsourcing services, assuming end-to-end responsibility for one or more operational functions on behalf of its clients. Under this model, ATI manages all aspects of the assigned processes, including the deployment and oversight of the necessary support teams. This model is useful for large companies that have need for high manpower needs for a specific type of function such as customer service. Such entities have the necessary corporate structure to monitor operations and design service level agreements. Engagements are typically structured as either hourly or monthly fixed fees. In larger BPO arrangements, pricing may also be based on a cost-per-transaction model.

2. Remote Staffing

ATI offers remote staffing solutions through managed operations or co-sourcing models. Under this approach, ATI builds and supports dedicated teams that work exclusively for a single client from ATI's facilities. Management believes these teams are carefully aligned with both ATI's organizational culture and that of the client to ensure seamless integration and performance.

ATI assists clients in sourcing talent in the Philippines and provides comprehensive support services, including human resources and compliance, payroll administration, IT support, and access to office infrastructure. While ATI's dedicated teams operate under the direct supervision of the client, ATI can deliver administrative support and operational oversight as required. This model offers a cost-effective alternative to full turnkey BPO arrangements.

This model is suitable for all sizes of company, but it is ideal for small business, startups, and SME's. It is also suitable for new technology industries where remote staff can be better utilized and channeled if directly supervised by the customer. This model has a monthly fixed fee charged per employee plus salary cost is passed through to the customer.

3. Captive Operations

ATI also aids clients in creating a captive operation. The captive operation is set up by a foreign company in the Philippines by setting up a 100% subsidiary to manage the outsourcing requirements in the Philippines. This model has higher set-up costs as captive operations require legal expenses, share capital and capital expenses for setting up the office. It requires more hands-on understanding of local laws of Philippines, as the entity has to manage taxation and labor laws and ensure overall compliance to the laws of Philippines. It therefore requires more management involvement for successful operations. It is suitable for mid to large-size companies that have higher funds at their disposal. It can be also used by smaller companies who have evaluated the above two models in the Philippines and now wish to set up their own office to save costs in the long term, or just have full control of operations as a wholly owned subsidiary.

4. Employer of Record Services

ATI offers recruitment and employer-of-record services, primarily for remote or work-from-home employees. In this model, ATI handles payroll processing, statutory compliance (including SSS, Pag-IBIG, and PhilHealth contributions) and manages tax deductions at source. While ATI provides the legal and administrative framework, the client retains full responsibility for managing key performance indicators and team performance. This service has seen increased demand in the post-COVID environment.

5. Shared Services

Shared services comprise a wide variety of services. There are two main areas where ATI serves clients.

1. Shared services related to real estate or co-working spaces.

ATI provides clients with access to office space and computer hardware on a flexible basis, helping reduce capital expenses.

2. Shared services related to core outsourcing services:

ATI supports BPO professionals and startups by offering "seat leasing" — which refers to fully equipped workstations for short-term use. This allows entrepreneurs to launch operations with minimal financial risk while ATI monetizes unused capacity. ATI also provides shared access to specialized services such as graphic design, web development, digital marketing, and accounting, ideal for clients who don't require full-time staff.

ATI's shared services help fill operational gaps and support clients across industries including healthcare, energy, retail, telecom, banking, and logistics.

Information technology-enabled services (“ITES”) BPO:

This form of BPO leverages information technology (IT) over the internet, Cloud or data network to deliver services. Some examples of ATI's ITES BPO projects are service desk analysts, production support analysts, and IT analysts.

ATI intends to expand into this space in the future and to integrate more AI assisted and cloud-based technologies.

Knowledge process outsourcing (“KPO”)

Some examples of KPO services include research, analysis, or Microsoft Word and Excel work. ATI has plans for the KPO segment and will be focusing on the Finance and Accounting segment. This segment will be approached at two different levels:

- Targeted at public listed companies and helping junior companies use ATI's expertise.
- Targeted at the private sector companies by offering them full time and shared services bookkeepers and accountants.
- This segment will be grown based on our ability to make business alliances in Canada. This has been accounted for in the use of funds firstly under niche products and secondly by having sales office in Canada.

Legal process outsourcing (“LPO”)

LPO is a subset of KPO and encompasses a range of higher-level legal work, not merely lower-level legal transcription. LPO firms can draft patent applications and legal agreements, as well as perform legal research. Some LPO firms can provide advice to clients. In-house legal departments usually retain LPOs. Management has identified LPO as a planned target market for ATI's future expansion.

Specialized Virtual Assistants

Virtual assistants are an existing and growing segment within the Philippines outsourcing industry. ATI management intends to penetrate this segment by catering to niche segments within the overall virtual assistant space that will include generic virtual assistants and virtual assistants catering to niche segments such as real estate or the franchising industry. ATI believes that the ability to provide virtual assistants on a shared services basis will lead to higher margins. The funds raised in the Concurrent Financing will be used to market this product and also create shared services product. This has been covered in the use of funds section under the niche products category.

ATI's Objective:

To be a BPO industry leader in the Philippines in the development and delivery of state-of-the-art BPO Services, especially for small and medium-sized enterprises.

ATI management is focused on providing:

- BPO services and infrastructure built for high flexibility and functionality;
- acceleration of individual clients' operations and processes, including the ability to plan, design, implement and manage all types of clients' businesses and their projects;
- BPO processes and systems that meet or exceed all local, national and international stated standards and government regulatory requirements and be able to pass all required certifications;
- process results that are 100% auditable; and
- use of Cloud and AI technologies designed to increase ATI's capabilities and better assist clients' diverse needs.

Development of Business

ATI's business in last two years has grown organically within its customer base. ATI has worked closely with startups

and as these companies have become successful and larger in size, ATI has seen corresponding organic growth in its business. Much of ATI's growth in last two years has been a result of growth in 4 of our organic accounts, one of which is a global employer of record (EOR) company. A second has been a financial technology company in UK, while the other two have been long term clients based in Singapore and Philippines.

Specialized Skill and Knowledge

Most aspects of ATI's business require specialized skill and knowledge. Such skill and knowledge includes offering tailored solutions for customer relationship management, data management, and other complementary support services. ATI meets its needs for such specialized skills and knowledge through the expertise of its officers and employees. To the extent that additional specialized skills and knowledge are required, Asiatel retains outside consultants.

Competitive Conditions

ATI operates in a competitive Philippine and global BPO marketplace and IT and technology changes make it a rapidly evolving sector in a globally competitive and well-established space with multi-national companies. As a result, there is major risk related to future operating results. As ATI's solutions are expanded and developed, or as other companies introduce new products and services or enter the marketplace, ATI may become subject to additional competition.

Selected Competitors:

MicroSourcing is an Australia based BPO that employs more than 7,000 employees. The target market of MicroSourcing is diverse and covers various client bases. The company's original focus was Australia and New Zealand; however, they have expanded to the US market in the last few years. The company has been acquired by Probe CX, which was in turn acquired by global equities firm, KKR. MicroSourcing is a company that ATI aims to emulate. MicroSourcing is described as an entry-level BPO among large BPO's. The focus of MicroSourcing is to help international clients establish their offshore teams in the Philippines. MicroSourcing has sales offices in North America and Australia.

Bruntwork is a growing BPO and remote staffing company with nearly 2000 employees. Bruntwork offers a lean service and an expanded service portfolio like ATI. The niche of Bruntwork is that the majority of its teams are working from home, which is similar to the Employer of Record (EOR) proposition of ATI. Bruntwork is a competitor that is growing and has overseas sales offices in Australia and USA.

Telus has more than 26,000 employees working in Metro Manila and is a leading brand name in Canada with a large global presence and extensive sales team.

Hinduja Global Solutions (HGS) is a listed entity in India, that has revenues of approximately US\$ 190 million and employs roughly 25,000 employees. The company is a BPO with a focus on technology, digital marketing and outsourcing. Outsourcing is roughly 1/3rd of the company's service offering. The other 2/3rd pertains to outsourcing related to digital marketing (such as agency support, social media and content moderation), while its technology outsourcing covers areas like artificial intelligence, cybersecurity, automation and cloud services. Hinduja has delivery centers in 9 countries with sales offices in Australia, Canada, UK and USA.

ATI is a growing company and it has been focused on a target market of startups and SME's, acting as an extension office of its international customers in the Philippines. From a competitiveness perspective, ATI has been able to take advantage of certain key factors, which include:

- ATI's experience derived from being both an outsourcing company and outsourcing customer (from ATI's early telecom days). This experience created relationship values which position ATI to act as its clients' extension office in Philippines. Due to ATI's strong relationship mindset, client retention rates have been high.
- Low staff attrition rates results in improved and personalized relationships with ATI's customer base.
- ATI has been price competitive, especially when working with startups and SME's. This has helped ATI penetrate the BPO market.
- ATI has developed a nuanced model of delivery catering to the varied requirements of its customers by providing them with a wide spectrum of solutions.
- ATI has identified Canada as a strategic market and wishes to work closely with junior companies and offer its services with a view to fostering cost savings and growth.
- ATI endeavors to use AI to make its services efficient and derive cost advantage.

Global BPO Marketplace:

According to BPO and related services industry leading researcher Grand View Research, in their report titled *Business Process Outsourcing (BPO) Market Analysis, 2018 – 2030*, the global BPO market revenue size will be US\$25.23 billion by 2030, growing at a CAGR of 9.8% from 2025 to 2030. The customer services segment dominated the market and is anticipated to retain its dominance with a significant CAGR from 2024 to 2028. This segment is attributed to the rising number of service centers across the globe that need offline and online technical support. This segment is attributed to the rising number of service centers across the globe that need offline and online technical support. Customer service-based business process companies specialized in handling customer requirements and queries generated through social media platforms, chats, phone calls, emails, and other channels. Furthermore, most of these companies provide self-service support, which allow customers find answers to their queries at any time. The Philippines BPO industry contributed US\$38 billion to the economy each year as per figures quoted by the IT and Business Process Association of the Philippines (“IBPAP”). As per IBPAP figures 1.82 million Filipinos were employed in the BPO sector in 2024. The IBPAP figures do not include freelancers, or other gig economy factors related to the outsourcing industry in the Philippines. Post COVID-19 the rise of digital platforms has facilitated BPO freelancing in the Philippines. There are an estimated 1.5 million Filipino freelance workers. The so-called “gig economy” has grown significantly in the country, causing further growth in the BPO market.

U.S. BPO Market Trends:

As per Grand View Research, (in their report titled *Business Process Outsourcing (BPO) Market Analysis, 2018 - 2030*), the U.S. BPO market is projected to grow at a compound annual growth rate (CAGR) of 9.84% from 2024 to 2030. This growth is largely driven by the increased adoption of cloud computing, which enables businesses to reduce capital expenditures and reallocate resources toward operational functions. Cloud-based BPO solutions offer a scalable and cost-effective alternative for managing non-core business processes.

India BPO Market Trends:

As per Grand View research, the Indian BPO market is forecasted to grow at a CAGR of 12.7% from 2024 to 2030. The market is expected to witness significant growth owing to the advancement of digital technologies, the increasing number of e-commerce platforms, and the rising demand for outsourced BPO services across a wide range of sectors, including telecommunications, healthcare, retail, and travel & hospitality.

Europe BPO Market Trends:

As per Grand View research, (in their report titled *Business Process Outsourcing (BPO) Market Analysis, 2018 - 2030*), the business process outsourcing market in Europe is growing significantly at a CAGR of 9.8% from 2025 to 2030. Government bodies in Europe are creating multi-channel service delivery models that enable seamless communication across numerous digital and physical interfaces thereby driving the market growth in this region.

Importance of BPO in the Philippines:

The Philippines' BPO industry contributed nearly US\$38 billion to the economy in 2024, according to IBPAP, the primary industry association and advocacy group for the sector. IBPAP reported that the BPO market's revenue grew by 7% to \$38 billion in 2024, with strong demand from banking, financial services and healthcare sector as per the IBPAP CEO Jack Madrid.

As Per the IMF (International Monetary Fund) working paper titled “Artificial Intelligence and the Philippines Labor Market: Mapping Occupational Exposure and Complementarity”, it is estimated that Philippines holds a significant portion of global outsourcing market estimated at 15%.

Intangible Properties

ATI's material owned intellectual property consists of unpatented proprietary technology, processes, trade secrets, and know-how, as well as inherent copyright of authorship in the source code developed by Asiatel, and unregistered trademarks. Asiatel does not have any material licensed intellectual property. While ATI's commercial success generally depends on its ability to maintain the confidentiality of its proprietary technology, processes, trade secrets,

and know-how, it is not substantially dependent on any specific and identifiable intellectual property.

The biggest intangibles that ATI brings forward are its nuanced understanding of customer requirements and its ability to build bespoke solutions tailored to each customer. This advantage gets sharper with good retention rate of the key employees working in the central team of the business.

To protect its intellectual property, ATI relies on a combination of trade secret, copyright passing-off laws, and other statutory and common law protections in the countries in which it operates, and in international markets. ATI also protects its intellectual property through the use of non-disclosure agreements and other contracts, disclosure and invention assignment agreements, confidentiality procedures, and technical measures. Much of the technology used by ATI and its competitors is unprotected by intellectual property registrations, and ATI does not have any registrations in respect of its material owned intellectual property.

Economic Dependence

ATI was founded by the ATI Founders, as noted under “*Business of Asiatel – Overview and History*”. Before Asiatel acquired ATI, ATI operated as a subsidiary of ATHL, which was owned by the ATI Founders. During this period, ATI primarily provided BPO services to clients of ATHL.

ATI currently services approximately 25 enterprises in 9 different countries. Many of these enterprises continue to be engaged through ATHL, which functions as ATI’s client, with ATI providing the BPO services to them. Revenue generated from these services collectively account for approximately 95% of ATI’s total revenue. While ATI intends to expand and diversify its client base to reduce its reliance on ATHL related enterprises, it remains significantly dependent on ATHL and its associated clients for a substantial portion of its revenue. ATI anticipates that the successful completion of the Transaction, together with the infusion of additional funds from the Concurrent Financing, will enable meaningful diversification, supported by the establishment of a Canadian sales office and other initiatives outlined in the planned use of proceeds (see “*The Resulting Issuer – Available Funds and Principal Uses*”).

Given that ATHL and Asiatel share the same ownership, management of Asiatel considers the risk of losing ATHL’s business to be extremely low. Nonetheless, management acknowledges that this reliance represents a potential business risk, and any loss of ATHL related business could materially and adversely affect Asiatel’s operations.

Outsourcing Agreement

ATI provides BPO services to ATHL pursuant to an outsourcing agreement between ATHL and ATI dated September 11, 2017 (as amended by addendums dated January 1, 2021, August 1, 2023, June 1, 2024 and July 1, 2025) (the “**Outsourcing Agreement**”). Pursuant to the Outsourcing Agreement, ATI provides ATHL with full call center and network operation center services, including BPO services to the enterprise market. The Outsourcing Agreement was entered into for an initial one year term and is automatically renewed pursuant to its terms each year unless terminated by either party on two months notice. Pursuant to the Outsourcing Agreement, ATI is required to:

1. Maintain office space suitable for call center operations;
2. Ensure required permits are in place to operate a call center;
3. Maintain stable internet and telephone connections and ensure availability of necessary equipment to provide the services under the Agreement; and
4. Ensure appropriate staffing are employed and are suitable for call center operations.

Pursuant to the Outsourcing Agreement, ATHL is required to:

1. Provide necessary software and training on ATHL products and services;
2. Provide online technical support for software and related products; and
3. Ensure the software operates efficiently.

Pursuant to the Outsourcing Agreement, ATHL is required to reimburse ATI for approved monthly expenditures and pay a fixed monthly outsource fee of ₱125,000, as well as a variable fee of ₱2,000 per month per employee directly engaged in ATHL-related work if the total number of employees exceeds 100. Approved expenses covered by ATHL include:

1. 50% of office rent;
2. 100% of employee remuneration and perks related to agents employed for ATHL related contracts; and
3. 50% of ATI's management remuneration and perks;

The ATI Founders, who will become control persons of the Resulting Issuer on Closing of the Transaction, are also the owners of ATHL, the other party to the Outsourcing Agreement.

Changes to Contracts

ATI does not anticipate that any aspect of its business will be affected in the current financial year by renegotiation or termination of contracts or sub-contracts.

Environmental Protection

Due to the nature of its business, ATI is not subject to any significant environmental protection requirements and does not anticipate being subject to such requirements in the current financial year or future years.

Foreign Operations

ATI is based in the Philippines and its customers are primarily located outside of Canada. ATI hopes to develop its customer base in Canada, but anticipates that in the near term, most of its business will be conducted outside of Canada.

Cycles and Seasonality

ATI's business is not seasonal and has a steady annual demand.

Regulatory Requirements

ATI does not operate in a heavily regulated business sector. Like any business, it is subject to laws and regulations, policies and guidance from regulatory bodies, but in management's view, these do not affect ATI in a significant way. ATI monitors changes in laws, regulations, policies and guidance from applicable regulatory bodies. It is possible that current or future laws and regulations, policies and guidance from regulatory bodies could be interpreted or applied in a manner that would prohibit, alter, or impair ATI's existing or planned products.

The issues that the BPO industry in Philippines could face which could potentially impact ATI would be related to tariffs if introduced by the United States on the services sector. Other than an external event, the policies in Philippines are heavily in favor of the BPO industry as it is both an important industry from employments point of view and also one of the biggest earners of the foreign exchange.

Bankruptcy and Similar Procedures

Neither Asiatel nor ATI has been subject to any bankruptcy, receivership or similar proceedings, or any voluntary bankruptcy, receivership or similar proceedings.

Reorganizations

As previously noted, Asiatel was incorporated on February 6, 2025 and on February 17, 2025, completed the acquisition of ATI pursuant to a restructuring transaction.

Social or Environmental Policies

ATI integrates environmental, social, and governance (ESG) practices into its operations to promote sustainability and responsible growth. Environmentally, the Company operates from Hanston Square Building in Ortigas Center, Manila, which complies with regulatory standards for air pollution, sewage treatment, and waste management. Energy conservation and material reduction initiatives include minimizing single-use plastics, encouraging digital processes, and adopting reuse and recycling practices. Socially, ATI provides employee retirement benefits through an independently managed retirement fund, promotes flexible work arrangements to enhance work-life balance, and upholds equal opportunity policies that foster diversity and inclusion. Notably, women hold more than 50% of

leadership roles within the Company.

In governance, ATI applies a consensus-driven management approach and, in 2022, transitioned to an internationally recognized auditing firm, underscoring its commitment to ethical standards and transparency. Beyond internal initiatives, ATI actively participates in industry-level ESG efforts as a member of the IT and Business Process Association of the Philippines (IBPAP). ATI's sales manager, Mr. Zam Barrios, serves on the ESG committee of IBPAP, reflecting ATI's contribution to broader community and industry-wide sustainability goals.

Future Growth:

ATI's management hopes to secure a much greater number of North American customers in 2026 subsequent to the launch of a Canadian sales office. ATI plans to leverage its inherent proprietary BPO skills, methods and intellectual property and an already established framework related to its existing Services, as well as an expanding range of Services to a much broader range of markets and industries. Furthermore, management of ATI believes that using more advanced IT tools and systems (e.g., artificial intelligence), coupled with acquiring selected niche market BPO/Services providers, and offering some new services, will enable it to accelerate its growth.

Management believes ATI's success is derived from its development of proprietary BPO skills, methods, and intellectual property, as well as the established framework related to its Services. Management further believes that these assets can be leveraged and expanded to penetrate many more markets and industries, positioning ATI for growth and market expansion.

DIVIDENDS OR DISTRIBUTIONS

The following table sets forth information regarding dividends declared on the ATI Shares for the periods specified.

	Three months ended March 31, 2025	Year ended December 31, 2024 (CDN\$)	Year ended December 31, 2023 (CDN\$)
Dividends declared per ATI Share	Nil	Nil	Nil

No dividends have been declared on the Asiatel Shares since incorporation on February 6, 2025.

There are no restrictions precluding Asiatel from declaring dividends on the Asiatel Shares. Asiatel may from time to time declare dividends at the discretion of the Asiatel Board when cash balances from Asiatel's operations exceed cash required for the development of its business.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS

Selected Financial Information of ATI

The following table sets forth selected financial information for ATI for the periods or as of the dates indicated. The selected financial information of ATI has been derived from the ATI Financial Statements which have been prepared in accordance with IFRS, and are included in this Prospectus. See "*Financial Statements of ATP*". This summary financial information should be read in conjunction with, and is qualified in its entirety by, the ATI Financial Statements.

	As at March 31, 2025 (unaudited) CAD (thousands)	As at December 31, 2024 CAD (thousands) (audited)
Total assets	761	667
Total current liabilities	205	124
Total non-current liabilities	111	132
Total shareholders' equity	445	411
Exchange Rate Peso to CAD	40.0964	40.2679

	Three months ended March 31, 2025 (unaudited)	Year ended December 31, 2024
	CAD (thousands, except for basic earnings per share and number of shares)	CAD (thousands, except for basic earnings per share and number of shares) (audited)
Revenue	1,743	4,466
Cost of revenues	(1,589)	(3,928)
Gross profit (loss)	154	538
General and administration costs	(110)	(369)
Income taxes	(11)	(44)
Net income (loss) and comprehensive loss for the period, as applicable	33	126
Basic earnings per Asiatel Share	0.01	0.02
Weighted Average Number of Shares Outstanding	7,100,000	7,100,000
Exchange Rate Peso to CAD	40.1599	41.8728

Management's Discussion and Analysis

ATI's MD&A for the three months ended March 31, 2025 and the financial year ended December 31, 2024 is included in "*Schedule "D" – Management Discussion and Analysis of ATI*". ATI's financial statements for the three months ended March 31, 2025 and the financial year ended December 31, 2024 are included in "*Schedule "C" – Financial Statements of ATI*". The MD&A should be read in conjunction with the ATI's Financial Statements and related notes, which have been prepared in accordance with IFRS.

Selected Financial Information of Asiatel

The following sets out selected financial information for Asiatel for the periods or as of the dates indicated. The selected financial information of Asiatel has been derived from the Asiatel Financial Statements, which have been prepared in accordance with IFRS, and are included in this Prospectus. See Schedule "E" - *Financial Statements of Asiatel*. This summary financial information should be read in conjunction with, and is qualified in its entirety by, the Asiatel Financial Statements.

	<i>Period from incorporation to December 31, 2025</i>
	CAD (thousands) (audited)
Total assets	876
Total current liabilities	463
Total non-current liabilities	108
Total shareholders' deficit	N/A
Revenue	8,389
Cost of revenues	7,496
Gross profit (loss)	893
General and administration costs	(705)
Income taxes	(66)

Other Income	1
Unrealized Forex Gain (Loss)	(7)
Net income and comprehensive income for the period, as applicable	116
Basic earnings per Asiatel Share	1.16
Weighted Average Number of Shares Outstanding	100

Management's Discussion and Analysis

Asiatel's MD&A for the period from incorporation to December 31, 2025 is included in "*Schedule "F" – Management Discussion and Analysis of Asiatel*". Asiatel's financial statements for the period from incorporation to December 31, 2025 are included in "*Schedule "E" – Financial Statements of Asiatel*". The MD&A should be read in conjunction with Asiatel's Financial Statements and related notes, which have been prepared in accordance with IFRS.

DESCRIPTION OF SECURITIES

Asiatel Shares

As of the date of this Prospectus there are 100 Asiatel Shares issued and outstanding. Asiatel has no other issued and outstanding securities.

Asiatel is authorized to issue up to 50,000 Asiatel Shares with a par value of US\$1.00.

The share capital of Asiatel is US\$50,000.00 divided into 50,000 Shares with a par value of US\$1.00 each with power for the company, subject to the provisions of the Companies Act (2023 Revision) of the Cayman Islands (the "**Statute**"), and the Articles of Association, to redeem any of its shares and to increase or reduce the said capital and to issue any part of its capital, original, redeemed, increased or reduced, with or without any preference, priority or special privilege or subject to postponement of rights or to any conditions or restrictions and so that, unless the condition of the shares shall otherwise expressly declare, every issue of shares, whether declared to be ordinary or otherwise, shall be subject to the power hereinbefore contained.

Classification of Shares

Subject to the Memorandum of Association and subject to any directions of Asiatel in general meeting, the unissued shares of Asiatel may from time to time be divided or sub-divided into such classes, or re-classified, and be issued with such preferred, deferred or other special rights, privileges, restrictions or obligations, whether in regard to dividend, voting, transfer, forced sale, conversion, winding-up entitlement or otherwise as the directors think fit. The foregoing, is without prejudice to other provisions of these Asiatel's Articles restricting the variation of rights attached to shares already in issue.

Dividend

Subject to Asiatel's Articles and subject to any direction of Asiatel in general meeting, the directors may on behalf of Asiatel, declare and pay dividends (including interim dividends) at such times and in such amounts as they think fit. For the avoidance of doubt, it is declared that, subject as aforesaid, the directors may, if it appears to them fair and equitable to do so, fix as the record date for a dividend a date prior to the declaration of the dividend.

Voting

Subject to any special rights or restrictions for the time being attached to any shares or any class of shares, every member as at the record date who is present in person or by proxy shall have:

- (a) on a show of hands one vote; and

(b) on a poll one vote for each whole share (and a corresponding fraction of a vote for every fraction of a share) registered in his name in the register as at the record date, provided that a partly paid share shall confer a fraction of a vote according to the proportion borne by the amount paid-up on the share to the total issue price (including share premium, if any).

Wind up

In the winding-up of Asiatel, subject to any special rights or restrictions for the time being attached to any shares or any class of shares, the assets available for distribution amongst the members as such shall be distributed according to the amounts (other than share premium) paid up on shares held by them.

In the winding-up of Asiatel the liquidator may, with the sanction of a special resolution, determine that any winding-up distribution shall be made in whole or part by the distribution of specific assets.

Issue of Shares

Subject to any directions of Asiatel in general meeting and subject to any special rights of shares already issued, all shares in Asiatel for the time being unissued shall be under the control of the directors who may issue and dispose of the same (including the issue or grant of options, warrants and other rights, renounceable or otherwise, in respect of shares) at such times, to such persons, on such terms and in such manner as they think fit, provided that no share shall be issued at a discount except in accordance with the Statute.

Save as expressly provided by its terms of issue, no share shall confer on the holder any pre-emptive or other right in respect of any further shares that may be issued.

Redemption of Shares

Subject to the Statute, Asiatel is hereby authorized to issue shares which are to be redeemed or are liable to be redeemed at the option of Asiatel or the holder; but, save for shares declared to be redeemable by the Asiatel's Memorandum, the directors shall not issue redeemable shares without the sanction of an ordinary resolution.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of Asiatel as at December 31, 2025 and as at the date of this Prospectus. The table should be read in conjunction with the Asiatel Financial Statements and the notes thereto included in this Prospectus. See "*Financial Statements of Asiatel*".

	As at December 31, 2025	As of the date of this Prospectus
Asiatel Shares	100	100
Asiatel Options	Nil	Nil

Asiatel, after giving effect to the Proposed Qualifying Transaction, on a pro forma basis as of December 31, 2025 will have 100 Asiatel Shares outstanding.

For information regarding changes in Asiatel's consolidated capitalization that will result from the Proposed Qualifying Transaction, see "*The Resulting Issuer – Pro Forma Fully-Diluted Capitalization of the Resulting Issuer*".

OPTIONS TO PURCHASE SECURITIES

Options

As of the date of this Prospectus, there are no outstanding options to purchase Asiatel Shares.

PRIOR SALES

No Asiatel Shares or securities convertible or exchangeable into Asiatel Shares were issued during the 12-month period

before the date of this Prospectus.

PRINCIPAL SECURITYHOLDERS

The following table lists those Persons who beneficially own, directly or indirectly or exercise control or direction over more than 10% of the issued and outstanding Asiatel Shares as at the date of this Prospectus.

Name and Country of Residence	Type of Ownership	Number of Asiatel Shares	Percentage of Asiatel Shares Owned Before Proposed Qualifying Transaction
Mohamed Shafi Aboobaker Wanchai, Hong Kong	Direct	25	25%
Michael Joseph Kinane Loule, Portugal	Direct	50	50%
David Kieran Parke Regina, Canada	Direct	25	25%

DIRECTORS, EXECUTIVE OFFICERS, AND PROMOTER

Directors and Executive Officers

The following table sets out, for each director and executive officer of Asiatel, the person's name, province or state and country of residence, position(s) with Asiatel, the date on which the person became a director and/or an executive officer, and principal occupation. Asiatel directors are elected annually and, unless re-elected, retire from office at the end of the next annual meeting of shareholders of Asiatel, as applicable.

Name and Province or State and Country of Residence	Position	Director or Officer Since	Principal Occupation for the Past Five Years	Number of Asiatel Shares owned or controlled
Mohamed Shafi Aboobaker Wanchai, Hong Kong	Director of Asiatel Chairman of ATI	February 6, 2025 July 15, 2016	Chairman of ATI	25
Jasjit Singh Anand (Andy) Philippines	Director of Asiatel President of ATI	August 1, 2025 November 14, 2013	President of ATI	0
Alicia Waga Philippines	Chief Financial Officer of ATI ⁽¹⁾	January 2010	Chief Financial Officer of ATI	0
Linlin Feliciano Philippines	Chief Operating Officer of ATI ⁽²⁾	September 2017	Chief Operating Officer of ATI	0

(1) Ms. Waga officially retired as Chief Financial Officer and from her other positions in ATI in May, 2024. She is currently a consultant of AOL and ATI, performing the role of Chief Financial Officer until completion of the Transaction, at which time Randa Kachkar will act as Chief Financial Officer of the Resulting Issuer.

(2) Ms. Feliciano will cease acting as Chief Operating Officer of ATI on closing of the Transaction, but will continue in an operational oversight role, managing the team which provides client services.

The directors and executive officers of Asiatel beneficially own, or exercise control or direction over, directly or indirectly, 25 Asiatel Shares, representing 25% of the issued and outstanding Asiatel Shares on the date of this Prospectus.

Set forth below is a description of the background of the directors and officers of Asiatel, including a description of each individual's principal occupation(s) within the past five years.

Mohamed Shafi Aboobaker – Hong Kong – Director (Age 73)

Mr. Aboobaker is an accomplished entrepreneur with over 45 years of diverse business experience. He was the founding shareholder and CEO of Asia Telecom Limited from 1997 until 2017, and of Asia Telecom Holdings since 2016 and Chairman of Asia Teleservices Inc. since 2015. In September 1997, he and a group of partners founded Asia Telecom, successfully securing the External Telecommunications License in 1999. Mr. Aboobaker helped the company achieve annual revenues of US\$28 million by 2016, with revenue-generating operations in Singapore and Taiwan, supported by offices in the Philippines and Indonesia. Since 2015, he has led the expansion and diversification of Asiatel Outsourcing into new business interests.

Jasjit Singh Anand (Andy) - Philippines – Director (Age 50)

Mr. Anand is the current CEO and President of Asiatel overseeing day to management, strategic planning, P&L Management and business expansion. Jasjit brings over 25 years of diverse experience in business development and senior management roles, including product launches, as well as new projects while working for multinational companies such as Aditya Birla Group, Fullerton India / Fullerton Enterprises (indirect subsidiary of Temasek, Singapore), IL&FS group and National Securities Depository Limited (NSDL), India's leading depository.

Jasjit was the founding member of the BPO diversification initiative of the Asiatel group and has been an instrumental growth driver in taking the business from 0 employees to over 400 employees in May 2025.

Alicia Waga – Philippines - Chief Financial Officer (Age 65)

Ms. Waga has more than 4 decades of experience working across various industries and locations and in numerous roles, including office manager, auditor, human resources administrator, officer administrator and leading regional finance. In Asiatel, she previously supervised 3 departments, finance, human resources and administration. In the past she has worked with GARAMCO, Bahrain in capacity of Internal auditor. She also worked with the US Naval Station, Subic Bay in numerous capacities, including supervisory management analyst, auditor and statistical assistant. Ms. Waga officially retired as Chief Financial Officer and from her other positions in ATI in May, 2024. She is currently a consultant of AOL and ATI, performing the role of Chief Financial Officer until completion of the Transaction, at which time Randa Kachkar will act as Chief Financial Officer of the Resulting Issuer.

Linlin Feliciano – Philippines - Chief Operating Officer (Age 49)

Ms. Feliciano has worked with Asiatel for approximately 16 years, including seven years in the Hong Kong office and (since 2017) nine years in the Manila office. Ms. Feliciano started the "Philippines centric Retail" Telecom business in Hong Kong and was instrumental in starting the Philippines Centre for serving the captive needs of ATI's parent telecom company (ATHL) in 2006. Since 2013, she has been an active senior management member and has seen Asiatel grow into an independent BPO for 3rd party clients. Ms. Feliciano will cease acting as Chief Operating Officer of ATI on closing of the Transaction, but will continue in an operational oversight role, managing the team which provides client services.

Promoter

Shafi Aboobaker may be considered a promoter of Asiatel in that he took the initiative in founding and organizing the business of ATI. Mr. Aboobaker owns 25 Asiatel Shares, representing 25% of the Asiatel Shares issued and outstanding as at the date of this Prospectus. Upon Closing of the Transaction he will hold 10,000,000 Resulting Issuer Shares, representing approximately 20.15% of the Resulting Issuer Shares issued and outstanding on Closing.

Except as otherwise disclosed in this Prospectus, no person who was a Promoter of Asiatel:

- received anything of value directly or indirectly from Asiatel or ATI;
- sold or otherwise transferred any asset to Asiatel or ATI within the last 2 years;
- is at of the date hereof, or was within 10 years before the date hereof, a director, CEO or CFO of any person or company that was the subject of a cease trade order or similar order or an order that denied the relevant person or company access to any statutory exemptions for a period of more than 30 consecutive days while that person was acting in the capacity as director, CEO or CFO;
- is at of the date hereof, or was within 10 years before the date hereof, a director, CEO or CFO of any person or company that was the subject of a cease trade order or similar order or an order that denied the relevant person or company access to any statutory exemptions for a period of more than 30 consecutive days that was issued after the person ceased to be a director, CEO or CFO and which resulted from an event that occurred while the person was acting in the capacity as director, CEO or CFO;
- is at of the date hereof, or was within 10 years before the date hereof, a director or executive officer of any person or company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets;
- has, within 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the person;
- has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority;
- has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision; or
- has within the past 10 years become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets.

Cease Trade Orders or Bankruptcies

No director, officer, insider or promoter of Asiatel is, or within the 10 years prior to the date of this Prospectus has been, a director, officer or promoter of any other issuer that:

- (c) was subject to (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
- (d) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

To Asiatel's knowledge, no director, executive officer, insider or promoter of Asiatel or a shareholder holding a sufficient number of securities of Asiatel to affect materially the control of Asiatel:

- (a) is, as at the date of this Prospectus, or has been within the 10 years before the date hereof, a director or executive officer of any company, including Asiatel, that, while that person was acting in that capacity, or

within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

- (b) has, within the 10 years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Penalties or Sanctions

None of the directors, officers, insiders, or the promoter of Asiatel, or a shareholder holding a sufficient number of securities of Asiatel to affect materially the control of Asiatel has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by any securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or has been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would be likely to be considered important to a reasonable investor making an investment decision.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis:

The board of directors of Asiatel is responsible for setting the overall compensation strategy of Asiatel and evaluating and making determinations for the compensation of Asiatel's directors and executive officers. It is the objective of Asiatel's compensation program to attract and retain highly qualified executives and to link incentive compensation to performance and shareholder value. Other than as disclosed herein, Asiatel currently provides no compensation to its directors and executive officers.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth information concerning the compensation, other than securities-based compensation, paid to the Named Executive Officers of ATI during the financial years ended December 31, 2025 and 2024.

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (CDN\$) ⁽¹⁾ (thousands)	Bonus (CDN\$) (thousands)	Committee or Meeting Fees (CDN\$) (thousands)	Value of Perquisites (CDN\$) (thousands)	Value of all Other Compensation (CDN\$) (thousands)	Total Compensation (CDN\$) (thousands)
Jasjit Singh Anand (Andy)	2025	188,846	Nil	Nil	Nil	Nil	188,846
President	2024	168,647	Nil	Nil	Nil	Nil	168,647
Alicia Waga	2025	15,850	Nil	Nil	Nil	Nil	15,850
Chief Financial Officer	2024	15,850	Nil	Nil	Nil	Nil	15,850
Linlin Feliciano	2025	83,479	Nil	Nil	Nil	Nil	83,479
Chief Operating Officer							

2024	74,534	Nil	Nil	Nil	Nil	74,534
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Stock Options and Other Compensation Securities

No stock options or other equity-based compensation securities have been granted by Asiatel.

Stock Option Plans and Other Incentive Plans

Asiatel/ATI Option Plan

ATI does not currently have a security based compensation plan in place. Any equity based compensation will be issued after the Closing Date pursuant to the Resulting Issuer Stock Option Plan. See “*The Resulting Issuer – Options to Purchase Securities – Resulting Issuer Stock Option Plan.*”

Employment, Consulting, and Management Agreements

ATI and its President and CEO Jasjit Singh Anand (Andy) are parties to an employment contract dated November 18, 2013 (as amended September 2, 2019) pursuant to which Mr. Anand is paid CDN\$6,669 per month for acting as ATI’s President and CEO. Pursuant to the agreement, ATI may terminate Mr. Anand at any time for just cause and Mr. Anand may terminate the agreement at any time by providing 90 days written notice of termination.

Neither Asiatel nor ATI have any contracts, agreements, plans or arrangements that provide for payments to a director or officer at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement or material change in responsibilities occurring in conjunction with a change in control of Asiatel or ATI.

Oversight and Description of Director and Named Executive Officer Compensation

The board of directors of ATI is responsible for setting the overall compensation strategy of ATI and evaluating and making determinations for the compensation of ATI’s Chief Executive Officer and other executive officers. ATI’s Chief Executive Officer is responsible for the overall compensation strategy of the other executive officers based on the ongoing budget approved by the board of directors. The Chief Executive Officer’s compensation is determined by a negotiation with the parties which aligns with common practice and similarly, the vice president level compensation is determined by the Chief Executive Officer which aligns with common practice.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date of this Prospectus, no director or officer of Asiatel, or any Associate or Affiliate of any of them is indebted to Asiatel, nor is any indebtedness of any such person the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Asiatel.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

As of the date hereof, the Asiatel Board is comprised of two directors, Mohamed Shafi Aboobaker and Jasjit Singh Anand (Andy). Asiatel does not have a formal audit committee as it is not required to have one under current regulations. After Completion of the Proposed Qualifying Transaction, the Resulting Issuer will implement the appropriate provisions of NI 52-110. See “*The Resulting Issuer – Audit Committee and Corporate Governance*”.

AUDITORS, TRANSFER AGENT AND REGISTRAR

Asiatel and ATI’s auditors are Sycip Gorres Velaro & Co. of the Philippines, a member firm of E&Y Global Limited. Asiatel has not appointed a transfer agent and registrar.

MATERIAL CONTRACTS OF ASIATEL

The following are the only material contracts entered into by Asiatel and ATI since January 1, 2025 or prior thereto,

which are currently in effect and considered to be currently material:

1. Definitive Agreement dated July 16, 2025 and amended January 15, 2026 between the Company and Asiatel. See “*The Proposed Qualifying Transaction – Definitive Agreement*”.
2. Outsourcing Agreement between ATHL and ATI dated September 11, 2017 (as amended by addendums dated January 1, 2021, August 1, 2023, June 1, 2024 and July 1, 2025).
3. Employment contract dated November 18, 2013 (as amended September 2, 2019) between ATI and Jasjit Singh Anand (Andy).

Copies of material contracts will be available for inspection without charge at the business office of Asiatel at Floor 2, Willow House, Cricket Square, PO Box 709, Grand Cayman KY1-1107, Cayman Islands or at Morton Law LLP, counsel to Asiatel, at 1200-750 W. Pender Street Vancouver, British Columbia Canada, V6C 2T8, during ordinary business hours from the date hereof until the Completion of the Proposed Qualifying Transaction.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no material legal proceedings involving Asiatel as at the date of this Prospectus and Asiatel knows of no such proceedings currently contemplated. There have been no material penalties, sanctions, or settlement agreements imposed by a court or regulatory body upon Asiatel as at the date of this Prospectus and Asiatel knows of no such proceedings currently contemplated.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Prospectus, none of the directors or executive officers of Asiatel, or persons or companies that beneficially own, or control or direct, directly or indirectly, more than 10% of the outstanding Asiatel Shares, or any Associate or Affiliate of any of the foregoing, has any material interest, direct or indirect, in any transactions in which Asiatel has participated within the three years before the date of this Prospectus, which has materially affected or is reasonably expected to materially affect Asiatel.

As disclosed under “*Asiatel Outsourcing Ltd. - Business of Asiatel – Overview and History – Ownership*”, the ATI Founders are the former owners of ATI. ATI was acquired by Asiatel from the ATI Founders on February 17, 2025. The ATI Founders currently own Asiatel. The ATI Founders will receive all 40,000,000 Consideration Shares on Closing of the Transaction (or Special Warrants convertible into Consideration Shares) and will thus eventually own 40,000,000 Resulting Issuer Shares. Mohamed Shafi Aboobaker, one of the ATI Founders, is a director of ATI and will be a director of the Resulting Issuer.

RISK FACTORS

The business of Asiatel, which will be the business of the Resulting Issuer, is subject to a number of risks. See “*The Resulting Issuer – Risk Factors*”.

THE PROPOSED QUALIFYING TRANSACTION

PROPOSED QUALIFYING TRANSACTION

The Company has identified the Proposed Qualifying Transaction with Asiatel as an appropriate transaction for the purpose of completing its Qualifying Transaction as required under the CPC Policy. The Proposed Qualifying Transaction will be completed by way of the Definitive Agreement, pursuant to which the Company will acquire all issued and outstanding Asiatel Shares and Asiatel will become a wholly owned subsidiary of the Company.

The Completion of the Proposed Qualifying Transaction is subject to, among other things, prior satisfaction or waiver of a number of conditions, including completion of the Concurrent Financing, final Exchange acceptance of the Proposed Qualifying Transaction, completion of the Consolidation, and the satisfaction or waiver of the conditions in the Definitive Agreement. Upon Completion of the Proposed Qualifying Transaction, the Resulting Issuer is expected to meet all of the Exchange's minimum listing requirements for an Exchange listed issuer.

The following steps will occur in order to effect the Proposed Qualifying Transaction:

1. *Closing of the Concurrent Financing.* The Company intends to undertake the Concurrent Financing. Closing of the Concurrent Financing is a condition to Completion of the Proposed Qualifying Transaction. For more information, see "*The Proposed Qualifying Transaction – Concurrent Financing*".
2. *Consolidation.* Immediately prior to the completion of, and as a condition to, the Proposed Qualifying Transaction, the Company will consolidate the outstanding Common Shares on a one (1) post-consolidation Share to every two (2) pre-consolidation Share basis. See "*The Proposed Qualifying Transaction – Consolidation*".
3. *Securities Exchange.* Immediately following the Concurrent Financing and Consolidation, pursuant to the Definitive Agreement, the Company will acquire all of the issued and outstanding securities of Asiatel in consideration for the issuance of securities of the Company. See "*The Proposed Qualifying Transaction – Securities Exchange*".
4. *Completion of the Proposed Qualifying Transaction.* Once the Concurrent Financing, Consolidation, and the Securities Exchange are complete, the Proposed Qualifying Transaction shall be deemed completed, subject to the approval of the Exchange.

See "*The Proposed Qualifying Transaction – Shareholder Approval*" and "*– Regulatory Approval*".

Securities Exchange

On July 16, 2025, the Company entered into the Definitive Agreement with Asiatel and the Asiatel Shareholders. The Definitive Agreement currently includes amendments made pursuant to an amendment agreement dated January 15, 2026, which extended the Termination Date to June 16, 2026, reflected certain revised terms of the Concurrent Financing (which are disclosed herein) and more accurately reflected the agreed upon reconstitution of the board of directors of the Company and the appointment of officers of the Company on Closing of the Transaction.

Pursuant to the Definitive Agreement, the Company will acquire 100% of the issued and outstanding ordinary shares of Asiatel from the Asiatel Shareholders by issuing: 40,000,000 post-Consolidation common shares of the Company (the "**Consideration Shares**") to the Asiatel Shareholders at a deemed price of \$0.20 per Consideration Share (the "**Securities Exchange**"), for approximate consideration of \$8,000,000. As a result of the Securities Exchange, Asiatel will become a wholly-owned subsidiary of the Resulting Issuer, and the Resulting Issuer will carry on business currently carried on by Asiatel.

A portion of the 40,000,000 Consideration Shares will be issuable as special warrants ("**Special Warrants**") to the Asiatel Shareholders in lieu of Consideration Shares, with each Special Warrant being automatically convertible into one Consideration Share for no additional cost at such time the Consideration Shares can be added to the issued and outstanding share capital of the Company without resulting in "Public Shareholders" (as that term is defined in the Exchange Policies) of the Company holding less than 20% of the issued and outstanding Common Shares of the Company

(the “**Special Warrant Provision**”).

Immediately prior to the closing of the Transaction, the Company will conduct a share consolidation on a 1 post-consolidation share to every 2 pre-consolidation share basis. The Company will also complete a Concurrent Financing of up to 5,000,000 post-Consolidation Subscription Receipts for gross proceeds of up to \$1,000,000. The Company has closed an initial tranche of the Concurrent Financing, pursuant to which it issued an aggregate 3,800,000 Subscription Receipts at a price of \$0.20 per Subscription Receipt for gross proceeds of \$760,000. The balance of the Concurrent Financing is expected to close concurrent with the Closing of the Transaction.

The Securities Exchange will effectively provide for the acquisition of all of the outstanding equity interests of Asiatel by the Company in a transaction in which the security holders of Asiatel will receive securities of the Resulting Issuer. As a result of the Securities Exchange, the Company will become the sole registered and beneficial owner of all of the outstanding securities of Asiatel and Asiatel will become a wholly-owned subsidiary of the Company.

See “*The Proposed Qualifying Transaction – Effect of the Proposed Qualifying Transaction and Concurrent Financing*”.

DEFINITIVE AGREEMENT

The Definitive Agreement contains covenants, representations and warranties of and from each of the Company and Asiatel and various conditions precedent, both mutual and with respect to each entity.

The following is a summary of certain provisions of the Definitive Agreement, which is qualified in its entirety by reference to the full text of the Definitive Agreement, a copy of which is filed under the Company’s issuer profile on SEDAR+.

Representations, Warranties, and Covenants

The Definitive Agreement contains customary representations and warranties made by each of the Company and Asiatel. Those representations and warranties were made solely for the purposes of the Definitive Agreement and are subject to important qualifications and limitations agreed to by the parties in connection with negotiating its terms.

Moreover, some of the representations and warranties contained in the Definitive Agreement are qualified by knowledge or by reference to a contractual standard of materiality (including a “**material adverse effect**”, as such term is defined in the Definitive Agreement) that may be different from that generally applicable to public disclosure to shareholders, or those standards used for the purpose of allocating risk between parties to an agreement. The representations and warranties provided by each of the Company, and Asiatel relate to, among other things: their valid incorporation and existence authorized capital and outstanding securities, authority and capacity to enter into the Definitive Agreement, no material defaults under any contracts, agreements or licenses, and an absence of certain material changes and litigation.

The Asiatel Shareholders party to the Definitive Agreement provided certain representations and warranties regarding ownership of their Asiatel Shares and certain other matters consistent with agreements of this nature.

In addition, the Definitive Agreement contains customary affirmative and negative covenants whereby, among other things, each of the Company, and Asiatel covenants to maintain their respective businesses and not take certain actions outside the ordinary course until the Closing Date or the termination of the Definitive Agreement, and to use commercially reasonable efforts to satisfy certain conditions precedent to their respective obligations under the Definitive Agreement.

Conditions to the Proposed Qualifying Transaction Becoming Effective

The respective obligations of the Company and the Asiatel Shareholders party to the Definitive Agreement to complete the Proposed Qualifying Transaction are subject to the satisfaction or waiver of certain conditions on or before the Time of Closing, including the conditions described below.

Mutual Conditions

Conditions precedent for the benefit of each of the Company, Asiatel and the Asiatel Shareholders party to the Definitive Agreement are as follows:

- the Consideration Shares shall have been conditionally approved for listing on the TSXV, and the Transaction shall have been conditionally approved as the Qualifying Transaction of the Company by the TSXV, subject to the customary requirements of the TSXV in respect of transactions of the nature of the Transaction as contemplated herein;
- there shall be no action taken under any applicable law by any court or Governmental Authority that makes it illegal or restrains, enjoins or prohibits the Transaction, results in a judgment or assessment of damages relating to the Transaction that is materially adverse to the Company or Asiatel or that could reasonably be expected to impose any condition or restriction upon the Company or Asiatel which, after giving effect to the Transaction, would so materially and adversely impact the economic or business benefits of the Transaction as to render inadvisable the consummation of the Transaction;
- the Closing Date shall be on or before the Termination Date;
- the Company shall have received a final receipt for this Prospectus from the ASC and any other applicable securities commissions in accordance with Applicable Securities Laws;
- there shall be no legislation (whether by statute, regulation, order-in-council, notice of ways and means motion, by-law or otherwise) enacted, introduced or tabled which, in the opinion of the Company or Asiatel, acting reasonably, materially adversely affects or may materially adversely affect the Transaction.

Conditions in Favour of the Company

Conditions precedent for the benefit of the Company are as follows:

- Asiatel and the Asiatel Shareholders shall have tendered all closing deliveries set forth in Sections 4.03 and 4.04 of the Definitive Agreement, respectively, including delivery of the Asiatel Shares, duly endorsed in blank for transfer or accompanied by duly executed stock transfer powers;
- receipt of evidence of the board of directors and Company Shareholders Approval, if applicable;
- neither Asiatel nor any of the Asiatel Shareholders shall have violated Section 8.01 based on Asiatel's response as to whether they have any convertibles outstanding in the Definitive Agreement;
- the representations and warranties of Asiatel set forth in the Definitive Agreement shall have been true and correct as of the date of the Definitive Agreement and shall be true and correct at the Time of Closing in all respects (in the case of any representation or warranty containing any materiality or Material Adverse Effect qualifier) or in all material respects (in the case of any representation or warranty without any materiality or Material Adverse Effect qualifier), except as affected by the transactions contemplated by the Definitive Agreement, and a certificate of a senior officer of Asiatel to this effect shall have been delivered to the Company;
- all of the terms, covenants and conditions of the Definitive Agreement to be complied with or performed by Asiatel at or before the Time of Closing will have been complied with or performed and a certificate of a senior officer of Asiatel to this effect shall have been delivered to the Company;
- the representations and warranties of the Asiatel Shareholders set forth in the Definitive Agreement shall have been true and correct in all material respects as of the date hereof and shall be true and correct in all material respects as of the Time of Closing and delivery by each Asiatel Shareholder of a certificate as described in the Definitive Agreement required to be delivered by such Asiatel Shareholder shall constitute a reaffirmation and confirmation by such Asiatel Shareholder of such representations and warranties;
- all of the terms, covenants and conditions of the Definitive Agreement to be complied with or performed by the Asiatel Shareholders at or before the Time of Closing will have been complied with or performed and delivery of a certificate as described in Section 4.04 of the Definitive Agreement shall constitute confirmation of such compliance and performance;
- all consents, assignments, waivers, permits, orders and approvals, including all necessary regulatory approvals, of all Governmental Authorities or other persons necessary to conduct the business of Asiatel or permit the completion of the Transaction shall have been obtained;
- there shall not have been after the date of the Definitive Agreement any Material Adverse Effect with respect to the Asiatel; and
- the delivery of customary closing documents and legal opinions, as applicable.

Conditions in Favour of Asiatel and the Asiatel Shareholders

Conditions precedent for the benefit of Asiatel and the Asiatel Shareholders party to the Definitive Agreement are as follows:

- the Company shall have tendered all closing deliveries set forth in the Definitive Agreement including delivery of the Consideration Shares and evidence of the Company Shareholders Approval, if required;
- all consents, waivers, permits, orders and approvals of all Governmental Authorities, including all necessary regulatory approvals, or other persons necessary to permit the completion of the Transaction shall have been obtained;
- the Company shall not have violated Section 8.02 of the Definitive Agreement;
- the Company shall not have issued any further securities in the Company after the date of the LOI, without the written consent of Asiatel, other than Common Shares issued in accordance with the terms of the Definitive Agreement or upon the exercise of New Media Warrants, and for clarity the issued and outstanding share capital of the Company as at the date of the LOI and as at the date of the Definitive Agreement consisted of 7,800,000 common shares, (before accounting for the proposed Consolidation) and the 500,000 New Media Warrants (before accounting for the proposed Consolidation);
- the completion of the Consolidation;
- the completion of the Concurrent Financing;
- the Company shall have convened the Shareholders Meeting prior to the Closing Date and have obtained shareholder approval for the Meeting Matters including, where applicable, the Company Shareholders Approval;
- the reconstitution of the board of directors of the Company as provided for in the Definitive Agreement;
- the representations and warranties of the Company set forth in the Definitive Agreement shall have been true and correct as of the date hereof and shall be true and correct at the Time of Closing in all respects (in the case of any representation or warranty containing any materiality or Material Adverse Effect qualifier) or in all material respects (in the case of any representation or warranty without any materiality or Material Adverse Effect qualifier), except as affected by the transactions contemplated by the Definitive Agreement, and a certificate of a senior officer of the Company to this effect shall have been delivered to the Asiatel Shareholders;
- all of the terms, covenants and conditions of the Definitive Agreement to be complied with or performed by the Company at or before the Time of Closing will have been complied with or performed and a certificate of a senior officer of the Company to this effect shall have been delivered to Asiatel and the Asiatel Shareholders;
- there shall not have been after the date of the Definitive Agreement any Material Adverse Effect with respect to the Company;
- receipt of an executed resignation and mutual release (in form satisfactory to Asiatel and the Company, each acting reasonably) from each director of the Company;
- receipt of executed resignations and mutual releases (in form satisfactory to Asiatel and the Company, each acting reasonably) of all of the officers of the Company other than Randa Kachkar; and
- the delivery of customary closing documents and legal opinions, as applicable.

Exclusivity and Access

Prior to the Termination Date, or the earlier termination of the Definitive Agreement, neither Asiatel nor the Asiatel Shareholders shall, directly or indirectly, negotiate or deal with any party other than with the Company relating to (i) an Alternative Transaction (as defined in the Definitive Agreement), or (ii) the sale or disposition of any part of the outstanding shares (including the Asiatel Shares) or assets of Asiatel, or solicit enquiries or provide information with respect to same.

Prior to the Termination Date, or the earlier termination of the Definitive Agreement, the Company shall not, directly or indirectly, negotiate or deal with any party other than Asiatel relating to an Alternative Transaction involving the Company or the acquisition by the Company of all or any part of the outstanding shares or assets or property of any other person, or solicit enquiries or provide information with respect to same.

Termination

The Definitive Agreement may be terminated at any time prior to the Closing:

- (a) by mutual written consent of the Company and Asiatel, on its own behalf and on behalf of the Asiatel Shareholders;
- (b) by either Asiatel or the Company if the Closing shall not have been consummated on or prior to the Termination Date; provided that the right to terminate the Definitive Agreement shall not be available to a party whose material breach or violation of any representation, warranty, covenant, obligation or agreement under the Definitive Agreement has been the cause of or has resulted in the failure of the Closing to occur on or before such date;
- (c) by the Company, if there has been a material breach by Asiatel or the Asiatel Shareholders of any representation, warranty, covenant or agreement set forth in the Definitive Agreement or any of the documents contemplated hereby which breach would result in the failure to satisfy one or more of the conditions set forth in the Definitive Agreement which Asiatel or the Asiatel Shareholders, as applicable, fails to cure within ten (10) Business Days after written notice thereof is given by the Company;
- (d) by Asiatel, if there has been a material breach by the Company of any representation, warranty, covenant or agreement set forth in the Definitive Agreement or any of the documents contemplated hereby which breach would result in the failure to satisfy one or more of the conditions set forth in the Definitive Agreement which the Company fails to cure within ten (10) Business Days after written notice thereof is given by Asiatel;
- (e) by any party, if any permanent injunction or other order of a court or other competent authority preventing the Closing, shall have become final and non-appealable; provided, however, that no party shall be entitled to terminate the Definitive Agreement if such party's material breach of the Definitive Agreement or any of the documents contemplated hereby has resulted in such permanent injunction or order.

Upon termination of the Definitive Agreement in accordance with its terms, the parties shall have no further obligations under the Definitive Agreement, other than the obligations related to confidentiality and public announcements contained in the Definitive Agreement.

CONSOLIDATION

Immediately prior to the completion of, and as a condition to, the Proposed Qualifying Transaction, the Company will consolidate the outstanding Common Shares on a one (1) post-consolidation Share to every two (2) pre-consolidation Share basis such that the Company will have approximately 3,900,000 post-Consolidation common shares issued and outstanding immediately prior to completion of the Concurrent Financing and the Transaction.

SHAREHOLDER APPROVAL

The Proposed Qualifying Transaction does not constitute a Non-Arm's Length Qualifying Transaction (as defined by the CPC Policy) and does not require the approval of the Company Shareholders. Asiatel's obligations to complete the Securities Exchange is conditional upon the Company's completion of the Concurrent Financing and Consolidation.

REGULATORY APPROVAL

The Definitive Agreement provides that receipt of all regulatory, governmental and third-party approvals and consents is a condition precedent to the Securities Exchange becoming effective. The Proposed Qualifying Transaction (including the Concurrent Financing and the Consolidation) are subject to the approval of the Exchange. Listing of the Common Shares to be issued in connection with the Proposed Qualifying Transaction is subject to the Company fulfilling all of the listing requirements of the Exchange. This Prospectus is also subject to the approval of certain provincial securities regulatory authorities.

CONCURRENT FINANCING

In connection with and as a condition of the Proposed Qualifying Transaction, the Company expects to complete a concurrent private placement offering of 5,000,000 subscription receipts (the "**Subscription Receipts**") at a price of \$0.20 per Subscription Receipt to raise proceeds of up to \$1,000,000 (the "**Concurrent Financing**"). Each Subscription Receipt will entitle the holder to receive, without any further action on the part of the holder and for no

additional consideration, one post-Consolidation unit (a “**Unit**”) of the Company, upon the satisfaction, or waiver by the holder, of the Escrow Release Conditions (as defined herein). Each Unit will be comprised of one post-Consolidation Common Share and one Common Share purchase warrant entitling the holder to purchase an additional post-Consolidation Common Share at an exercise price of \$0.30 per Common Share for a period 18 months from the date the Subscription Receipts are converted into Units as described below, subject to an acceleration provision as described below.

The Units will be issued to the holders of Subscription Receipts upon satisfaction of the following conditions: (i) the completion of the Transaction; or (ii) the completion, satisfaction or waiver of all conditions precedent to the completion of the Transaction (other than the Concurrent Financing) contained in the Definitive Agreement, with completion of all of the steps outlined in (i) and/or (ii) to be determined by the Company and Asiatel in their sole discretion (the “**Escrow Release Conditions**”).

Subscription funds provided by purchasers of Subscription Receipts will be delivered to Asiatel and will be held in escrow either by Asiatel or a third party escrow agent appointed by the Company and Asiatel. Upon satisfaction of the Escrow Release Conditions prior to the Escrow Release Deadline (as defined herein), the Subscription Receipts will be converted into Units and the proceeds of the Concurrent Financing (with interest if any) will be released from escrow by Asiatel or the third party escrow agent, as applicable, to the Company.

In the event that: (i) the Escrow Release Conditions do not occur on or prior to January 16, 2026 or such later date as may be determined pursuant to the terms of the subscription agreements governing the Subscription Receipts, which date may be no later than Termination Date (the “**Escrow Release Deadline**”), (ii) the Transaction is terminated at any time prior to the Escrow Release Deadline, or (iii) if the Company and Asiatel otherwise notify Concurrent Financing subscribers that they do not intend to proceed with the Concurrent Financing, the proceeds of the Concurrent Financing (with interest if any) will be returned to the Concurrent Financing subscribers by Asiatel or the third party agent, as applicable, and the Subscription Receipts will be cancelled.

The warrants issued upon conversion of the Subscription Receipts will be subject to acceleration, such that if, over a period of ten consecutive trading days between the date of issuance and the expiry of the warrants, the closing price of the Common Shares of the Resulting Issuer on the Exchange (or such other stock exchange where the majority of the trading volume occurs) is at \$0.45 or above, the Resulting Issuer may, at any time after such an occurrence, give written notice (which may be made via news release) to the holders of the warrants that the warrants will expire on the 30th day following the giving of notice unless exercised by the holders prior to such date.

It is intended that the proceeds from the Concurrent Financing will be used for operating expenses, expansion in the Philippines, IT enhancements and AI Alliances, niche product development, Canadian office expenses, investor relations, administrative costs, costs of transaction and listing and general working capital purposes following completion of the Transaction.

The Company has closed an initial tranche of the Concurrent Financing, pursuant to which it issued an aggregate 3,800,000 Subscription Receipts at a price of \$0.20 per Subscription Receipt for gross proceeds of \$760,000. The balance of the Concurrent Financing is expected to close concurrent with the Closing of the Transaction.

ADVISORY FEE

The Company intends to issue 718,500 Resulting Issuer Shares (the “**Advisory Shares**”) to an advisor on closing of the Transaction having a deemed value of \$0.20 per Resulting Issuer Shares, as an advisory fee (the “**Advisory Fee**”) in connection with the Proposed Qualifying Transaction.

EFFECT OF THE PROPOSED QUALIFYING TRANSACTION AND CONCURRENT FINANCING

In connection with the Completion of the Proposed Qualifying Transaction:

1. all of the Asiatel Shares outstanding immediately prior to the Closing will be sold and transferred to the Company in exchange for the issuance of Resulting Issuer Shares as per the Exchange Ratio;

2. there will be approximately 49,618,500 Resulting Issuer Shares outstanding, assuming completion of the Concurrent Financing and Consolidation, on an undiluted basis, of which:
 - (a) 3,900,000 will be held by existing New Media shareholders, representing approximately 7.86% of the outstanding Resulting Issuer Shares;
 - (b) Subject to the Special Warrant Provision, 40,000,000 will be held by Asiatel Shareholders, representing approximately 80.62% of the outstanding Resulting Issuer Shares;
 - (c) 5,000,000 will be held by participants from the Concurrent Financing, representing approximately 10.08% of the outstanding Resulting Issuer Shares;
 - (d) 718,500 will be held by an arm's length finder, representing approximately 1.45% of the outstanding Resulting Issuer Shares; and
3. all of the directors of the Company other than Tim Latimer will have resigned, the Resulting Issuer Board will consist of five directors, three of whom will be nominees selected by Asiatel (Jasjit Singh Anand, Shafi Aboobaker and Shane Weir) and two of whom will be nominees of the Company (Tim Latimer and Samantha Frampton);
4. all of the officers of the Company other than Randa Kachkar will have resigned and been replaced by officers appointed by Resulting Issuer Board;
5. Asiatel shall be a wholly-owned subsidiary of the Resulting Issuer, and the Resulting Issuer will carry on the business of Asiatel;
6. the Resulting Issuer Shares will be listed on the Exchange, and will be freely tradeable in Canada, except for Resulting Issuer Shares held by insiders of the Company and Principals of the Resulting Issuer and which are subject to escrow pursuant to Exchange Policies; and
7. the corporate name of the Resulting Issuer will be "Asiatel Outsourcing Inc." or such other name as may be determined by Asiatel in its sole discretion.

THE RESULTING ISSUER

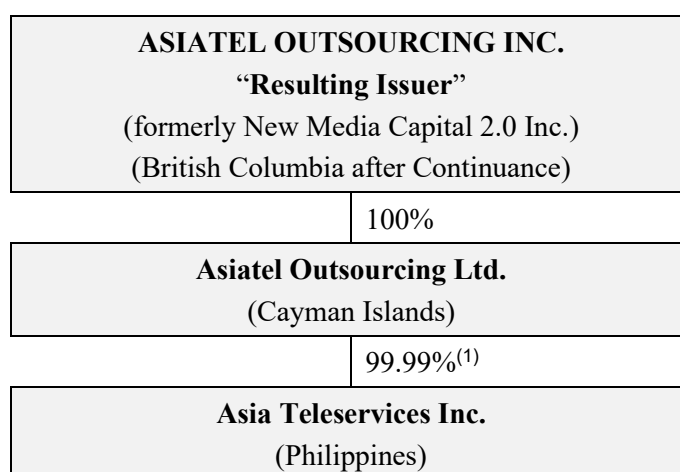
CORPORATE STRUCTURE

Name and Incorporation

Immediately after Completion of the Proposed Qualifying Transaction (which includes the completion of the Continuance), the Resulting Issuer will be subject to the *Business Corporations Act* (BCBCA). It is expected that, following the Completion of the Proposed Qualifying Transaction and the Continuance, the Resulting Issuer's registered office will be located at 1200 - 750 West Pender Street, Vancouver, British Columbia, V6C 2T8.

Intercorporate Relationships

Following the Completion of the Proposed Qualifying Transaction, Asiatel will be a wholly owned subsidiary of the Resulting Issuer. The chart below represents the corporate structure of the Resulting Issuer.



Note:

- (1) ATI has 7,100,000 shares issued and outstanding. Asiatel owns 7,099,995 shares of ATI and five business contributory minority shareholders (which includes Shafi Aboobaker, Jasjit Singh Anand (Andy) and Erlinda G Feliciano) each own 1 share of ATI for an aggregate of 5 shares. The minority shareholders are directors and officers of ATI and hold shares to comply with Philippine corporate law. The shares held by these minority shareholders are held in trust for Asiatel and do not carry any special voting rights.

BUSINESS OF THE RESULTING ISSUER

The Resulting Issuer will carry on the business of Asiatel and use the funds available to it as stated in this Prospectus. The Resulting Issuer plans to continue with Asiatel's business plan. See “*Asiatel – Narrative Description of the Business*” and “*The Resulting Issuer – Available Funds and Principal Uses*”.

AVAILABLE FUNDS AND PRINCIPAL USES

Available Funds

The funds that are expected to be available to the Resulting Issuer upon completion of the Concurrent Financing and the Proposed Qualifying Transaction are described in the following table.

**Assuming the completion of the
Concurrent Financing (\$CAD)**

Source

Estimated working capital of Asiatel as at February 28, 2026	\$[◆]
Estimated working capital of the Company as at February 28, 2026	\$169,629
Gross proceeds of the Concurrent Financing	\$1,000,000
Total	\$[◆]

Principal Uses of Available Funds

The following table sets forth the proposed use of available funds by the Resulting Issuer in order of priority upon Completion of the Proposed Qualifying Transaction:

**Assuming the completion of the Concurrent
Financing**

Use of Available Funds

Expansion of delivery seat capacity in the Philippines (facilities, recruitment, onboarding)	\$250,000
IT enhancements and AI Alliances (integration, licensing, and platform development)	\$200,000
Niche service development (productization of new verticals and pilot programs)	\$100,000
Establishment of Canadian office (initial set-up and operating runway)	\$150,000
Investor relations (including IR materials, PR, roadshows and digital IR campaigns)	\$100,000
Cost of listing, legal, accounting and offering expenses	\$250,000
Working capital (general corporate purposes)	\$[◆]
Total	\$[◆]

The above uses of available funds are estimates only. While management currently intends to use the available funds as set forth in this Prospectus, the Resulting Issuer may reallocate the available funds for sound business reasons. Funds that are not immediately committed to the various uses described above will be invested in short-term, investment-grade interest-bearing securities such as money market accounts, certificates of deposit, commercial paper, guaranteed obligations, and bank demand deposits. It is anticipated that the available funds will be sufficient to satisfy the Resulting Issuer's objectives over the 24 months following Completion of the Proposed Qualifying Transaction.

Business Objectives

General

The Resulting Issuer intends to further the business objectives and pursue the growth strategy described in “*Asiatel – Description of the Business*”. The Company's strategic growth plan is intended to leverage its existing outsourcing capabilities, accelerate product and market development, and position the Company as a differentiated, technology-enabled BPO platform. Principal objectives include:

Establish a Canadian Market Presence

- Open and operationalize a Canadian office to support sales, client development and regulatory engagement. Management of ATI believes that a Canadian presence will increase credibility with enterprise customers and strategic partners and facilitate business development in North America.

Scale Delivery Capacity in the Philippines

- Increase seat capacity in Manila to support larger mandates and deliver expanded services. Investments include facility upgrades, hiring and training, and implementation of quality and onboarding standards to support rapid scale-up.

IT and AI-Enabled Service Enhancement

- Integrate AI capabilities through strategic alliances to automate repetitive tasks, improve quality assurance and productivity, and enable productized offerings (for example, “AI-BPO-as-a-Service”). Investments will fund systems integration, licensing and pilot deployment.
- On an overall basis, the plan is to enhance and upgrade IT systems and technologies.

Service Diversification and Productization

- Develop and commercialize higher-margin, specialized service lines including, but not limited to, accounting support, paralegal services, investor relations delivery, fractional finance, and industry-specific back-office solutions. Each vertical will be developed with standardized delivery playbooks, key performance indicators, and pilot clients to support scalable roll-out.
- After opening the Canadian office, one of the focal areas will be supporting junior listed companies on Canadian exchanges. These companies often face resource constraints and can materially reduce costs and increase efficiency by leveraging ATI’s outsourcing platform. ATI intends to position itself as a trusted partner for junior issuers, offering specialized support in accounting aligned with public company standards as well as investor relations services, both of which have been identified as major growth opportunities. These offerings are expected to complement ATI’s core outsourcing services and align with its strategy of targeting high-value, niche verticals.

Selective Inorganic Expansion

- Pursue selective acquisitions or alliances in adjacent geographies or in geographies that can offer cost arbitrage and specialty service providers to accelerate capability development, multilingual delivery and market entry. Any acquisition target will be subject to due diligence, board approval and disclosure as required under applicable law.
- It is expected that the BPO market will witness an increasing growth in niche services. The company will keep that complementary skill enhancement and an opportunity to enter a new niche market as important consideration in its inorganic strategy.

Operational Excellence and Governance

- Strengthen internal controls, reporting, compliance and quality management systems, and engage third-party advisors where necessary to ensure regulatory and industry best practices are adopted as the Company grows.

Milestones

The following significant events should occur for the stated business objectives disclosed above to be accomplished. The specific time periods in which each event is targeted to occur and the costs currently estimated concerning each event are listed below:

Business Objective	Timeline	Estimated Cost (\$)⁽¹⁾
Establishment of Canadian office	By April 2026. The objective has been partially implemented as a sales office has been established.	\$150,000 for salary, office seats and digital marketing for first 9 months of operation from April to December 2026.
IT Enhancement and AI Alliances	To be completed between April 2026 and March 2027. To be commenced after completion of the Transaction.	\$200,000
Niche Service Development	By June 2026. Project has commenced and niche products are being developed. Current costs are being expensed from existing business revenues.	\$100,000 including Canadian and Australian market for initial traction. Subsequent expensed will be met from revenues.
Expansion of Seats	September 2026	\$250,000
Investor Relations for Secondary Market Visibility	From March 2026 onwards as a follow up to completion of the Transaction.	\$100,000 for 2026.

Note:

(1) Total estimated costs to complete the milestones are \$800,000. See “*Estimated Available Funds and Principal Uses*”.

DIVIDENDS OR DISTRIBUTIONS

The Resulting Issuer intends to direct its cash towards the development of its business and the identification and evaluation of assets or businesses and does not expect to declare or pay any dividends or distributions in the foreseeable future. There will be no restrictions precluding the Resulting Issuer from declaring any dividends or distributions on the Resulting Issuer Shares.

DESCRIPTION OF SECURITIES

The attributes of the Resulting Issuer Shares will be the same as the Common Shares, and will not change as a result of the Proposed Qualifying Transaction. See “*The Company – Description of Securities*”.

PRO FORMA CONSOLIDATED CAPITALIZATION OF THE RESULTING ISSUER**Pro Forma Consolidated Capitalization of the Resulting Issuer**

The following table sets forth the pro forma consolidated capitalization of the Resulting Issuer before and after giving effect to the Proposed Qualifying Transaction, assuming completion of the Concurrent Financing. The table should be read in conjunction with the pro forma financial of the Resulting Issuer and the notes thereto included in this Prospectus. See “*Financial Statements*”.

Designation of security⁽¹⁾	Amount authorized or to be authorized	Outstanding as at September 30, 2025⁽²⁾	Outstanding after giving effect to the Proposed Qualifying Transaction and the Concurrent Financing⁽²⁾
Resulting Issuer Shares	Unlimited	3,900,000	49,618,500
Existing New Media Warrants	N/A	250,000	250,000
Concurrent Financing Warrants	N/A	N/A	5,000,000 ⁽³⁾

Designation of security ⁽¹⁾	Amount authorized or to be authorized	Outstanding as at September 30, 2025 ⁽²⁾	Outstanding after giving effect to the Proposed Qualifying Transaction and the Concurrent Financing ⁽²⁾
Remaining number of shares reserved for issuance under the Company Stock Option Plan	10% of the Resulting Issuer Shares on the date of grant	390,000	4,961,850

Notes:

- (1) Certain securities of the Resulting Issuer are subject to escrow. See “*The Resulting Issuer – Escrowed Securities*”.
- (2) All figures expressed on a post-Consolidation basis.
- (3) Subject to the Special Warrant Provision (assuming exercise of all Special Warrants).

Pro Forma Fully-Diluted Capitalization of the Resulting Issuer

The following table sets out the pro forma fully-diluted share capital of the Resulting Issuer, assuming completion of the Concurrent Financing:

Designation of security	After giving effect to the Proposed Qualifying Transaction, and Concurrent Financing ⁽¹⁾	
	Number Outstanding	Percentage of Fully-Diluted Share Capital
Existing New Media Shareholders	3,900,000	6.53%
Issued to Asiatel Shareholders pursuant to the Proposed Qualifying Transaction	40,000,000 ⁽²⁾	66.97%
Concurrent Financing	5,000,000 ⁽³⁾	8.37% ⁽³⁾
Advisory Shares	718,500	1.20%
TOTAL (undiluted):	49,618,500	
Existing New Media Warrants	250,000	0.42%
Concurrent Financing Warrants	5,000,000 ⁽³⁾	8.37% ⁽³⁾
Remaining number of shares reserved for issuance under Company stock option plan	4,861,850	8.14%
Total Resulting Issuer Shares (fully-diluted)	59,730,350	100%

Notes:

- (1) All figures expressed on a post-Consolidation basis.
- (2) Subject to the Special Warrant Provision (assuming exercise of all Special Warrants).
- (3) The Company has closed an initial tranche of the Concurrent Financing, pursuant to which it issued an aggregate 3,800,000 Subscription Receipts for gross proceeds of \$760,000. The balance of the Concurrent Financing is expected to close concurrent with the Closing of the Transaction.

OPTIONS TO PURCHASE SECURITIES

Upon Completion of the Proposed Qualifying Transaction, no options to purchase Resulting Issuer Shares will be outstanding. No grants of options are planned prior to or in connection with Completion of the Proposed Qualifying Transaction.

The following table describes the Resulting Issuer Options that will be held by the officers, directors, employees and consultants of the Resulting Issuer upon Completion of the Proposed Qualifying Transaction.

Holder	Number of Optionees	Resulting Issuer Shares Underlying Options	Exercise Price (\$)	Expiry Date
Executive Officers and Former Executive Officers	Nil	Nil	N/A	N/A
Directors (other than those who are also Executive Officers)	Nil	Nil	N/A	N/A
Officers and Former Directors	Nil	Nil	N/A	N/A
Other Current and Former Employees	Nil	Nil	N/A	N/A
Consultants	Nil	Nil	N/A	N/A
Other	Nil	Nil	N/A	N/A
Total	Nil	Nil		

Resulting Issuer Security Based Compensation Plan:

The Company has adopted an incentive stock option plan in accordance with the policies of the Exchange (the "**Stock Option Plan**") which provides that the board of directors of the Company may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance under the Stock Option Plan shall not exceed ten percent (10%) of the issued and outstanding Common Shares if the Company issued and outstanding as at the date of grant of any stock options. Upon Completion of the Qualifying Transaction, the Stock Option Plan will be replaced with an Omnibus Security Based Compensation Plan (the "**Omnibus Security Compensation Plan**").

The Omnibus Security Compensation Plan allows the Company to issue several types of security-based compensation in addition to stock options. Following the approval of the Omnibus Security Compensation Plan, no additional grants will be made pursuant to the Stock Option Plan, and the Stock Option Plan will terminate.

The purpose of the Omnibus Security Compensation Plan is to provide directors, officers, executives, employees and consultants of the Company with the ability to obtain security-based compensation, including stock options and other types of security based compensation. The Omnibus Security Compensation Plan includes a 10% rolling stock option component together with a 10% fixed security based compensation (other than stock options) component which allows for the issuance of deferred share units, restricted share units, performance share units and stock appreciation rights and/or any other compensation or incentive mechanism involving the issuance or potential issuance of securities of the Company (collectively "**Awards**").

The number of Common Shares of the Company that are issuable pursuant to the exercise of stock options granted under the Omnibus Security Compensation Plan is equal to up to a maximum of 10% of the issued and outstanding Common Shares of the Company as at the date of any stock option grant. The number of Common Shares of the Company that are issuable pursuant security based compensation other than stock options, in aggregate, is a fixed specified number of Common Shares of the Company up to a maximum of 10% of the Common Shares of the Company as at the date of implementation of the Omnibus Security Compensation Plan. Upon completion of the Transaction, there will be 49,618,500 Common Shares issued and outstanding. Consequently, there may be an aggregate maximum of 4,961,850 Awards (other than stock options), outstanding under the Omnibus Security Compensation Plan.

The Omnibus Security Compensation Plan incorporates the provisions of TSXV Policy 4.4 which governs security-based compensation. This includes, among other things, allowing option holders to exercise stock options on a "cashless exercise" or "net exercise" basis. A 'cashless exercise right' occurs whereby the Company has an arrangement with a brokerage firm pursuant to which the brokerage firm will loan money to an optionee to purchase the Common Shares underlying the stock options. The brokerage firm then sells enough Common Shares to cover the exercise price of the stock options to repay the loan made to the optionee. The brokerage firm receives an equivalent number of Common Shares from the exercise of the stock options and the optionee then receives the balance of Common Shares or the cash proceeds from the balance of such Common Shares. A 'net exercise right' occurs when stock options, excluding stock options held by an investor relations service provider, are exercised without the optionee making any cash payment so the Company does not receive any cash from the exercise of the subject stock

options, and instead the optionee receives only the number of underlying Common Shares that is the equal to the quotient obtained by dividing: (A) the product of the number of stock options being exercised multiplied by the difference between the volume weighted average price (VWAP) of the underlying Common Shares and the exercise price of the subject stock options; by (B) the VWAP of the underlying Common Shares. The 'net exercise right' is not available to optionees who undertake investor relations activities.

Below is a summary of the material terms of the proposed Omnibus Security Compensation Plan. The full text of the Omnibus Security Compensation Plan may be requested from the Company.

1. Only a director, officer, employee, management company employee or consultant of the Company or of any of its subsidiaries (a "**Participant**") is eligible to participate in the Omnibus Security Compensation Plan. Except in relation to consultant companies, Awards or stock options may be granted only to an individual or to a company that is wholly owned by individuals eligible to receive Awards or stock options.
2. The Omnibus Security Compensation Plan includes a fixed up to 10%" security based compensation component under which the number of Common Shares that are issuable pursuant to all Awards, other than stock options, in aggregate is a maximum of 10% of the issued and outstanding Common Shares upon completion of the proposed Transaction (which number is 4,961,850), subject to any adjustment as provided in the Omnibus Security Compensation Plan.
3. All equity-based compensation is non-assignable and non-transferable.
4. The board of directors of the Company (or a compensation committee established by the board of directors who has the authority to determine executive compensation) (the "**Committee**") shall have full and exclusive discretionary power to interpret the terms and the intent of the Omnibus Security Compensation Plan and any Award granted under the Omnibus Security Compensation Plan, to determine eligibility for Awards, and to adopt such rules, regulations and guidelines for administering the Omnibus Security Compensation Plan as the Committee may deem necessary or proper.
5. Unless the Company has obtained the requisite disinterested shareholder approval pursuant to Policy 4.4, the maximum aggregate number of Common Shares of the Company that are issuable pursuant to all security based compensation granted or issued under the Omnibus Security Compensation Plan to insiders (as a group) must not exceed 10% of the issued and outstanding Common Shares of the Company at any point in time.
6. Unless the Company has obtained the requisite disinterested shareholder approval pursuant to Policy 4.4, the maximum aggregate number of Common Shares of the Company that are issuable pursuant to all security based compensation under the Omnibus Security Compensation Plan granted or issued in any 12 month period to insiders (as a group) must not exceed 10% of the issued and outstanding Common Shares of the Company, calculated as at the date any security based compensation, including any Award or Stock Option, is granted or issued to any insider.
7. Unless the Company has obtained the requisite disinterested shareholder approval pursuant to Policy 4.4, the maximum aggregate number of Common Shares that are issuable pursuant to all security based compensation granted or issued in any 12 month period to any one person must not exceed 5% of the issued and outstanding Common Shares, calculated as at the date any security based compensation, including any Award or stock option, is granted or issued to the person.
8. The maximum aggregate number of Common Shares that are issuable pursuant to all security based compensation, including any Award or stock option, granted or issued in any 12 month period to any one consultant must not exceed 2% of the issued and outstanding Common Shares, calculated as at the date any security based compensation is granted or issued to the Consultant.
9. Investor relations service providers may not receive any security-based compensation under the Omnibus Security Compensation Plan other than stock options.
10. All Awards and Common Shares issuable under the Omnibus Security Compensation Plan are subject to any applicable resale restrictions under Applicable Securities Laws and, where applicable, a 4 month

exchange hold period imposed by the policies of the TSXV and shall have affixed thereto any legends required under Applicable Securities Laws and the policies of the TSXV.

11. Notwithstanding the expiry date, redemption date or settlement date of any Award, such expiry date, redemption date or settlement date, as applicable, of the Award shall be extended to the tenth business day following the last day of a blackout period if the expiry date would otherwise occur in a blackout period.

12. Each Award granted shall be evidenced by an agreement that shall specify the price, the duration of the Award, the number of Common Shares to which the Award pertains, the conditions upon which an Award shall become vested and exercisable, and any such other provisions as the Committee shall determine.

13. The price for each grant under the Omnibus Security Compensation Plan shall be determined by the board of directors or the Committee and shall be specified in the Award agreement. The minimum exercise price shall not be less than the Discounted Market Price (as defined in the policies of the TSXV).

14. Except as may otherwise be set out in a Participant's employment agreement (which shall have paramountcy), where a Participant's employment or term of office or engagement terminates (for any reason other than death) whether such termination occurs with or without any or adequate notice or reasonable notice, or with or without any or adequate compensation in lieu of such notice)) then (i) any Award held by the Participant that is exercisable at the termination date continues to be exercisable by the Participant until the earlier of: (A) the date that is three months after the termination date; and (B) the date on which the exercise period of the particular Award expires; and (ii) any Award held by the Participant that is not yet vested at the termination date immediately expires and is cancelled and forfeited to the Company on the termination date.

15. If a Participant shall cease to be a director or officer of or be in the employ of, or a consultant to the Company or its affiliates due to the death of the Participant, any claim by the estate of the Participant to any outstanding security based compensation in the deceased Participant's account effective as at the time of the Participant's death must be made within one year of the Participant's death in accordance with the terms of the Omnibus Security Compensation Plan.

16. Any Award granted or issued to any Participant who is a director, officer, employee, consultant or management company employee shall expire in accordance with the provisions of the Omnibus Security Compensation Plan, but in any event, within a reasonable period, not exceeding 12 months, following the date the Participant ceases to be an eligible Participant under the Omnibus Security Compensation Plan.

The Omnibus Security Compensation Plan also provides that: (a) disinterested shareholder approval will be obtained for any reduction in the exercise price of a stock option, or the extension of the term of a stock option, held by an insider; (b) stock options can be exercisable for a maximum of 10 years from the date of grant (subject to extension where the expiry date falls within a blackout period, as provided for in Policy 4.4); and (c) the maximum aggregate number of Common Shares of the Company that are issuable pursuant to all stock options granted in any 12 month period to all investor relations service providers in aggregate must not exceed 2% of the Common Shares of the Company, calculated as at the date any stock option is granted to any such investor relations service provider.

PRINCIPAL SECURITYHOLDERS

The following table lists those persons who will beneficially own, directly or indirectly or exercise control or direction over more than 10% of the issued and outstanding Resulting Issuer Shares after Completion of the Proposed Qualifying Transaction and the Concurrent Financing.

Name and Municipality of Residence	Type of Ownership	After giving effect to the Proposed Qualifying Transaction, and the Concurrent Financings	
		Number of Resulting Issuer Shares ⁽¹⁾	Percentage of Resulting Issuer Shares ⁽¹⁾
Mohamed Shafi Aboobaker Wanchai, Hong Kong	Direct	10,000,000	20.15%

Name and Municipality of Residence	Type of Ownership	After giving effect to the Proposed Qualifying Transaction, and the Concurrent Financings	
		Number of Resulting Issuer Shares ⁽¹⁾	Percentage of Resulting Issuer Shares ⁽¹⁾
David Kieran Parke Regina, Canada	Direct	10,000,000	20.15%
Michael Joseph Kinane Loule, Portugal	Direct	20,000,000	40.31%
Notes:			
(1) Subject to the Special Warrant Provision (assuming exercise of all Special Warrants).			

DIRECTORS, EXECUTIVE OFFICERS AND PROMOTERS

Directors, Executive Officers and Promoter

The following table sets out, for each proposed director and executive officer of the Resulting Issuer, the person's name, province or state and country of residence, proposed position(s), and principal occupation, and the number of Resulting Issuer Shares each director or executive officer is expected to beneficially own, or exercise control or direction over, directly or indirectly.

Directors of the Resulting Issuer will hold office from the closing and, unless re-elected, will retire from office at the end of the next annual meeting of the shareholders of the Resulting Issuer.

Name and Province or State and Country of Residence	Position to be held with the Resulting Issuer	Principal Occupation, Business or Employment for the Last Five Years	Number of Resulting Issuer Shares owned or controlled, assuming Completion of the Concurrent Financing
Jasjit Singh Anand (Andy) Philippines ⁽¹⁾	Chief Executive Officer Director	President of Asiatel	1,070,000
Randa Kachkar Edmonton, Alberta	Chief Financial Officer & Corporate Secretary	Chief Financial Officer of Visionstate Corp. and New Media Capital 2.0 Inc. Associate Director in Ancillary Services, University of Alberta	800,000
Mohamed Shafi Aboobaker Wanchai, Hong Kong ⁽¹⁾	Director	Chairman of ATI	10,000,000
Shane Weir Wanchai, Hong Kong ⁽¹⁾	Director	Commercial Solicitor and Partner in Weir & Associates Hong Kong	Nil

Tim Latimer Edmonton, Alberta	Director	CEO of Cashco Financial Inc, Village Wise Inc, JL Legacy Inc. and others while also serving on the boards as Director	200,000
Samantha Frampton Edmonton, Alberta	Director	Chief Financial Officer Business as a Force for Good Inc.	Nil

Notes:

- (1) Proposed member of the Audit Committee.

Set forth below is a description of the background of the directors and executive officers of the Resulting Issuer.

Jasjit Singh Anand (Andy) - Philippines – Director and Chief Executive Officer (Age 50)

Mr. Anand is the current CEO and President of Asiatel overseeing day to management, strategic planning, P&L Management and business expansion. Jasjit brings over 25 years of diverse experience in business development and senior management roles, including product launches, as well as new projects while working for multinational companies such as Aditya Birla Group, Fullerton India / Fullerton Enterprises (indirect subsidiary of Temasek, Singapore), IL&FS group and National Securities Depository Limited (NSDL), India's leading depository. Jasjit was the founding member of the BPO diversification initiative of the Asiatel group and has been an instrumental growth driver in taking the business from 0 employees to over 400 employees in May 2025.

Mr. Anand will be an employee of the Resulting Issuer pursuant to an employment contract with ATI (see "*Asiatel Outsourcing Ltd. - Employment, Consulting, and Management Agreements*"). In his capacity as Chief Executive Officer, he expects to dedicate approximately 100% of his time to the affairs of the Resulting Issuer. He will not be subject to any written consulting, employment, non-competition or confidentiality agreement with the Resulting Issuer.

Randa Kachkar - Edmonton, Alberta - Director and Chief Financial Officer (Age 65)

Ms. Kachkar is the current Chief Financial Officer and Director of the Company, a publicly listed company formed under Exchange Policy 2.4. Ms. Kachkar is also the Chief Financial Officer, Board Governance Secretary and Compliance Secretary of Visionstate Corp., a publicly trading company on the Exchange (TSXV: VIS), that specializes in Internet of Things (IoT) solutions for facility management. Ms. Kachkar has served in this role with Visionstate since April 2012, overseeing financial reporting and audits. She has also been an Associate Director in Ancillary Services at the University of Alberta since 2012. Additionally, Ms. Kachkar serves as a director of Oxford House Foundation of Canada. Ms. Kachkar received her undergraduate degree from the University of Alberta and has taken the TSX Board Governance course through Simon Fraser University.

Ms. Kachkar will provide services as Chief Financial Officer of the Company as a consultant and expects to dedicate approximately 25% of her time to the affairs of the Resulting Issuer. She will not be subject to any written consulting, employment, non-competition or confidentiality agreement with the Resulting Issuer.

Mohamed Shafi Aboobaker – Hong Kong – Director (Age 73)

Mr. Aboobaker is an accomplished entrepreneur with over 45 years of diverse business experience. He was the founding shareholder and CEO of Asia Telecom Limited from 1997 until 2017, and of Asia Telecom Holdings since 2016 and Chairman of Asia Teleservices Inc. since 2015. In September 1997, he and a group of partners founded Asia Telecom, successfully securing the External Telecommunications License in 1999. Mr. Aboobaker helped the company achieve annual revenues of US\$28 million by 2016, with revenue-generating operations in Singapore and Taiwan, supported by offices in the Philippines and Indonesia. Since 2015, he has led the expansion and diversification of Asiatel Outsourcing into new business interests.

In his capacity as a director, it is expected Mr. Aboobaker will dedicate approximately 65% of his time to the affairs of the Resulting Issuer. He will not be subject to any written consulting, employment, non-competition or

confidentiality agreement with the Resulting Issuer.

Shane Weir - Director

Mr. Weir has a distinguished career in the field of law and corporate advisory services. Shane is a veteran commercial-oriented solicitor and registered investment advisor with over 45 years of legal experience. He is a co-founder of Weir & Associates, a successful law firm in Hong Kong and Shanghai. Mr. Weir serves as a Director of Global Education Communities (TSX:GEC). He has extensive advisory experience along having taken up directorship roles for listed public companies and professional services firms including Canadian stock exchanges. Shane is a qualified Canadian lawyer with Hong Kong and UK qualifications, specializing in international estate planning.

In his capacity as a director, it is expected Mr. Weir will dedicate approximately 20% of his time to the affairs of the Resulting Issuer. He will not be subject to any written consulting, employment, non-competition or confidentiality agreement with the Resulting Issuer.

Tim Latimer - Edmonton, Alberta – Director (Age 68)

Mr. Latimer is a Chief Executive Officer with more than 25 years of leadership experience across two mission-driven organizations: Cashco Financial (since 2000) and Business as a Force for Good (since 2010). At Cashco Financial, Mr. Latimer oversaw all strategic, operational and culture aspects of one of Canada's financial services organizations and drove long-term growth while championing transformative business practices. At Business as a Force for Good, Mr. Latimer lead a value-based organization dedicated to promoting responsible business practices and creating measurable social impact. Mr. Latimer is the founder of Cashco Financial and numerous other businesses and has built several companies to a national footprint employing up to 500 people.

In his capacity as a director, it is expected Mr. Latimer will dedicate approximately 10% of his time to the affairs of the Resulting Issuer. He will not be subject to any written consulting, employment, non-competition or confidentiality agreement with the Resulting Issuer.

Samantha Frampton – Director (Age 39)

Ms. Frampton has served as Chief Financial Officer of Business as a Force for Good Inc., a firm focused on providing leadership to family offices and private investment guidance within the Canadian market, for the past five years. In this role, she has led centralized accounting teams for over 40 companies, overseeing financial operations and delivering strategic, data-driven insights to support decision-making for leaders across various industries.

Ms. Frampton holds a Bachelor of Commerce degree in economics and accounting from MacEwan University and a Masters of Business Administration from University of Alberta specializing in Finance Mergers and Acquisitions, thus providing a strong foundation for her financial and strategic leadership roles.

In her capacity as a director, it is expected Ms. Frampton will dedicate approximately 10% of her time to the affairs of the Resulting Issuer. She will not be subject to any written consulting, employment, non-competition or confidentiality agreement with the Resulting Issuer.

Other Reporting Issuer Experience

The following table sets out the proposed directors, executive officers and promoters of the Resulting Issuer that are, or have been within the last five years, directors or officers of other issuers that are or were reporting issuers in any Canadian jurisdiction (or the equivalent in a jurisdiction outside of Canada):

Name	Name of Reporting Issuer	Trading Market	Position
Randa Kachkar	Visionstate Corp.	TSXV	Chief Financial Officer
Shane Weir	Global Education Communities Corp.	TSX	Director

Promoters

Other than as described in this Prospectus, no promoter of the Resulting Issuer has received or will receive anything of value, including money, property, contracts, options, or rights of any kind from the Resulting Issuer for acting as a promoter of the Resulting Issuer.

Corporate Cease Trade Orders or Bankruptcies

No proposed director, officer, insider, or promoter of the Resulting Issuer is, or within the 10 years prior to the date of this Prospectus has been, a director or officer of any other issuer that:

- i. was subject to (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
- ii. was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No director, executive officer, insider or promoter of the Resulting Issuer or a shareholder holding a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer:

- (a) is, as at the date of this Prospectus, or has been within the 10 years before the date hereof, a director or executive officer of any company, including the Resulting Issuer, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the 10 years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Penalties or Sanctions

No proposed director, officer, insider, or promoter of the Resulting Issuer, or shareholder holding sufficient securities to affect materially the control of the Resulting Issuer, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by any securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would be likely to be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Some of the individuals proposed for appointment as directors or officers of the Resulting Issuer upon the Completion of the Proposed Qualifying Transaction are also directors and/or officers and/or promoters of other reporting and non-reporting issuers. Accordingly, conflicts of interest may arise which could influence these persons in evaluating possible acquisitions or in generally acting on behalf of the Resulting Issuer. Directors and executive officers of the Resulting Issuer will be bound by the provisions of the BCBCA to act at all times in good faith in the interest of the Resulting Issuer and to disclose such conflicts to the Resulting Issuer if and when they arise. Any conflicts of interest will be subject to the procedures and remedies provided under the BCBCA.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

After Closing, the Resulting Issuer Board acting as a whole will determine the compensation of executive officers and directors. The Resulting Issuer Board may, as and when it determines is appropriate, establish a compensation committee and adopt a more formal compensation process that is in line with market practice for a junior publicly-listed company operating in this industry, having regard for local market conditions. The Resulting Issuer expects to provide a market-based blend of base salaries, bonuses and equity incentive components in the form of Awards under the Omnibus Security Compensation Plan (see “*The Resulting Issuer - Resulting Issuer Security Based Compensation Plan*”) to align the interests of executive officers with the interests of the Resulting Issuer’s shareholders.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth information concerning the annual compensation, other than securities-based compensation, the Resulting Issuer anticipates will be paid to the Named Executive Officers of the Resulting Issuer following Closing of the Transaction.

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (CDN\$) ⁽¹⁾ (thousands)	Bonus (CDN\$) (thousands)	Committee or Meeting Fees (CDN\$) (thousands)	Value of Perquisites (CDN\$) (thousands)	Value of all Other Compensation (CDN\$) (thousands)	Total Compensation (CDN\$) (thousands)
Jasjit Singh Anand (Andy)	2026	240,000	Nil	Nil	Nil	Nil	\$240,000
Chief Executive Officer							
Randa Kachkar	2026	[♦]	Nil	Nil	Nil	Nil	[♦]
Chief Financial Officer							

Currently no determination has been made respecting the types and amounts of Awards that will be made to Named Executive Officers of the Resulting Issuer under the Omnibus Security Compensation Plan following Closing of the Transaction.

Compensation of Directors

Resulting Issuer Board as a whole will determine the compensation of directors of the Resulting Issuer. It is not anticipated that the Resulting Issuer will provide its directors with any compensation for attending meetings of the Resulting Issuer Board or any of its committees. However, directors will be eligible to receive Awards under the Omnibus Security Compensation Plan from time to time on a basis commensurate with industry standards, reflecting the responsibilities and risks involved in being a director of the Resulting Issuer. Non-management directors will also be reimbursed for transportation and other out-of-pocket expenses incurred in connection with attending meetings, and generally in discharging their director functions.

Employment, Consulting, and Management Agreements

It is not anticipated that any new employment or consulting agreements between Asiatel and either of their executive officers will be entered into or will come into effect after Closing. For details of existing Employment, Consulting, and Management Agreements of Asiatel and ATI, see “*Asiatel Outsourcing Ltd. - Executive Compensation*”.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Prospectus, no proposed director or officer of the Resulting Issuer is or has been indebted to the Resulting Issuer or is indebted to another entity, which indebtedness has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Resulting Issuer, at any time.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Audit Committee

Under NI 41-101, the Company is required to include in this Prospectus the disclosure required under Form 52-110F2 with respect to the audit committee of the Resulting Issuer.

Audit Committee Charter

Following the Completion of the Proposed Qualifying Transaction, the Resulting Issuer is expected to continue to use the audit committee charter of the Company attached as Schedule “H” to this Prospectus.

Composition of the Audit Committee

The audit committee of the Resulting Issuer will consist of Mohamed Shafi Aboobaker, Jasjit Singh Anand (Andy), and Shane Weir.

Shane Weir will be “independent” as such term is defined in NI 52-110.

Jasjit Singh Anand (Andy) and Mohamed Shafi Aboobaker will not be considered independent.

A majority of the members of the audit committee of the Resulting Issuer will not be executive officers, employees or Control Persons of the Resulting Issuer or any of its affiliates.

Each of the proposed members of the audit committee of the Resulting Issuer is “financially literate” as such term is defined in NI 52-110.

Relevant Education and Experience

Please refer to “*Resulting Issuer - Directors, Executive Officers and Promoter*” and “*Asiatel – Directors, Executive Officers, and Promoter*” for biographical information detailing the relevant education and experience of each audit committee member of the Resulting Issuer that would provide an understanding of the accounting principles used by the Resulting Issuer to prepare its financial statements; the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions; experience preparing, auditing, analyzing or evaluating financial statements that present a breadth of and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Resulting Issuer’s financial statements, or experience actively supervising one or more individuals engaged in such activities; and an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

The audit committee oversight will not be relevant until the audit committee of the Resulting Issuer is created upon the Completion of the Proposed Qualifying Transaction.

Reliance on Certain Exemptions

At no time since the commencement of the Issuer’s most recently completed financial year has the Issuer relied on the exemption in section 2.4 of NI 52-110 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (Exemptions).

Pre-Approval Policies and Procedures

The audit committee of the Resulting Issuer is not anticipated to adopt any specific policies and procedures for the engagement of non-audit services.

External auditor Services Fees (By Category)

No fees have been billed to an external auditor in relation to the Reporting Issuer.

Exemption

The Resulting Issuer is relying on the exemption provided in Section 6.1 of NI 52-110 as the Resulting Issuer will be a “venture issuer”. As a result, the Resulting Issuer will be exempt from the requirements of Part 3 (Composition of Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

Corporate Governance

Set forth below is a description of the corporate governance practices to be adopted by the Resulting Issuer, provided pursuant to Form 58-101F2 of NI 58-101.

Board of Directors

The Resulting Issuer Board will be responsible for the general supervision of the management of the Resulting Issuer’s business and affairs with the objective of enhancing shareholder value. The Resulting Issuer Board will discharge its responsibilities directly and through its committees.

A director is considered independent within the meaning of NI 58-101 if he or she has no direct or indirect “material relationship” with the company. In addition to certain objective criteria, a “material relationship” is defined as a relationship which could, in the view of the board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Resulting Issuer Board will consist of four directors.

Of the proposed directors of the Resulting Issuer, Shane Weir and Shafi Aboobaker will be considered “independent” as such term is defined in NI 52-110.

Jasjit Singh Anand (Andy), Randa Kachkar and John Putters will not be considered independent.

Orientation and Continuing Education

It is not anticipated that the Resulting Issuer Board will adopt any formal policies with respect to the orientation of new directors, nor does it anticipate that it will provide continuing education for the directors. Formal policies with respect to director orientation and education will be implemented as and when warranted by growth of the Resulting Issuer’s operations.

Ethical Business Conduct

The Resulting Issuer Board is not expected to adopt a formal written Code of Business Conduct and Ethics. To ensure that an ethical business culture is maintained and promoted, directors will be encouraged to exercise their independent judgment. If a director has a material interest in any transaction or agreement that the Resulting Issuer proposes to enter into, such director will be expected to disclose such interest to the Resulting Issuer Board in compliance with all applicable laws, rules and policies which govern conflicts of interest in connection with such transaction or agreement. Further, any director who has a material interest in any proposed transaction or agreement will be excluded from the portion of the Resulting Issuer Board’s meeting concerning such matters and will be further precluded from voting on such matters. Should the Resulting Issuer’s operations grow in size and scope or should the Resulting Issuer Board consider it in the best interests of the Resulting Issuer, the Resulting Issuer Board will adopt additional policies and standards relating to ethical business conduct, which will be in line with industry standards and applicable laws.

Nomination of Directors

It is not anticipated that Resulting Issuer will adopt a formal process with respect to the appointment of new directors. Additional directors will be recruited by the Resulting Issuer Board, and the recruitment process will involve both formal and informal discussions with the directors and management of the Resulting Issuer.

Compensation

It is not anticipated that the Resulting Issuer Board will receive cash compensation for acting in such capacity. However, directors will be eligible to receive grants of Resulting Issuer Options pursuant to the Stock Option Plan from time to time on a basis commensurate with industry standards, reflecting the responsibilities and risks involved in being a director of the Resulting Issuer. Non-management directors will also be reimbursed for transportation and other out-of-pocket expenses incurred in connection with attending meetings, and generally in discharging their director functions.

Compensation of executive officer will be determined by the Resulting Issuer Board as a whole, except for the compensation of the Chief Executive Officer, which will be determined by the independent members of the Resulting Issuer Board, or any compensation committee established by the Resulting Issuer Board. See “*The Resulting Issuer – Executive Compensation*”.

Other Board Committees

The Resulting Issuer Board may establish such other committees as it determines to be appropriate. The membership and duties of any such committee will be determined after Completion of the Proposed Qualifying Transaction.

Assessments

The Resulting Issuer will not have a formal process for assessing the effectiveness of the Resulting Issuer Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant.

Other Corporate Policies

After Completion of the Proposed Qualifying Transaction, the Resulting Issuer Board will meet to consider and, if thought fit, approve an insider trading policy that is suitable for a listed company on Tier 2 of Exchange, taking into account the size and other circumstances of the Resulting Issuer. Copies of any insider trading policy adopted by the Resulting Issuer will be distributed to all directors, officers, employees, consultants and contractors, or alternatively, as applicable, they will be advised that the policies are available on the Resulting Issuer’s website for review. All such persons will be informed whenever significant changes are made. New directors, officers, employees, consultants and contractors of the Resulting Issuer will be provided with copies of any such insider trading policy, and will be educated about its importance.

INTERESTS OF PROPOSED MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Prospectus, none of the proposed directors or executive officers of the Resulting Issuer or persons or companies that are expected to beneficially own, or control or direct, directly or indirectly, more than 10% of the outstanding Resulting Issuer Shares, or any Associate or Affiliate of any of the foregoing, has any material interest, direct or indirect, in any transactions in which the Resulting Issuer has participated within the three years before the date of this Prospectus, which has materially affected or is reasonably expected to materially affect the Resulting Issuer.

ESCROWED SECURITIES

CPC Escrowed Securities

The 2,800,000 Common Shares which were issued prior to the Company’s IPO at a price of \$0.05 per Common Share, were deposited with the Escrow Agent under the CPC Escrow Agreement. All Company Options are subject to escrow

under the CPC Escrow Agreement. In addition, all Common Shares issued pursuant to the exercise of Company Options are also subject to escrow under the CPC Escrow Agreement.

To the knowledge of the Company as of the date of this Prospectus, an aggregate of 2,400,000 Common Shares representing approximately 30.76% of the presently outstanding Common Shares are held in escrow with the Escrow Agent under the terms of the CPC Escrow Agreement. See “The Resulting Issuer – Escrowed Securities”.

The following table sets out, as at the date hereof, the securities which were deposited under the CPC Escrow Agreement:

Name and Municipality of Residence of Shareholder	Number of Company Options held in escrow	Number of Escrowed Common Shares ⁽¹⁾⁽²⁾	Percentage of Common Shares as at the date of this Prospectus ⁽³⁾	Percentage of Resulting Issuer Shares after giving effect to the Proposed Qualifying Transaction and the Concurrent Financing ⁽²⁾
John Putters Edmonton, Alberta	Nil	400,000	5.13%	0.40%
Randa Kachkar Edmonton, Alberta	Nil	800,000	10.26%	0.81%
Tim Latimer Edmonton, Alberta	Nil	400,000	5.13%	0.40%
Catherine Hume Toronto, Ontario	Nil	400,000	5.13%	0.40%
Ben Tong Edmonton, Alberta	Nil	400,000	5.13%	0.40%
David Tam Edmonton, Alberta	Nil	400,000	5.13%	0.40%

Notes:

- (1) These securities are held in escrow with TSX Trust Company under an escrow agreement dated September 28, 2021.
- (2) On a pre-Consolidation basis.
- (3) On an undiluted basis.

Where the Common Shares of the Company which are required to be held in escrow are held by a non-individual (as defined in this section, a “**holding company**”), each holding company pursuant to the CPC Escrow Agreement, has agreed, or will agree, not to carry out any transactions during the currency of the CPC Escrow Agreement which would result in a change of control of the holding company, without the consent of the Exchange. Any holding company must sign an undertaking to the Exchange that, to the extent reasonably possible, it will not permit or authorize any issuance of securities or transfer of securities could reasonably result in a change of control of the holding company. In addition, the Exchange may require an undertaking from any Control Person of the holding company not to transfer the shares of that company.

Under the CPC Escrow Agreement:

- (a) all Company Options granted prior to the date of the Final Exchange Bulletin and all Common Shares that were issued pursuant to the exercise of such Company Options prior to the date of the Final Exchange Bulletin will be released from escrow on the date of the Final Exchange Bulletin, other than Company Options that were granted prior to the Company’s IPO with an exercise price that is less than the issue price of the Common Shares under the IPO prospectus and any Common Shares that were issued pursuant to the exercise of such Company Options which will be released from escrow in accordance with (b);
- (b) except for the Company Options and Common Shares issued pursuant to the exercise of such Company Options that are released from escrow on the date of the Final Exchange Bulletin as provided for in (a), all of the securities held in escrow will be released from escrow in accordance with the following schedule:

Release Dates

Percentage to be Released

Date of Final Exchange Bulletin	25%
Date 6 months following Final Exchange Bulletin	25%
Date 12 months following Final Exchange Bulletin	25%
Date 18 months following Final Exchange Bulletin	25%
TOTAL	100%

No Company Options have been granted and the Company does not plan to grant any Company Options prior to the date of the Final Exchange Bulletin. As a result, no Company Options will be outstanding as at the date of the Final Exchange Bulletin.

The Exchange's prior consent must be obtained before a transfer within escrow of escrowed Common Shares. Generally, the Exchange will only permit a transfer within escrow to be made to existing principals of the Company and/or existing principals in connection with a Proposed Qualifying Transaction.

If a Final Exchange Bulletin is not issued, the escrowed Common Shares will not be released. Under the CPC Escrow Agreement, upon the issuance by the Exchange of a bulletin delisting the Company, Escrow Agent is irrevocably authorized to:

- (a) immediately cancel all of the escrowed Common Shares held by each non-arm's length party to the Company that were issued at a price below the CPC Offering price under this prospectus, and all Company Options and underlying Common Shares held by such persons; and
- (b) cancel all of the escrowed securities on a date that is ten (10) years from the date of such Final Exchange Bulletin.

Qualifying Transaction Escrow

The Company and Asiatel expect that 40,000,000 Resulting Issuer Shares to be issued to the former Asiatel Shareholders, pursuant to the Proposed Qualifying Transaction will be held by persons who are Principals (as defined in Exchange Policy 1.1) of the Resulting Issuer, and will accordingly be subject to escrow in accordance with Exchange Policies. Resulting Issuer Shares to be issued pursuant to the Proposed Qualifying Transaction to Principals of the Resulting Issuer. Upon Completion of the Proposed Qualifying Transaction, such persons will be required to place their Resulting Issuer Shares into escrow pursuant to a Tier 2 Value Escrow Agreement (the "**QT Escrow Agreement**").

The following table sets out the securities that will be subject to escrow pursuant to the QT Escrow Agreement:

Designation of Class	Number of securities held in escrow or that are subject to a contractual restrictions on transfer⁽²⁾⁽³⁾	Percentage of Class⁽¹⁾⁽³⁾
Resulting Issuer Shares which will be subject to QT Escrow Agreement	40,000,000	80.62%

Note:

- (1) Assuming completion of the Concurrent Financing.
- (2) All figures expressed on a post-Consolidation basis.
- (3) Subject to the Special Warrant Provision (assuming exercise of all Special Warrants).

The QT Escrow Agreement provides that escrowed Resulting Issuer Shares will be released as follows:

- (a) 10% of the securities will be released on the date of the Final Exchange Bulletin;
- (b) 15% of the securities will be released 6 months from the Final Exchange Bulletin;
- (c) 15% of the securities will be released 12 months from the Final Exchange Bulletin;

- (d) 15% of the securities will be released 18 months from the Final Exchange Bulletin;
- (e) 15% of the securities will be released 24 months from the Final Exchange Bulletin;
- (f) 15% of the securities will be released 30 months from the Final Exchange Bulletin; and
- (g) 15% of the securities will be released 36 months from the Final Exchange Bulletin.

Transfers of Escrowed Securities

Resulting Issuer Shares held pursuant to QT Escrow Agreement may not be sold, assigned, transferred, redeemed, mortgaged, pledged, surrendered or otherwise dealt with in any manner except as provided by QT Escrow Agreement. Resulting Issuer Shares may be transferred within escrow to an individual who is a director or senior officer of the Resulting Issuer or a material operating subsidiary of the Resulting Issuer, provided that certain requirements of the Exchange are met, including that the new proposed transferee agrees to be bound by the terms of QT Escrow Agreement. In the event of the bankruptcy of a holder of Resulting Issuer Shares subject to escrow, such Resulting Issuer Shares may be transferred within escrow to the trustee in bankruptcy or other Person legally entitled to such Resulting Issuer Shares provided that certain prescribed Exchange requirements are met.

Where escrowed Resulting Issuer Shares are to be held by a person that is not an individual, such person will be required to agree to not engage in any transaction that would result in the change of control of such person while its securities of the Resulting Issuer are held in escrow. Any such person will be required to further undertake to the Exchange that, to the extent reasonably possible, it will not permit or authorize any issuance of securities or transfer of securities which could reasonably result in a change of control of the person.

Other than as disclosed above, no other securities of the Resulting Issuer are held in escrow or are anticipated to be held in escrow upon Completion of the Proposed Qualifying Transaction.

RISK FACTORS

The current business of Asiatel will be the business of the Resulting Issuer following Completion of the Proposed Qualifying Transaction. Accordingly, risk factors relating to Asiatel's current business will be the risk factors relating to the Resulting Issuer's business. Due to the nature of Asiatel's business, the legal and economic climate in which it operates and its present stage of development and proposed operations, Asiatel is subject to significant risks. Asiatel's future development and actual operating results may be very different from those expected as at the date of this Prospectus. Readers should carefully consider all such risks, which include but are not limited to the following.

Risks Related to the Business:

Asiatel can be adversely affected by global and regional factors that periodically occur, including but not limited to:

- geopolitical and security issues, such as armed conflict and civil or military unrest, political instability, human rights concerns and terrorist activity;
- natural disasters, public health issues (including the COVID-19 pandemic) and other catastrophic events;
- inefficient infrastructure and other disruptions, such as supply chain interruptions and large-scale outages or cyber-attacks on its data hosting or telecommunications providers;
- formal or informal imposition of new or revised export, clinical, privacy or quality standards that might impact the ability to obtain operational licenses, which could be changed without notice; government restrictions on, or nationalization of, our operations in any country, or restrictions on our ability to repatriate earnings from a particular country;
- adverse changes relating to government grants, tax credits or other government incentives, including more favorable incentives provided to competitors;

- differing employment practices and labor issues;
- ineffective legal protection of our intellectual property rights in certain countries;
- local business and cultural factors that differ from current standards and practices;
- continuing uncertainty regarding social, political, and tax and trade policies; and
- fluctuations in the market values of any of our investments, which can be negatively affected by liquidity, credit deterioration or losses, interest rate changes, financial results, political risk, sovereign risk, or other factors.
- customer exits or insolvencies.
- unexpected changes in costs or margins, shifts in market conditions, or unforeseen operational challenges.
- talent retention and attrition risks – difficulty in recruiting, training, and retaining skilled employees at scale may disrupt service delivery or increase operating costs.
- client concentration – heavy reliance on a limited number of key customers could expose the Resulting Issuer to significant revenue loss if contracts are not renewed.
- regulatory and compliance costs – compliance with rapidly evolving data protection, labor, financial reporting, and industry-specific regulations can increase operational costs and complexity.
- technology disruption – advancements in artificial intelligence, automation, or other emerging technologies could reduce demand for human-led outsourcing services.
- currency and exchange rate volatility – as operations and revenues span multiple countries, fluctuations in currency exchange rates may materially impact financial results.
- dependence on third-party providers – reliance on third-party technology vendors, infrastructure providers, or partners may expose the company to disruptions or failures outside its direct control.
- integration and scalability risks – challenges in integrating new acquisitions, scaling operations across multiple geographies, or adapting to customer-specific workflows could affect efficiency and profitability.
- litigation and legal proceedings – exposure to disputes with customers, employees, regulators, or other third parties could result in significant costs and management distraction.
- cyber-attack or ransomware attack

Asiatel holds various approvals authorizing its activities in the Philippines and other countries it does business and does not currently need additional approvals.

Although Asiatel believes that all such required registrations, certificates and licenses are in good standing as of the date of this Prospectus, if renewals or new permits, business licenses, or approvals are required in connection with Asiatel's activities and are not granted or are delayed, or if existing permits, business licenses or approvals are revoked or substantially modified, Asiatel may suffer a material adverse effect. If new standards are applied to renewals or new applications, it could prove costly to Asiatel to meet any new level of compliance.

Economic dependence on a single client.

As noted under “Business of Asiatel – Overview and History” ATI was established by the ATI Founders. Before Asiatel acquired ATI, ATI operated as a subsidiary of ATHL, which was owned by the ATI Founders. During this period,

ATI primarily delivered BPO services to clients of ATHL.

ATI currently services approximately 25 enterprises in 9 different countries. Many of these enterprises continue to be engaged through ATHL which functions as ATI's principal client, with ATI providing BPO services to them. Revenue generated from these services collectively account for approximately 95% of ATI's total revenue. While ATI intends to expand and diversify its client base to reduce its reliance on ATHL related enterprises, it remains significantly dependent on ATHL and its associated clients for a substantial portion of its revenues. ATI anticipates that the successful completion of the Transaction, together with the infusion of additional funds from the Concurrent Financing, will enable meaningful diversification, supported by the establishment of a Canadian sales office and other initiatives outlined in the planned use of proceeds (see "The Resulting Issuer – Available Funds and Principal Uses").

Given that ATHL and Asiatel share the same ownership, management of Asiatel considers the risk of losing ATHL's business to be extremely low. Nonetheless, management acknowledges that this reliance represents a potential business risk, and any loss of ATHL-related business could materially and adversely affect Asiatel's operations.

Asiatel's commercial and financial success depends on the success of its current commercial products.

Asiatel's future success depends upon building and expanding its commercial operations in the Philippines, and continuing to facilitate companies from Australia, Canada, Hong Kong, Ireland, New Zealand, the Philippines, Singapore, the UK, and the US, to commercialize all of its products and technologies. If Asiatel fails to expand the use of its products and technologies in a timely manner and penetrate the available markets which the products are intended to serve, Asiatel may not be able to expand its markets and grow revenue, the value of Asiatel may decline and investors may lose money.

Unanticipated delays or problems associated with Asiatel products and improvements may cause customer dissatisfaction.

Asiatel's future success is dependent on its ability to continue to develop and expand its products and technologies and to address the needs of its customers. There may be delays in releasing new Asiatel products or technologies in the future and any material delays may cause customers to forego purchases of Asiatel's products to purchase competitors' offerings instead.

Asiatel may need to develop new products and services and rapid technological change could render its systems obsolete.

The industry in which Asiatel operates is characterized by rapid technological change, frequent new product and service introductions and enhancements, uncertain product life cycles, changes in customer requirements, and evolving industry standards. The introduction of new products and new technologies, the emergence of new industry standards, or improvements to existing technologies could render Asiatel's platform obsolete or relatively less competitive.

Asiatel's commercial and financial success depends on market acceptance, and if not achieved will result in Asiatel not being able to generate revenue to support its operations.

The commercial success of Asiatel depends on, among other things, on market acceptance. The success of Asiatel's products and any new products and services that it may launch is dependent upon its ability to attract and retain a critical mass of clients in potentially diverse geographic locations. Competitive pricing and market acceptance also depends on the future pricing and availability of competing products and the perceived comparative efficacy of its products. If Asiatel cannot reach this market, or cannot offer competitive pricing packages, its operating results and revenues will be adversely affected.

Asiatel may require additional capital to support its operations or the growth of its business, and it cannot be certain that this capital will be available on reasonable terms when required, or at all.

From time to time, Asiatel may need additional financing to operate or grow its business. The ability to continue as a going concern may be dependent upon raising additional capital from time-to-time to fund operations. Asiatel's ability to obtain additional financing, if and when required, will depend on investor and lender willingness, its operating performance, the condition of the capital markets and other facts, and Asiatel cannot assure anyone that additional

financing will be available to it on favorable terms when required, or at all. If Asiatel raises additional funds through the issuance of equity, equity-linked or debt securities, those securities may have rights, preferences or privileges senior to the rights of its current stock, and its existing stockholders may experience dilution. If Asiatel is unable to obtain adequate financing or financing on terms satisfactory to it when it requires it, its ability to continue to support the operation or growth of its business could be significantly impaired and its operating results may be harmed.

Asiatel's growth strategy may not achieve the anticipated results.

Asiatel's future success will depend on its ability to grow its business, including through commercialization of its products. Growth and innovation strategies require significant commitments of management resources and capital investments and Asiatel may not grow its revenues at the rate it expects or at all. As a result, Asiatel may not be able to recover the costs incurred in developing new projects and initiatives or to realize their intended or projected benefits, which could materially adversely affect its business, financial condition or results of operations.

Asiatel faces substantial competition in the future and may not be able to keep pace with the rapid technological changes which may result from others discovering, developing or commercializing products before or more successfully than Asiatel. The activities of competing companies, or others, may limit Asiatel's revenues.

In general, the development and commercialization of new BPO products is highly competitive and is characterized by extensive research and development and rapid technological change. Market share can shift as a result of technological innovation and other business factors. Commercial opportunities for Asiatel's products may be reduced if Asiatel's competitors develop or market products or novel technologies that are more effective, are better tolerated, are more accepted by the market, have better distribution channels, or are less costly than that offered by Asiatel. If those products gain market acceptance, Asiatel's revenue and financial results could be adversely affected. If Asiatel fails to develop new products or enhance existing products, its leadership in the current markets served could erode, and its business, financial condition and results of operations may be adversely affected.

While Asiatel's believes its products are distinct and innovative, there are a number of competitors in the market. Such competitors include large and small companies that may have significant access to capital resources, competitive product pipelines, a large captive customer base, substantial research and development staffs and facilities, and substantial experience in the market. Asiatel recognizes the need to invest in research and development to continue to add high-value, differentiated capabilities to expand both the depth and breadth of Asiatel's product offering. Management also recognizes the need to ensure customer satisfaction through all phases of the sales cycle and intends to invest in competitive intelligence and analysis as it relates to the dynamics of the market, as well as in trends in technology and in products as they are introduced into the market. However, Asiatel may not be able to compete with competitors that are more established in the market.

Asiatel depends on highly skilled personnel to grow and operate its business. If Asiatel is not able to hire, retain, and motivate its key personnel, its business may be adversely affected.

Asiatel's success depends in part upon a number of key employees, including members of senior management who have extensive experience in the industry. Competition for talented senior management is intense and Asiatel's ability to successfully develop and maintain a competitive market position will depend in part on its ability to attract and retain highly qualified and experienced management. The loss of the services of key personnel could have a materially adverse effect on Asiatel's business.

As Asiatel's business activity grows, the company will require additional key financial, administrative and technical personnel as well as additional operations staff. There can be no assurance that Asiatel will be successful in attracting, training and retaining qualified personnel as competition for people with these skill sets increases. If Asiatel is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on Asiatel's future cash flows, earnings, results of operations and financial condition. Asiatel will face competition for personnel from other employers. If Asiatel is unable to attract or retain qualified personnel as required, it may not be able to adequately manage and implement its business plan.

Uninsured or Uninsurable Risks

Although Asiatel maintains insurance to protect against certain risks, its insurance will not cover all the potential risks

associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. It is not always possible to obtain insurance against all risks and Asiatel may become subject to liability for risks which are uninsurable or against which it may opt out of insuring due to the high cost of insurance premiums or other factors. The payment of any such liabilities would reduce the funds available for usual business activities. Payment of liabilities for which Asiatel does not carry insurance may have a material adverse effect on its financial position and operations.

Human Error

Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage Asiatel's interests and even when those efforts are successful, people are fallible and human error could result in significant uninsured losses to Asiatel. These could include loss of business or other assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort Asiatel might undertake and legal claims for errors or mistakes by Asiatel personnel.

Risks Associated with Acquisitions

As part of Asiatel's overall business strategy, Asiatel may pursue select strategic acquisitions after the completion of the listing, which would provide additional product offerings, vertical integrations, additional industry expertise, and a stronger industry presence in both existing and new jurisdictions. Future acquisitions may expose it to potential risks, including risks associated with: (a) the integration of new operations, services and personnel; (b) unforeseen or hidden liabilities; (c) the diversion of resources from Asiatel's existing business and technology; (d) potential inability to generate sufficient revenue to offset new costs; (e) the expenses of acquisitions; or (f) the potential loss of or harm to relationships with both employees and existing users resulting from its integration of new businesses. In addition, any proposed acquisitions may be subject to regulatory approval.

Financial Projections May Prove Materially Inaccurate or Incorrect

Asiatel's financial estimates, projections and other forward-looking information accompanying this document were prepared by Asiatel without the benefit of reliable historical industry information or other information customarily used in preparing such estimates, projections and other forward-looking statements. Such forward-looking information is based on assumptions of future events that may or may not occur, which assumptions may not be disclosed in such documents. Investors should inquire of Asiatel and become familiar with the assumptions underlying any estimates, projections or other forward-looking statements. Projections are inherently subject to varying degrees of uncertainty and their achievability depends on the timing and probability of a complex series of future events. There is no assurance that the assumptions upon which these projections are based will be realized. Actual results may differ materially from projected results for a number of reasons including increases in operational expenses, changes or shifts in regulatory rules, undiscovered and unanticipated adverse industry and economic conditions, and unanticipated competition. Accordingly, investors should not rely on any projections to indicate the actual results the Issuer and its subsidiaries might achieve.

Difficulty to Forecast

Asiatel must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources. A failure in the demand to materialize as a result of competition, technological change or other factors could have a material adverse effect on operations, and financial condition of the Issuer.

Information Technology Systems and Cyber-Security

Asiatel is dependent upon the availability, capacity, reliability and security of information technology infrastructure and its ability to expand and continually update this infrastructure, to conduct daily operations. Further, Asiatel will be subject to a variety of information technology and system risks as a part of its normal course of operations, including potential breakdown, invasion, virus, cyber-attack, cyber-fraud, security breach, and destruction or interruption of Asiatel's information technology systems by third parties or insiders. Unauthorized access to these systems by employees or third parties could lead to corruption or exposure of confidential, fiduciary or proprietary information, interruption to communications or operations or disruption to the business activities or Asiatel's competitive position. Further, disruption of critical information technology services, or breaches of information security, could have a negative effect on the performance and earnings, as well as the reputation of Asiatel. Asiatel will apply technical and

process controls in line with industry-accepted standards to protect information assets and systems; however, these controls may not adequately prevent cyber-security breaches. The significance of any such event is difficult to quantify but may in certain circumstances be material and could have a material adverse effect on Asiatel's business, financial condition and results of operations.

Effective internal controls are necessary for Asiatel to provide reliable financial reports and to help prevent fraud. Although Asiatel will undertake certain procedures in order to help ensure the reliability of its financial reports, Asiatel cannot be certain that such measures will ensure that Asiatel will maintain adequate control over financial processes and reporting. Failure to implement the required new or improved controls, or difficulties encountered in their implementation, could harm Asiatel's results of operations or cause it to fail to meet its reporting obligations. If Asiatel or its independent auditors discover a material weakness in such controls, the disclosure of that fact, even if remedied, could reduce the market's confidence in its financial statements and have a material adverse effect on the price of common shares.

Conflicts of Interest

Certain directors and officers of Asiatel are, and may continue to be, involved in the BPO and technology markets through their direct and indirect participation in corporations, partnerships or joint ventures, which are potential competitors of Asiatel. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of Asiatel.

Regulatory Risk and Compliance

Achievement of Asiatel's business objectives is subject to compliance with regulatory requirements enacted by governmental authorities. Asiatel may incur costs and obligations related to regulatory compliance. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures or remedial actions. Asiatel may be required to compensate those suffering loss or damage by reason of its operations and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. The activities of Asiatel may be subject to regulation by governmental authorities. Achievement of Asiatel's business objectives are contingent, in part, upon compliance with regulatory requirements enacted by these governmental authorities and obtaining all regulatory approvals, where necessary, for the sale of its products. Asiatel cannot predict the time required to secure all appropriate regulatory approvals for its products, or the extent of testing and documentation that may be required by governmental authorities. Any delays in obtaining, or failure to obtain regulatory approvals would significantly delay the development of markets and products and could have a material adverse effect on the business, results of operations and financial condition of Asiatel.

Management of Growth

Asiatel has recently experienced, and may continue to experience, rapid growth in the scope of its operations. This growth has resulted in increased responsibilities for Asiatel's existing personnel, the hiring of additional personnel and, in general, higher levels of operating expenses. In order to manage its current operations and any future growth effectively, Asiatel will need to continue to implement and improve its operational, financial and management information systems, as well as hire, manage and retain its employees and maintain its corporate culture including technical and customer service standards. There can be no assurance that Asiatel will be able to manage such growth effectively or that its management, personnel or systems will be adequate to support Asiatel's operations.

Asiatel may not properly leverage or make the appropriate investment in technology advancements, which could result in the loss of any sustainable competitive advantage in products, services and processes.

Robust information technology systems, platforms and products are critical to Asiatel's operating environment, BPO products and competitive position. Understanding technological innovation is necessary for Asiatel to retain its competitive advantage. Asiatel may not be successful in developing, acquiring or implementing new AI-driven products and services which are competitive and responsive to the needs of customers, or new product, features and enhancements may not achieve adequate acceptance in the market. Asiatel may lack sufficient resources to continue to make the significant investments in information technology required to compete with its competitors. Certain information technology initiatives that Asiatel's management may consider to be important for long-term success will

require capital investment, have significant risks associated with their execution, and could take several years to implement. Asiatel may be unable to develop or implement these initiatives in a cost-effective, timely manner or at all. There can be no assurance that others will not acquire similar or superior technologies sooner than Asiatel or that Asiatel will acquire technologies on an exclusive basis or at a significant price advantage. If Asiatel does not accurately predict, prepare and respond to new kinds of technology innovations, market developments and changing customer needs, our business may be harmed. If Asiatel is unable to generate adequate revenue growth and manage expenses then it may incur significant losses and may not achieve or maintain profitability.

Asiatel may suffer from claims relating to, among other things, actual or alleged defects in our products. If our products actually or allegedly fail to perform as expected, publicity related to these claims could harm our reputation and decrease demands for our products or increase regulatory scrutiny of our products.

Asiatel's products are complex and, from time to time, have had, and could have or could be alleged to have, defects in design, security vulnerabilities or other errors, failures, or other issues of not functioning in accordance with their specifications or as expected. Some errors or defects in our solutions have been, and could be, initially undetected and only discovered after they have been tested, commercialized, and deployed by customers. Alleged or actual defects in any of Asiatel's solutions could result in adverse publicity for Asiatel, warranty claims, litigation against Asiatel, legal expenses and damages, Asiatel's customers never being able to commercialize technology incorporating our solutions, negative publicity for customers, and other consequences. Depending on the severity of the malfunction, error, or defect, Asiatel could incur significant additional development costs and repair, or rolling back costs. If any of Asiatel's solutions are or are alleged to be defective, we may be required to participate in a rollback or temporary bypassing of the product. Product liability, warranty, and rollback or bypass costs would have an adverse effect on Asiatel's business, results of operations, and financial condition. In addition, product liability claims present the risk of protracted litigation, legal fees, and diversion of management's attention from the operation of Asiatel, even if defense of these claims is ultimately successful.

Investment in current research and development efforts may not provide a sufficient, timely return.

The development of new products and strategies is a costly, complex and time-consuming process, and the investment in technology product development and marketing often involves a prolonged time until a return is achieved on such an investment. Asiatel has made, and the Resulting Issuer will continue to make, significant investments in technology development and related product opportunities. Investments in new products are inherently speculative and risky. Commercial success depends on many factors including the degree of innovation of the products developed, sufficient support from Asiatel's strategic partners, and effective distribution and marketing. Accelerated product introductions and short product life cycles require high levels of expenditures for new development. These expenditures may adversely affect Asiatel's operating results if they are not sufficiently offset by revenue increases. Asiatel will continue to dedicate a significant amount of resources to its development efforts in order to maintain a competitive position in the market. However, significant revenue from such new product and service investments may not be achieved for a prolonged period of time, if at all. Moreover, new products and Asiatel services may not be profitable, and even if they are profitable, operating margins for new products and services may not be as lucrative as the margins Asiatel has previously experienced for its legacy products and services.

Asiatel's use of data and the possibility of security breaches.

Asiatel's products involve access to user data and other confidential, sensitive and private information. Asiatel is and will increasingly be subject to a variety of laws, directives and regulations, as well as contractual obligations relating to the collection, use, retention, security, disclosure, de-identification and other processing of confidential, sensitive, and private information and data in the jurisdictions in which the company operates. Asiatel believes that it is taking reasonable steps to protect the security, integrity and confidentiality of the information that Asiatel collects, uses, and discloses, but there is no guarantee that inadvertent or unauthorized data access or use will not occur despite prevention efforts. In the future, attempts may be made to disable Asiatel's systems or breach the security of its systems. It is generally difficult to recognize techniques to obtain unauthorized access to personal information, confidential information and/or the systems on which such information are stored and/or to sabotage systems until they are launched against a target, as they frequently change. As a result, Asiatel may be unable to anticipate these techniques or to implement adequate preventative measures.

The market perception of Asiatel's security measures could be harmed if an actual or perceived security breach occurs. A security breach could cause the loss or corruption of data, which could harm the business. Any failure to maintain

the security of Asiatel's systems could result in loss of personal information and/or other confidential information, damage to Asiatel's reputation and relationships with users, early termination of contracts with users and other business losses, indemnification of our users, financial penalties, litigation, regulatory investigations and other significant liabilities. In the event of a major third-party security incident, Asiatel may incur losses in excess of their insurance coverage.

Asiatel's inability to maintain corporate culture as it grows, resulting in the loss of innovation, creativity, collaboration, and focus on execution.

A critical component to Asiatel's success has been corporate culture. Asiatel invests in employees so that they may innovate, collaborate and bring the best of themselves to work everyday. Additionally, as Asiatel grows and develops the infrastructure of a public company, it may be difficult to maintain important aspects of the corporate culture. If Asiatel fails to preserve such culture, its ability to retain and recruit personnel, its ability to effectively focus on and pursue corporate objectives, and the overall business could be harmed.

If Asiatel fails to develop widespread brand awareness cost-effectively, its business may suffer.

Asiatel believes that developing and maintaining widespread awareness of its brand in a cost-effective manner is critical to achieving widespread acceptance of its products. Asiatel's marketing efforts are directed at growing brand awareness. Brand promotion activities, although they have been successful in the past, may not generate customer awareness or increase revenues, and even if they do, any increase in revenues may not offset the expenses incurred in brand building. If Asiatel fails to successfully promote and maintain its brand, or incur substantial expenses in doing so, Asiatel may fail to attract or retain customers necessary to realize a sufficient return on its brand building efforts, or to achieve the widespread brand awareness that is critical for broad adoption of its products.

Possible failure to realize anticipated benefits of future acquisitions could impact Asiatel's business.

Asiatel may in the future complete acquisitions to strengthen its position in the BPO industry and to create the opportunity to realize certain benefits including, among other things, potential cost savings. Achieving the benefits of any future acquisitions depends, in part, on successfully consolidating functions and integrating operations, procedures and personnel in a timely and efficient manner, as well as Asiatel's ability to realize the anticipated growth opportunities and synergies from combining the acquired businesses and operations with its own. The integration of acquired businesses requires the dedication of substantial management effort, time and resources which may divert management's focus and resources from other strategic opportunities and from operational matters during this process. The integration process may result in the loss of key employees and the disruption of ongoing business, customer and employee relationships that may adversely affect Asiatel's ability to achieve the anticipated benefits of these and future acquisitions.

There is intense competition in the BPO industry.

The BPO industry is highly competitive and rapidly changing. Asiatel may be significantly affected by new product introductions and geographic expansion by existing competition and expects that competition will intensify in the future. Specific factors upon which Asiatel competes include, but are not limited to, functionality of its applications, ease of use, timing for implementation, quality of support and services, and price. Asiatel's potential competitors include other companies selling BPO services. Many of these potential competitors have significantly greater financial, technical, marketing and other resources than Asiatel has. Many of them also have longer operating histories, greater name recognition and stronger relationships with merchants and consumers who use or might use a low-value-payment service. Asiatel may not be able to compete successfully with these competitors.

There is inherent technology and development risk in Asiatel's business and industry.

Asiatel utilizes technology principally architected and developed by the company or adapted from other sectors and adapted by Asiatel to the BPO industry. There can be no assurances that Asiatel will meet its targeted development or integration timelines such that it will be able to offer solutions at competitive pricing, or that Asiatel can continue to enhance and improve the responsiveness, functionality and features of its technology and enable the solutions to scale at a reasonable cost. In addition, there is a risk that third parties may have applied for or been granted patents for certain processes or technology which Asiatel has already deployed or intends to deploy, in which case Asiatel may incur additional costs or be prohibited from using or implementing certain product features or processes in one or more

countries. Asiatel solutions incorporate complex technology and software. Accordingly, they may contain errors, or “bugs”, that could be detected at any point. Such errors could materially and adversely affect Asiatel’s reputation, resulting in claims and/or significant costs to Asiatel, and/or cause consumers, merchants, licensees and other parties to abandon Asiatel’s solutions and impair Asiatel’s ability to market and sell solutions and services in the future. The costs incurred in correcting any errors and satisfying any such claims may be substantial and could adversely affect Asiatel’s operating margins. While Asiatel plans to continually test its solutions for errors and work with customers and merchants through its maintenance support services to identify and correct bugs, errors may be found in the future.

Asiatel maintains data on cloud storage servers, which could be the target of a security breach.

Asiatel’s business faces certain security risks. Asiatel’s products and services involve storage using cloud-based hosting service. Although data is stored in specialized security groups and are externally encrypted, storage hardware and networking infrastructure is provided by a third party, and security breaches and cyberattacks expose it to a risk of loss of this information, litigation and potential liability. If an actual or perceived breach of security and/or cyberattack occurs, the market perception of the effectiveness of Asiatel’s security measures could be harmed, Asiatel could lose clients and may incur significant legal and financial exposure, including legal claims and regulatory fines and penalties. Computer viruses, break-ins, cyberattacks or other security problems could lead to misappropriation of proprietary information and interruptions, delays, or cessation in service to clients. Asiatel’s risk and exposure to cyberattacks or security breaches cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber-security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access is a priority. As cyberattacks and threats continue to evolve, Asiatel may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities. Any failure to adequately address these risks could have an adverse effect on the business and reputation of the Resulting Issuer.

There could be interruptions or delays from cloud servers that could affect Asiatel’s products or services.

Asiatel’s products and services involve storage using reputable third-party cloud-based hosting services. Any damage to, or failure of, the hosting service’s systems generally could result in interruptions in the use of Asiatel’s products or services. Such interruptions may reduce our revenue temporarily and cause customer dissatisfaction if the root cause is determined to be on Asiatel’s side and not the third-party hosting side. Asiatel’s business will also be harmed if its customers and potential customers believe its products or services are unreliable.

Risks Related to Worldwide Economic Conditions

Market fluctuations could adversely affect Asiatel’s operating results.

Downturns in general economic and market conditions may reduce demand for Asiatel’s products and services and could negatively affect Asiatel’s revenue, operating results and cash flow.

Recent events in the financial markets have demonstrated that businesses and industries throughout the world are very tightly connected. Thus, financial developments seemingly unrelated to Asiatel or to Asiatel’s industry could materially adversely affect Asiatel over the course of time. Volatility in the market could hurt Asiatel’s ability to raise capital. Potential price inflation caused by an excess of liquidity in countries, or by tariffs, where Asiatel conducts business may increase the costs incurred to sell Asiatel’s products and may reduce Asiatel’s profit margins. As a result of downturns in general economic and market conditions, potential customers may not be interested in purchasing Asiatel products. Any of these events, or other events caused by turmoil in world financial markets may have a material adverse effect on Asiatel’s business, operating results and financial conditions.

Government regulation could adversely affect Asiatel’s business.

Asiatel’s ability to conduct business in each jurisdiction in which it currently sells products or may in the future operate is dependent upon the treatment of the regulation of the BPO industry under the laws and the policies, guidance and rules of the regulatory bodies in such jurisdiction, which are subject to changing political, regulatory and other influences. Any such changes could require us to restructure the way in which Asiatel carries on business, which could have a material adverse effect on the business, financial condition, results of operations and prospects. If there are any

changes to the type of services that BPO providers are permitted to offer, it could have a material adverse effect on Asiatel's business, financial condition, results of operations, cash flows and prospects.

If Asiatel fails to effectively maintain, promote, protect and enhance our brand and customer service, the business and competitive advantage may be harmed.

Asiatel's believes that developing, maintaining, promoting and enhancing its products and associated brands is critical to expanding its business. Developing, maintaining, promoting and enhancing the Asiatel brand depends largely on Asiatel's ability to continue to provide high-quality, well-designed, useful, reliable and innovative products and services, which it may not do successfully.

Errors, defects, data breaches, disruptions or other performance problems with Asiatel's products, including with third-party applications, may harm its reputation and brand. Asiatel may introduce new products and services or terms of service that its customers do not like, which may negatively affect its brand. Additionally, if Asiatel's customers have a negative experience using its products and services or third-party products and services integrated within Asiatel's products and services, such an experience may affect the Asiatel brand, especially as it continues to attract new customers.

Any unfavorable media coverage or negative publicity about Asiatel or the general industry in which Asiatel operates, including, for example, publicity relating to the quality and reliability of our Asiatel's products, its privacy and security practices, product changes, litigation or regulatory activity could harm Asiatel's reputation. Such negative publicity could also adversely affect the engagement and loyalty of Asiatel's customers and result in decreased revenue, which could harm its business. Critics of the BPO industry, and others, have in the past and may in the future utilize the internet, the press and other means to publish criticisms of the industry, Asiatel and its competitors, or make allegations regarding the business and operations, or the business and operations of Asiatel's competitors. Asiatel or others in the industry may receive similar negative publicity or allegations in the future, and it could be costly, time consuming, distracting to management, cause fluctuations in the market price of the Common Shares and harm Asiatel's business and reputation.

Asiatel may be affected by business conditions or tariffs outside of its control, resulting in adverse impacts on its ability to do business.

In addition to the other risks mentioned elsewhere, these risks and expenses could have a material adverse effect on Asiatel's business, results of operations or financial condition and include without limitation:

- adverse currency rate fluctuations;
- the imposition of additional foreign governmental controls or regulations, new or enhanced trade restrictions or non-tariff barriers to trade, or restrictions on the activities of foreign agents, representatives and distributors;
- increases in taxes, tariffs, customs and duties, or costs associated with compliance with import and export licensing and other compliance requirements; and
- the imposition of Philippine and/or other international sanctions against a country, company, person or entity with whom Asiatel does business that would restrict or prohibit Asiatel's continued business with the sanctioned country, company, person or entity.

Risks Related to Intellectual Property

Asiatel's intellectual property rights are valuable, and any failure or inability to protect them could adversely affect its business.

Asiatel's success depends in part on the intellectual property that forms the basis of its products, primarily consisting of patented and unpatented proprietary technology, processes, trade secrets, and know-how, as well as inherent copyright of authorship in the source code developed by Asiatel, and unregistered trademarks. To protect its intellectual property rights, Asiatel relies upon trade secret, copyright, trademark, passing-off laws, and other statutory

and common law protections in the Philippines and other international markets. Asiatel also protects its intellectual property through the use of non-disclosure agreements and other contracts, disclosure and invention assignment agreements, confidentiality procedures, and technical measures. There can be no assurance that these measures will be successful in any given case, particularly in those countries where the laws do not afford Asiatel protection for its intellectual property rights as robust as those available under Philippine, Canadian, and United States laws. Asiatel may be unable to prevent the misappropriation, infringement or violation of its intellectual property rights, breach of any contractual obligations, or independent development of intellectual property that is similar to its own, any of which could reduce or eliminate Asiatel's competitive advantages, adversely affect Asiatel's revenues, or otherwise harm its business.

Assertions by third parties of infringement or other violations of Asiatel's intellectual property rights could result in significant costs and substantially harm Asiatel's business and operating results.

Third parties may in the future assert claims of infringement, misappropriation or other violations of intellectual property rights against Asiatel. Any such claim against Asiatel, even those without merit, could cause Asiatel to incur substantial costs defending against the claim and could distract its management. An adverse outcome of a dispute may require Asiatel to pay substantial damages, cease making, licensing or using solutions that are alleged to infringe or misappropriate the intellectual property of others, expend additional development resources to attempt to redesign its services or otherwise develop non-infringing technology, which may not be successful, or enter into potentially unfavourable royalty or license agreements in order to obtain the right to use technologies or intellectual property rights.

Intellectual property claims are expensive and time consuming to defend and if resolved adversely, could have a significant impact on Asiatel's business, financial condition, and operating results.

Asiatel is actively engaged in enforcement and other activities to protect its intellectual property rights. If it became necessary to resort to litigation to protect these rights, any proceedings could be burdensome, costly and divert the attention of management, and Asiatel may not prevail. Any repeal or weakening of intellectual property laws or diminishment of procedures available for the enforcement of intellectual property rights in Philippines, Canada, the United States, or internationally could make it more difficult for Asiatel to adequately protect its intellectual property rights, negatively impacting their value and increasing the cost of enforcing its rights.

If Asiatel is unable to protect the confidentiality of its proprietary information and know-how, the value of its technology and products could be adversely affected.

Asiatel relies upon patented and unpatented proprietary technology, processes, trade secrets and know-how. Any disclosure to or misappropriation by third-parties of its confidential or proprietary information could enable Asiatel's competitors to duplicate or surpass Asiatel's technology, potentially eroding its competitive position in the market, and negatively impacting Asiatel's business and operating results.

Asiatel protects its confidential and proprietary information in part through non-disclosure agreements and other contracts, disclosure and invention assignment agreements, with all employees, consultants, advisors and any third-parties, who have access to its confidential and proprietary information, and employs confidentiality procedures and technical measures, there can be no certainty that these measures or procedures will be sufficient to prevent improper disclosure of such confidential and proprietary information, or to prevent it from falling into the hands of Asiatel's competitors and other third parties. There can be no certainty that parties to contracts used by Asiatel to protect its confidential and proprietary information will not be terminated or breached, and Asiatel may not have adequate remedies for any such termination or breach. Legal remedies may be insufficient or ineffective to meaningfully protect Asiatel's confidential and proprietary information or compensate Asiatel for losses that may occur in the event of unauthorized use or disclosure.

Adverse litigation judgments or settlements resulting from legal proceedings in the normal course of business could reduce Asiatel's profits or limit its ability to operate.

Asiatel may be subject to allegations, claims and legal actions arising in the ordinary course of its business, which may include claims by third parties, including employees or regulators. The outcome of many of these proceedings cannot be predicted. If any of these proceedings were to be determined adversely to us, a judgment, a fine or a settlement involving a payment of a material sum of money were to occur, or injunctive relief were issued against

Asiatel, its business, financial condition and results of operations could be materially adversely affected.

If Asiatel is unable to defend their patents, the business could be adversely affected.

Asiatel's patent position is highly uncertain and involves complex legal and factual questions. Accordingly, Asiatel cannot predict the breadth of claims that may be allowed or enforced under their patents or in third-party patents. For example, others may independently develop similar or alternative technologies or duplicate any of Asiatel's technologies; Asiatel's issued patents may not provide a basis for commercially viable technologies, or may not provide Asiatel with any competitive advantages, or may be challenged and invalidated by third parties; and, Asiatel may not develop additional proprietary technologies that are patentable. As a result, Asiatel's owned and licensed patents may not be valid and Asiatel may not be able to obtain and enforce patents and to maintain trade secret protection for the full commercial extent of their technology. The extent to which Asiatel is unable to do so could materially harm the business.

Asiatel has applied for and will continue to apply for patents. Such applications may not result in the issuance of any patents, and any patents now held or that may be issued may not provide Asiatel with adequate protection from competition. Furthermore, it is possible that patents issued or licensed to Asiatel may be challenged successfully. In that event, if Asiatel has a preferred competitive position because of such patents, such preferred position would be lost. If Asiatel is unable to secure or to continue to maintain a preferred position, Asiatel could become subject to competition from the sale of generic products. Failure to receive, inability to protect, or expiration of Asiatel's patents would adversely affect its business and operations.

Patents issued or licensed to Asiatel may be infringed by the products or processes of others. The cost of enforcing Asiatel's patent rights against infringers, if such enforcement is required, could be significant, and Asiatel may not have the financial resources to fund such litigation. Further, such litigation can go on for years and the time demands could interfere with the business's normal operations. Asiatel may become a party to patent litigation and other proceedings. The cost to Asiatel of any patent litigation, even if resolved in their favour, could be substantial. Many of Asiatel's competitors may be able to sustain the costs of such litigation more effectively than Asiatel can because of their substantially greater financial resources. Litigation may also absorb significant management time.

Unpatented trade secrets, improvements, confidential know-how and continuing technological innovations are important to Asiatel's scientific and commercial success. Although Asiatel's attempts to and will continue to attempt to protect their proprietary information through reliance on trade secret laws and the use of confidentiality agreements with their partners, collaborators, employees and consultants, as well as through other appropriate means, these measures may not effectively prevent disclosure of Asiatel's proprietary information, and, in any event, others may develop independently, or obtain access to, the same or similar information.

Risks Related to the Proposed Qualifying Transaction and the Resulting Issuer

Regulatory Approval of the Proposed Qualifying Transaction may not be obtained.

The Completion of the Proposed Qualifying Transaction is subject to the satisfaction of a number of conditions, including final acceptance of the Exchange. There can be no assurance that all of the necessary regulatory approvals will be obtained. If the Proposed Qualifying Transaction, as contemplated by the Definitive Agreement is not completed for these reasons or for any others, Asiatel and the Company will have incurred significant costs associated with the failed implementation of the Proposed Qualifying Transaction.

The Definitive Agreement may be terminated.

The Definitive Agreement specifies that the parties' obligation to effect the Proposed Qualifying Transaction is conditional upon the satisfaction of a number of conditions. If any of the conditions are not satisfied or waived, the Proposed Qualifying Transaction may not be completed. Both the Company and Asiatel have the right, in certain circumstances, to terminate the Definitive Agreement. Accordingly, there can be no certainty that the Definitive Agreement will not be terminated by either party prior to the Completion of the Proposed Qualifying Transaction.

Following the Closing, a small number of Resulting Issuer Shareholders will control more than 50% of the Resulting Issuer Shares, which could delay or prevent a change of control.

Upon the Completion of the Qualifying Transaction, the Asiatel Shareholders will control more than 50% of the Resulting Issuer Shares. As a result, there is the potential that significant influence may be exerted over the Resulting Issuer's operations and business strategy and Asiatel Shareholders will have sufficient voting power to influence the outcome of matters requiring shareholder approval. This concentration of ownership could delay or prevent a change of control. See "*Resulting Issuer - Principal Securityholders*."

It may be difficult to enforce civil liabilities under Canadian securities laws.

The majority of the directors and officers of the Resulting Issuer and the promoter of the Resulting Issuer will be based in jurisdictions outside of Canada including, in the Philippines and Hong Kong, and most of the Resulting Issuer's assets, and assets of the directors, officers, and the promoter of the Resulting Issuer will be located outside of Canada. Therefore, a judgment obtained against the Resulting Issuer, or any of these persons, including a judgment based on the civil liability provisions of the Canadian securities laws, may not be collectible in Canada and may not be enforced by a Philippines court. It also may be difficult to effect service of process on these persons in Canada or to assert Canadian securities law claims in original actions instituted in the Philippines. Philippines courts may refuse to hear a claim based on an alleged violation of Canadian securities laws reasoning that the Philippines is not the most appropriate forum in which to bring such a claim. In addition, even if a Philippines court agrees to hear a claim, it may determine that Philippine law and not Canadian law is applicable to the claim. If the Canadian law is found to be applicable, the content of applicable Canadian law must be proven as a fact by expert witnesses, which can be a time consuming and costly process. Certain matters of procedure will also be governed by Philippines law. There is limited binding case law in the Philippines that addresses the matters described above. As a result of the difficulty associated with enforcing a judgment against the Resulting Issuer or the Resulting Issuer in the Philippines, it may be difficult to collect any damages awarded by either a Canadian or a foreign court.

Significant sales of Resulting Issuer Shares after the expiry of lock-up or escrow restrictions could adversely affect the market price of the Resulting Issuer Shares.

Although Common Shares held by existing shareholders and Resulting Issuer Shares issued in connection with the Completion of the Proposed Qualifying Transaction will be freely tradeable, the Resulting Issuer Shares held by certain directors, executive officers and Control Persons of the Resulting Issuer will be subject to escrow pursuant to the policies of the Exchange. Sales of a substantial number of the Resulting Issuer Shares in the public market after the expiry of lock-up or escrow restrictions, or the perception that these sales could occur, could adversely affect the market price of the Resulting Issuer Shares, and may make it more difficult for investors to sell Resulting Issuer at a favorable time and price.

The requirements of being a public company may strain the Resulting Issuer's resources, divert management's attention and affect its ability to attract and retain executive management and qualified board members.

As a reporting issuer, the Resulting Issuer will be subject to the reporting requirements of applicable securities legislation of the jurisdictions in which it is a reporting issuer, the listing requirements of the Exchange and other applicable securities rules and regulations. Compliance with those rules and regulations will increase the Resulting Issuer's legal and financial costs, make some activities more difficult, time consuming or costly and increase demand on its systems and resources.

There has been no prior public market for the Resulting Issuer Shares, and an active trading market may not develop.

Prior to the Proposed Qualifying Transaction, there has been no active public market for the Resulting Issuer's shares. An active trading market may not develop following Completion of the Proposed Qualifying Transaction or, if developed, may not be sustained. The lack of an active market may impair an investor's ability to sell its shares at the time he or she wishes to sell them or at a price that he or she considers reasonable. The lack of an active market may also reduce the fair market value of the Resulting Issuer's Shares. An inactive market may also impair an investor's ability to raise capital by selling its Resulting Issuer Shares and may impair the Resulting Issuer's ability to acquire other companies by using its Resulting Issuer Shares as consideration.

The Resulting Issuer will not have any control over the research and reports that securities or industry analysts publish about the Resulting Issuer or its business.

The trading market for the Resulting Issuer Shares will, to some extent, depend on the research and reports that securities or industry analysts publish about the Resulting Issuer or its business. The Resulting Issuer will not have any control over these analysts. If one or more of the analysts who covers the Resulting Issuer should downgrade the Resulting Issuer Shares or change their opinion of the Resulting Issuer's business prospects, the Resulting Issuer's share price could decline. If one or more of these analysts ceases coverage of the Resulting Issuer or fails to regularly publish reports on the Resulting Issuer, the Resulting Issuer could lose visibility in the financial markets, which could cause the Resulting Issuer's share price or trading volume to decline.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Resulting Issuer are expected to be Kenway Mack Slusarchuk Stewart LLP (KMSS), located at 300-150 13 Ave SW Calgary AB T2R 0V2.

The transfer agent and registrar for the Resulting Issuer Shares is expected to be TSX Trust Company (the "**Transfer Agent**"), through its offices at 301 – 100 Adelaide Street West, Toronto, Ontario M5H 4H1.

MATERIAL CONTRACTS OF RESULTING ISSUER

The following are the only material contracts entered into by the Company or Asiatel within two years prior to the date of this Prospectus or which are in effect and considered to be material to the Resulting Issuer:

1. A registrar and transfer agency agreement dated as of May 3, 2021 between the Company and TSX Trust Company.
2. The Definitive Agreement dated July 16, 2025 and amended January 15, 2026. See "*The Proposed Qualifying Transaction - Definitive Agreement*".
3. The Escrow Agreement. See "*The Resulting Issuer – Escrowed Securities*".
4. The QT Escrow Agreement. See "*The Resulting Issuer – Escrowed Securities*".

Copies of material contracts will be available for inspection without charge at the business office of Asiatel at Floor 2, Willow House, Cricket Square, PO Box 709, Grand Cayman KY1-1107, Cayman Islands or at Morton Law LLP, counsel to Asiatel, at 1200-750 W. Pender Street Vancouver, British Columbia Canada, V6C 2T8, during ordinary business hours from the date hereof until the Completion of the Proposed Qualifying Transaction.

EXPERTS

Names of Experts

The following professional persons have prepared reports or have provided opinions that are either included in or referred to in this Prospectus:

KMSS, as auditor of the Company; is independent with respect to the Company within the meaning of the Chartered Professional Accountants of Alberta Rules of Professional Conduct.

Sycip Gorres Velaro & Co., the auditor of Asiatel is independent with respect to Asiatel within the meaning of the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code).

Sycip Gorres Velaro & Co., the auditor of ATI is independent with respect to ATI within the meaning of the Philippine Code of Ethics for Professional Accountants.

Interest of Experts

As at the date of this Prospectus, none of the aforementioned persons beneficially owns, directly or indirectly,

securities of the Company or Asiatel or its associates and affiliates greater than 1% of the current issued and outstanding securities of the Company and Asiatel. In addition, none of the aforementioned persons nor any director, officer or employee of any of the aforementioned persons, is or is expected to be elected, appointed or employed as, a director, senior officer or employee of the Company or Asiatel or of an associate or affiliate or as a promoter of the Company or Asiatel.

OTHER MATERIAL FACTS

There are no other material facts relating to the Company, Asiatel, ATI, the Proposed Qualifying Transaction, or the Concurrent Financing that are not disclosed in this Prospectus or are necessary for this Prospectus to contain full, true and plain disclosure of all material facts.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in the province of Alberta provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces the securities legislation further provides a purchaser with remedies for rescission, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. However, in light of the fact that this is a non-offering prospectus and no securities are being purchased under this Prospectus, these rights and their associated remedies are not available to holders of Common Shares prior to Completion of the Proposed Qualifying Transaction, or holders of Resulting Issuer Shares after Completion of the Proposed Qualifying Transaction. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

GLOSSARY OF TERMS

The following is a glossary of certain defined terms used throughout this Prospectus. Words importing the singular, where the context requires, include the plural and vice versa, and words importing any gender include all genders.

“**ABCA**” means the *Business Corporations Act* (Alberta).

“**Advisory Fee**” means the Advisory Shares.

“**Advisory Shares**” means 718,500 Resulting Issuer Shares issuable to an advisor on closing of the Transaction having a deemed value of \$0.20 per Resulting Issuer Shares.

“**ATI Founders**” means the founders of ATI, Mohamed Shafi Aboobaker, Michael Joseph Kinane and David Kieran Parke (see “*Asiatel Outsourcing Ltd. - Business of Asiatel – Overview and History*”).

“**ATHL**” means Asia Telecom Holdings Limited (see “*Asiatel Outsourcing Ltd. - Business of Asiatel – Overview and History*”).

“**Awards**” means security based compensation awards issuable under the Omnibus Security Compensation Plan including stock options, deferred share units, restricted share units, performance share units and stock appreciation rights (see “*The Resulting Issuer Options to Purchase Securities - Resulting Issuer Security Based Compensation Plan*”).

“**Affiliate**” of an entity means any Person directly or indirectly controlling, controlled by or under direct or indirect common Control with such entity.

“**AI**” means artificial intelligence.

“**Applicable Securities Laws**” means the securities legislation of each of the provinces and territories of Canada, and the regulations and rules thereunder and all administrative policy statements, instruments, blanket orders, policies, notices, directions and rulings issued or adopted by the applicable securities regulatory authority and all policies of the TSXV, all as amended.

“**ASC**” means the Alberta Securities Commission.

“**Asiatel**” means Asiatel Outsourcing Ltd., a corporation existing under the laws of the Cayman Islands.

“**Asiatel Board**” means the board of directors of Asiatel.

“**Asiatel Financial Statements**” means the audited annual financial statements of Asiatel for the period from incorporation on February 6, 2025 to December 31, 2025.

“**Asiatel Shares**” means the ordinary shares in the capital of Asiatel.

“**Asiatel Shareholders**” means the shareholders of Asiatel as set forth in the recitals to the Definitive Agreement.

“**Associate**” when used to indicate a relationship with a person or company, means: an issuer of which the person or company beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer, any partner of the person or company, any trust or estate in which the person or company has a substantial beneficial interest or in respect of which a person or company serves as trustee or in a similar capacity, in the case of a person, a relative of that person, including that person’s spouse or child, or any relative of the person or of his spouse who has the same residence as that person; but where the Exchange determines that two persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D of the TSX Venture Exchange Rule Book with respect to that Member firm, Member corporation or holding company.

“**ATI**” means Asia Teleservices Inc. a wholly owned subsidiary of Asiatel, based in the Philippines.

“ATI Financial Statements” means the audited annual financial statements of ATI as at and for the fiscal year ended December 31, 2024 and the unaudited interim financial statements of ATI as at and for the three month period ended March 31, 2025.

“BCBCA” means the *Business Corporations Act* (British Columbia).

“BPO” means business process outsourcing services.

“Closing” or “Closing Date” means the closing of the Securities Exchange pursuant to the Definitive Agreement.

“Committee” means a committee established under the Omnibus Security Compensation Plan to determine eligibility for Awards, interpret the terms and intent of the Omnibus Security Compensation Plan and to adopt rules, regulations and guidelines for administering the Omnibus Security Compensation Plan (see *“The Resulting Issuer Options to Purchase Securities - Resulting Issuer Security Based Compensation Plan”*).

“Common Shares” means the common shares in the capital of the Company, as constituted on the date of this Prospectus.

“Company” means New Media Capital 2.0 Inc., a corporation incorporated under the ABCA (prior to completion of the Continuance).

“Company Board” means the board of directors of the Company.

“Company Financial Statements” means the audited annual financial statements of the Company as at and for the fiscal years ended March 31, 2025 and March 31, 2024 and the unaudited interim financial statements of the Company as at and for the nine month period ended December 31, 2025.

“Company Options” means outstanding stock options of the Company (see *“The Company – Executive Compensation”*).

“Company Shareholders” means the holders of Common Shares of the Company.

“Company Shareholders Approval” means if required, approval of the Transaction by shareholders of the Company in accordance with the policies of the TSXV and Applicable Securities Laws, which approval may be obtained by written consent of such shareholders.

“Completion of the Proposed Qualifying Transaction” means the date the Final Exchange Bulletin is issued by the Exchange.

“Concurrent Financing” means the completion of a capital raise by the Company through the sale of 5,000,000 Subscription Receipts of the Company for aggregate gross proceeds of \$1,000,000, at a price \$0.20 per Subscription Receipt.

“Consideration Shares” means the Post-Consolidation Common Shares to be issued to the Asiatel Shareholders at Closing.

“Consolidation” means the consolidation of all common shares of the Company on the basis of one (1) post consolidation common share for every two (2) pre-consolidation common shares issued and outstanding.

“Continuance” means the continuation of the Company’s corporate governing jurisdiction from Alberta (under the ABCA) into the province of British Columbia (under the *Business Corporations Act*) (see *“Prospectus Summary – Shareholder Meeting”*).

“Control Person” in respect of a Person (including the terms **“controlled by”** and **“under common control with”**) means the possession, directly or indirectly, or the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or by other arrangement.

“**CPA**” means chartered professional accountant.

“**CPC**” means a corporation that has been incorporated or organized in a jurisdiction of Canada, that has filed and obtained a receipt for a preliminary CPC prospectus from one or more of the securities regulatory authorities in compliance with the CPC Policy; and in regard to which the Completion of the Proposed Qualifying Transaction has not yet occurred.

“**CPC Escrow Agreement**” means the CPC Escrow Agreement dated September 28, 2021 between the Company and TSX Trust Company.

“**CPC Policy**” means Exchange Policy 2.4 – *Capital Pool Companies*.

“**CPC Offering**” means the offering completed under the initial public offering of the Company.

“**Definitive Agreement**” means the share exchange agreement between the Company, Asiatel and the Asiatel Shareholders dated July 16, 2025 and amended January 15, 2026, in respect of the Proposed Qualifying Transaction.

“**Escrow Agent**” means TSX Trust Company.

“**Escrow Release Conditions**” means certain conditions, the satisfaction of which will result in the conversion of the Subscription Receipts sold in the Concurrent Financing into Units (see “*The Proposed Qualifying Transaction – Concurrent Financing*”).

“**Escrow Release Deadline**” means the date by which the Escrow Release Conditions must be met, failing which the proceeds of the Concurrent Financing will be returned to the subscribers and the Subscription Receipts will be cancelled (see “*The Proposed Qualifying Transaction – Concurrent Financing*”).

“**Exchange**” means the TSX Venture Exchange.

“**Exchange Policies**” mean certain TSXV policies.

“**Exchange Policy 1.1**” means the Exchange Policy 1.1 – *Interpretation*.

“**Exchange Ratio**” means 400,000:1, being the number of Consideration Shares to be received by each Shareholder for every one Asiatel Share held, rounded down to the nearest whole number.

“**Exchange Requirements**” means and includes the articles, by-laws, policies, circulars, rules, guidelines, orders, notices, rulings, forms, decisions and regulations of the Exchange as from time to time enacted, any instructions, decisions and directions of the Exchange (including those of any committee of the Exchange as appointed from time to time), the *Securities Act* (Ontario) and rules and regulations thereunder as amended, and any policies, rules, orders, rulings, forms or regulations from time to time enacted by the Ontario Securities Commission and all applicable provisions of the securities laws of any other jurisdiction.

“**Final Exchange Bulletin**” means the Exchange Bulletin which will be issued following Completion of the Proposed Qualifying Transaction and the submission of all required documentation and that evidences the final Exchange acceptance of the Proposed Qualifying Transaction.

“**Governmental Authority**” means any: (i) multinational, federal, provincial, territorial, state, emirate, regional, municipal, local or other government, governmental or public department, court, tribunal, commission, board or agency, domestic or foreign; or (ii) regulatory authority, including any securities commission or stock exchange, including the TSXV.

“**IFRS**” means International Financial Reporting Standards as issued by the International Accounting Standards Board.

“**Insider**” if used in relation to an issuer, means a director or senior officer of the issuer, a director or senior officer of the corporation that is an Insider or subsidiary of the issuer, a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the

issuer; or the issuer itself if it holds any of its own securities.

“**IPO**” means the Company’s initial public offering completed on December 21, 2021.

“**IT**” means information technology.

“**ITES**” means information technology-enabled services.

“**KPO**” means knowledge process outsourcing.

“**KMSS**” means the Company’s auditor, Kenway Mack Slusarchuk Stewart LLP.

“**LOI**” means the non-binding Letter of Intent dated April 29, 2025 between the Company and Asiatel respecting the Securities Exchange contemplated in the Definitive Agreement.

“**LPO**” means legal process outsourcing.

“**material adverse effect**” an effect, which, in either case, either individually or in the aggregate with all other facts, changes, effects, occurrence, circumstances or events is, or would reasonably be expected to (i) be material and adverse to the business, operations, results of operations, assets, capital, liabilities (contingent or otherwise), privileges or financial condition of that party or a subsidiary (if any); or (ii) prevent a party hereto from performing its obligations under the Definitive Agreement in any material respect, other than any change, event, occurrence or effect: (A) relating to the global economy or financial, securities or commodities markets in general in the world including, without limitation, changes in currency exchange rates or interest rates; (B) relating to any generally applicable change in applicable laws (other than orders, judgments or decrees made against the party or a subsidiary (if any)); (C) relating to any natural disaster or the commencement, occurrence or continuation of any war, armed hostility or act of terrorism; or (D) relating to any other international crisis, including without limitation pandemics, provided, however that such matter referred to in clause (A), (B), (C) or (D) above does not have a materially disproportionate effect to the party or a subsidiary (if any) compared to other companies of similar size operating in the same industry as that party;

“**MD&A**” means the Management Discussion and Analysis included in the annual financial statements or quarterly financial statements of a company.

“**Meeting Matters**” has the meaning ascribed to it in “*Prospectus Summary – Company Shareholder Meeting*”.

“**Member**” means a Person who has executed the Members’ Agreement, as amended from time to time, and is accepted as and becomes a member of the Exchange under the Exchange Requirements.

“**Named Executive Officers**” or “**NEO**” means, in relation to a company, each of the following individuals:

- (a) any individual who acted as CEO of the company, or acted in a similar capacity, for any part of the most recently completed financial year;
- (b) any individual who acted as CFO of the company, or acted in a similar capacity, for any part of the most recently completed financial year;
- (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6 – *Statement of Executive Compensation – Venture Issuers*, for that financial year, and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year.

“**New Media Warrants**” means the 500,000 (pre-Consolidation) currently outstanding warrants of the Company, each New Media Warrant entitling the holder thereof to purchase one New Media Share at an exercise price of \$0.10 per

share until the earlier of: (i) 60 months from December 21, 2021 and (ii) 12 months from the date on which the Resulting Issuer Shares commence trading on the TSXV following completion of the Qualifying Transaction, in accordance with its terms.

“**NI 41-101**” means National Instrument 41-101 — *General Prospectus Requirements* or any successor instrument(s).

“**NI 52-110**” means National Instrument 52-110 – *Audit Committees* or any successor instrument(s).

“**NI 58-101**” means National Instrument 52-110 – *Disclosure of Corporate Governance Practices* or any successor instrument(s).

“**Non-Arm’s Length Qualifying Transaction**” means a proposed Qualifying Transaction where the same party or parties or their respective Associates or Affiliates are Control Persons in both the Company and in relation to the Significant Assets which are to be the subject of the proposed Qualifying Transaction.

“**Omnibus Security Compensation Plan**” means the omnibus security based compensation plan to be adopted by the Resulting Issuer upon completion of the Transaction;

“**Participant**” means a director, officer, employee, management company employee or consultant that is eligible to participate in the Omnibus Security Compensation Plan (see “*The Resulting Issuer Options to Purchase Securities - Resulting Issuer Security Based Compensation Plan*”).

“**Person**” includes an individual, partnership, association, body corporate, trustee, executor, administrator or legal representative.

“**Preferred Shares**” means the preferred shares of the Company.

“**Proposed Qualifying Transaction**” means the proposed acquisition by the Company of all of the issued and outstanding securities of Asiatel, upon the terms and subject to the terms and conditions set forth in the Definitive Agreement, intended to be the Company’s Qualifying Transaction.

“**Prospectus**” means this non-offering prospectus of the Company.

“**Public Shareholder**” has the meaning ascribed to that term in the Exchange Policies.

“**QT Escrow Agreement**” means an agreement to be entered into concurrent with the closing of the Transaction between the Resulting Issuer and certain insiders of the Resulting Issuer, which shall be in the form of Exchange Form 5D - *Escrow Agreement (Value Security Escrow)*.

“**Qualifying Transaction**” means a transaction where a CPC acquires Significant Assets other than cash, by way of purchase, amalgamation, merger or arrangement with another company or by other means.

“**Resulting Issuer**” means the issuer that was formerly a CPC that exists upon issuance of the Final Exchange Bulletin, which, for the purposes of this Prospectus, shall mean the Company after Completion of the Proposed Qualifying Transaction.

“**Resulting Issuer Board**” means the board of directors of the Resulting Issuer.

“**Resulting Issuer Stock Option Plan**” means the Stock Option Plan that will continue to be adopted by the Resulting Issuer upon Completion of the Proposed Qualifying Transaction, subject to certain amendments to be approved at the Shareholders Meeting.

“**Resulting Issuer Option**” means an option to purchase Resulting Issuer Shares subject to the Resulting Issuer Stock Option Plan.

“**Resulting Issuer Share**” means a Common Share (post-Consolidation), on a post-Proposed Qualifying Transaction basis.

“**RPO**” means research process outsourcing.

“**Securities Exchange**” means the acquisition by the Company of all of the issued and securities of Asiatel in consideration for the issuance of securities of the Company pursuant to the Definitive Agreement.

“**SEDAR+**” means the System for Electronic Document Analysis and Retrieval Plus.

“**Services**” means the business process outsourcing services provided by Asiatel (see “*Prospectus Summary – Asiatel*”).

“**Shareholder Approval**” means, where required by corporate law or applicable regulatory requirements, the approval of the Transaction by the Company Shareholders.

“**Shareholders Meeting**” means the annual and special meeting of the shareholders of the Company held on December 10, 2025 to approve the Meeting Matters (see “*Prospectus Summary – Company Shareholder Meeting*”).

“**Significant Assets**” means one or more assets or businesses which, when purchased, optioned or otherwise acquired by a CPC, together with any concurrent transactions, would result in a CPC meeting the minimum listing requirements of the Exchange.

“**Special Warrant Provision**” means a provision of the Definitive Agreement pursuant to which Special Warrants will be issued in lieu of some of the Considerations Shares (see “*Prospectus Summary – Securities Exchange*”).

“**Special Warrants**” means special warrants that may be issuable to the Asiatel Shareholders in lieu of Consideration Shares pursuant to the Special Warrant Provision, with each Special Warrant being automatically convertible into one Consideration Share for no additional cost at such time as said Consideration Share can be added to the issued and outstanding share capital of the Company without resulting in Public Shareholders of the Company holding less than 20% of the issued and outstanding shares of the Company.

“**Statute**” means the Companies Act (2023 Revision) of the Cayman Islands.

“**Stock Option Plan**” means the stock option plan of the Company dated September 3, 2021.

“**Subscription Receipts**” means the Subscription Receipts issued pursuant to the Concurrent Financing and convertible into Units upon satisfaction of the Escrow Release Conditions (see “*The Proposed Qualifying Transaction – Concurrent Financing*”).

“**Termination Date**” means June 16, 2026 or such later date as may be agreed in writing between the Company and Asiatel.

“**Time of Closing**” means 9:00 a.m. (Vancouver Time) on the Closing Date, or such other time as the parties of the Definitive Agreement may mutually determine.

“**Transaction**” means the purchase and sale of the Asiatel Shares in accordance with the terms of the Definitive Agreement.

“**Transfer Agent**” means TSX Trust Company.

“**TSXV**” means the TSX Venture Exchange.

“**UK**” means the United Kingdom.

“**United States**” or “**U.S.**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

“**Units**” means the units to be issued upon conversion of the Subscription Receipts being sold in the Concurrent Financing, comprised of one post-Consolidation Common Share and one share purchase warrant entitling the holder to purchase an additional post-Consolidation Common Share at an exercise price of \$0.30 per Common Share for a period

18 months from the date of issuance.

CERTIFICATE OF THE COMPANY

Dated:, March 3, 2026

This amended and restated prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the issuer as required by the securities legislation of Alberta.

NEW MEDIA CAPITAL 2.0 INC.

"John Putters"

John Putters
Chief Executive Officer

"Randa Kachkar"

Randa Kachkar
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

"Tim Latimer"

Tim Latimer
Director

"Cathy Hume"

Cathy Hume
Director

CERTIFICATE OF ASIATEL

Dated:, March 3, 2026

This amended and restated prospectus, as it relates to Asiatel, constitutes full, true and plain disclosure of all material facts relating to the securities of Asiatel.

ASIATEL OUTSOURCING LTD.

“Jasjit Singh Anand”
Jasjit Singh Anand
Chief Executive Officer

“Alicia Waga”
Alicia Waga
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

“Mohamed Shafi Aboobaker”
Mohamed Shafi Aboobaker
Director

“Jasjit Singh Anand”
Jasjit Singh Anand
Director

CERTIFICATE OF THE PROMOTER

Dated: March 3, 2026

This amended and restated prospectus, as it relates to Asiatel, constitutes full, true and plain disclosure of all material facts relating to the securities of Asiatel.

“Mohamed Shafi Aboobaker”

Mohamed Shafi Aboobaker

Director

SCHEDULE “A”
FINANCIAL STATEMENTS OF THE COMPANY

New Media Capital 2.0 Inc.

(A Capital Pool Company)

Condensed Interim Financial Statements

For the three and nine months ended December 31, 2025 and 2024

(in Canadian Dollars)

(Unaudited)



February 28, 2026

To the Audit Committee of the Board of Directors of:
New Media Capital 2.0 Inc.

Dear Sirs:

In accordance with our engagement letter dated February 23, 2026, we have reviewed the statement of financial position of New Media Capital 2.0 Inc. as at December 31, 2025, and the statements of loss and comprehensive loss and changes in shareholders' equity and cash flows for the three- and nine-month periods then ended. These financial statements are the responsibility of the Company's management.

We performed our review in accordance with Canadian generally accepted standards for a review of interim financial statements by an entity's auditor. Such an interim review consists principally of applying analytical procedures to financial data, and making enquiries of and having discussions with persons responsible for financial and accounting matters. An interim review is substantially less in scope than an audit, whose objective is the expression of an opinion regarding the financial statements; accordingly, we do not express such an opinion. An interim review does not provide assurance that we would become aware of any or all significant matters that might be identified in an audit.

Based on our review, nothing has come to our attention that causes us to believe that these interim financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

This report is solely for the audit committee of New Media Capital 2.0 Inc. to assist it in discharging its regulatory obligation to review these financial statements, and should not be used for any other purpose. Any use of this report, or any reliance or decisions made based on it, are the responsibility of such third parties. We accept no responsibility for loss or damages, if any, suffered by any third party as a result of decisions made or actions taken based on this report.

Yours very truly,

Kenway Mack Slusarchuk Stewart LLP

SAR/cky

New Media Capital 2.0 Inc.
Statement of Financial Position
(in Canadian Dollars)
(Unaudited)

As at:	Note	December 31, 2025 \$	March 31, 2025 \$
ASSETS			
CURRENT			
Cash		179,683	255,115
Prepaid expenses		-	1,505
Accounts receivable		-	1,000
TOTAL ASSETS		179,683	257,620
LIABILITIES			
CURRENT			
Accounts payable and accrued liabilities	5	10,054	8,754
TOTAL LIABILITIES		10,054	8,754
SHAREHOLDERS' EQUITY			
Share capital	3	511,948	511,948
Contributed surplus		37,000	37,000
Accumulated deficit		(379,319)	(300,082)
TOTAL SHAREHOLDERS' EQUITY		169,629	248,866
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		179,683	257,620

Approved by the Board

Randa Kachkar Director

John Putters Director

See accompanying notes to the financial statements

New Media Capital 2.0 Inc.
Statement of Loss and Comprehensive Loss
For three and nine months ended December 31, 2025 and 2024
(in Canadian Dollars)
(Unaudited)

		Three months ended December 31,		Nine months ended December 31,	
		2025	2024	2025	2024
	Note	\$	\$	\$	\$
Expenses					
Professional fees		11,849	1,575	64,080	7,346
General and administrative		13,659	4,161	18,558	10,213
Total expenses		25,508	5,736	82,638	17,559
Other income					
Net interest earned		966	1,781	3,401	5,634
NET LOSS AND COMPREHENSIVE LOSS		24,542	3,955	79,237	11,925
NET LOSS PER SHARE					
Basic and diluted		(\$0.00)	(\$0.00)	(\$0.01)	(\$0.00)
WEIGHTED AVERAGE COMMON SHARES					
Basic and diluted (excluding escrowed shares)	6	7,800,000	7,800,000	7,800,000	7,800,000

See accompanying notes to the financial statements

New Media Capital 2.0 Inc.
Statement of Cash Flows
(in Canadian Dollars)
(Unaudited)

	Note	Nine months ended December 31, 2025	Nine months ended December 31, 2024
Operating activities		\$	\$
Net loss and comprehensive loss		(79,237)	(11,925)
Change in non-cash working capital items			
Prepaid expenses		1,505	(6,645)
Accounts receivable		1,000	1,000
Accounts payable and accrued liabilities		1,300	(8,734)
Net cash used in operating activities		(75,432)	(26,304)
Net decrease in cash		(75,432)	(26,304)
Cash, beginning of period		255,115	290,685
Cash, end of period		179,683	264,381

See accompanying notes to the financial statements

New Media Capital 2.0 Inc.

Statement of Changes in Shareholders' Equity

For the three and nine months ended December 31, 2025 and 2024

(in Canadian Dollars)

(Unaudited)

	Number of Shares	Share Capital	Contributed Surplus	Accumulated Deficit	Shareholders' Equity
		\$	\$	\$	\$
Balance, March 31, 2025	7,800,000	511,948	37,000	(300,082)	248,866
Net loss for the period	-	-	-	(79,237)	(79,237)
Balance, December 31, 2025	7,800,000	511,948	37,000	(379,319)	169,629
Balance, March 31, 2024	7,800,000	511,948	37,000	(267,108)	281,840
Net loss for the period	-	-	-	(11,925)	(11,925)
Balance, December 31, 2024	7,800,000	511,948	37,000	(279,033)	269,915

See accompanying notes to the financial statements

New Media Capital 2.0 Inc.
Notes to the Financial Statements
For the three and nine months ended December 31, 2025 and 2024
(in Canadian Dollars)
(Unaudited)

1. INCORPORATION AND NATURE OF BUSINESS

New Media Capital 2.0 Inc. (the "Corporation") was initially incorporated under the Business Corporations Act (Alberta) on March 12, 2021 and is a Capital Pool Company ("CPC") as defined in Policy 2.4 (the "Policy") of the TSX Venture Exchange (the "Exchange").

The principal business of the Corporation will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT") as defined in the Policy. The Corporation has not commenced commercial operations. Given the nature of the activities, no separate segmented information is reported. The Corporation's continuing operations, as intended, is to identify and evaluate potential acquisitions of businesses, and once identified and evaluated, to negotiate an acquisition thereof or participation therein subject to receipt of regulatory and, if required, shareholders' approval.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Corporation. These restrictions apply until completion of a QT.

The head office and the registered head office of the Corporation is located at 8634-53 Avenue, Edmonton, AB T6E 5G2.

On February 28, 2026, the Board of Directors approved the financial statements for the three and nine months ended December 31, 2025.

New Media Capital 2.0 Inc.
Notes to the Financial Statements
For the three and nine months ended December 31, 2025 and 2024
(in Canadian Dollars)
(Unaudited)

2. MATERIAL ACCOUNTING POLICIES

These unaudited interim condensed financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with the IFRS Accounting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These unaudited condensed interim financial statements have been prepared on an accrual basis and are based on historical costs. These unaudited condensed interim financial statements are presented in Canadian dollars, which is the corporation's functional and presentation currency.

The accounting policies applied by the Corporation in these unaudited condensed interim financial statements are the same as those applied by the Corporation in the audited financial statements for the period ended March 31, 2025.

3. SHARE CAPITAL

Authorized – Unlimited common shares and preferred shares

	Common shares
Balance, March 31, 2025 and December 31, 2025	\$511,948

No preferred shares have been issued.

Escrowed Shares

During the year ended March 31, 2022, the Corporation issued 5,000,000 common shares ("Common Shares") at \$0.10 per share for gross proceeds of \$500,000.

All Common Shares: (a) issued at a price below the price of the Common Shares issued in the Corporation's initial public offering ("IPO"); and (b) all shares acquired from treasury after the IPO but before the date of the Final QT Exchange Bulletin (as defined in the Policy) which are, directly or indirectly, beneficially owned or controlled by Non-Arm's Length Parties (as defined in the Policy) to the Corporation, are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Corporation held by principals of the resulting issuer will also be subject to escrow. 2,800,000 Common Shares are held in escrow pursuant to the requirements of the Exchange.

Options

The Corporation has established a stock option plan for its directors, officers and consultants under which the Corporation may grant options from time to time to acquire a maximum of 10% of the issued and outstanding Common Shares. The exercise price of each option granted under the plan shall be determined by the Board of Directors.

New Media Capital 2.0 Inc.
Notes to the Financial Statements
For the three and nine months ended December 31, 2025 and 2024
(in Canadian Dollars)
(Unaudited)

Options may be granted for a maximum term of ten years from the date of the grant. They are nontransferable and are exercisable as determined by the Board of Directors when the option is granted. Options expire within 90 days of termination of employment or holding office as director or officer of the Corporation (other than in connection with the completion of the QT - in which case 1 year) and, in the case of death, expire within a maximum period of one year after such death, subject to the expiry date of the option.

Any options granted, and any shares issued upon exercise of options, prior to the Corporation's completion of a QT will be subject to escrow restrictions. In addition to the foregoing, any options with an exercise price less than the offering price per Common Share in the IPO will be subject to the same escrow release schedule as the Common Shares issued for a price less than the offering price per Common Share in the IPO.

The stock option plan is subject to regulatory approval.

No options have been granted or are outstanding as at March 31, 2025 or December 31, 2025.

Warrants

At March 31, 2025 and December 31, 2025, the Corporation had 500,000 warrants outstanding exercisable at \$0.10 per warrant with an expiry date of December 21, 2026 (or earlier if a Qualifying Transaction is completed).

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital Management

The Corporation's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Corporation includes equity, comprised of share capital and deficit in the definition of capital.

The Corporation's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Corporation may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Corporation. These restrictions apply until completion of a QT by the Corporation as defined under the policies of the Policy.

New Media Capital 2.0 Inc.

Notes to the Financial Statements

For the three and nine months ended December 31, 2025 and 2024

(in Canadian Dollars)

(Unaudited)

Risk Disclosures and Fair Values

The Corporation's financial instruments, consisting of cash, accounts receivable and accounts payable accrued liabilities approximate fair value due to the relatively short-term maturity of the instruments. It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments.

5. RELATED PARTY TRANSACTIONS

The corporate secretary of the Corporation is a partner at a law firm representing the Corporation. In the three and nine months ended December 31, 2025, the Corporation incurred \$NIL and \$40,885, respectively, in professional fees to the law firm for general legal fees (three and nine months ended December 31, 2024 - \$NIL and \$491, respectively). At December 31, 2025, \$1,006 owing to the law firm was recorded in accounts payable and accrued liabilities (March 31, 2025 - \$NIL).

6. NET LOSS PER COMMON SHARE

The basic and diluted net loss per common share is based on the weighted average number of common shares outstanding as at December 31, 2025 as there are no anti-dilutive shares. Once the common shares are placed in escrow they will be considered contingently issuable until the Corporation completes a QT and excluded for the purpose of the loss per share calculation.

7. QUALIFYING TRANSACTION

The Corporation entered into a definitive share exchange agreement dated July 16, 2025 (the "Definitive Agreement") with Asiatel Outsourcing Ltd. ("Asiatel"), a business process outsourcing company, existing under the laws of the Cayman Islands, specializing in remote staffing and managed operations, located in Metro Manila Philippines, and the shareholders of Asiatel. Pursuant to the Definitive Agreement, the Corporation has agreed to acquire 100% of the outstanding shares of Asiatel in exchange for post-consolidation shares of the Corporation (the "Transaction"). The Corporation will provide additional information on the business of Asiatel, including significant financial information, in a non-offering prospectus to be filed with the TSX Venture Exchange (the "TSXV" or the "Exchange") and the securities regulators in the provinces of Alberta, British Columbia, and Ontario in respect of the Transaction (the "Prospectus").

8. SUBSEQUENT EVENT

On February 17, 2026, The Company announced the closing of the first tranche of its previously announced non-brokered private placement, consisting of the issuance of an aggregate 3,800,000 subscription receipts ("Subscription Receipts") at a price of \$0.20 per Subscription Receipt for gross proceeds of \$760,000 (the "Offering"). The Offering was completed in connection with the previously-announced arm's length Qualifying Transaction proposed to be completed by the Company and Asiatel Outsourcing Ltd. ("Asiatel").

Each Subscription Receipt entitles the holder to receive, without any further action or additional consideration, one post-consolidation unit (a "Unit") upon the satisfaction, or waiver by the holder, of certain escrow release conditions, including the completion or waiver of all conditions precedent (other than the completion of this private placement) to the completion of the Qualifying Transaction, prior to the escrow termination deadline. Each Unit is comprised of one post-consolidation common share of the Company (a "Share") and one post-consolidation Share purchase warrant (a "Warrant"). Each Warrant entitles the holder to purchase one additional post-consolidation Share of the Company (a "Warrant Share") at a price of \$0.30 per Warrant Share for a period of 18 months from the conversion date, subject to acceleration if the closing price of the common shares of the Company is at or above \$0.45 for ten consecutive days. Pursuant to applicable Canadian securities laws and the policies of the TSXV, all securities to be issued under the Offering will be subject to a four-month hold period ending on June 14, 2026.

In connection with the Offering, the Company agreed to pay \$25,000 in finder's fees upon completion of the Qualifying Transaction.

The Company intends to use the proceeds from the Offering for expansion in the Philippines, IT enhancements and AI alliances, development of niche products, Canadian office expenses, investor relations, costs of the Qualifying Transaction, and general working capital.

In the event that: (i) the escrow release conditions are not satisfied on or prior to the escrow termination deadline or (ii) the Qualifying Transaction is terminated at any time prior to the escrow termination deadline, or (iii) the Company and Asiatel otherwise notify the holders of Subscription Receipts in writing that they do not intend to proceed with the Offering, the proceeds of the Offering will be returned to the holders of Subscription Receipts and the Subscription Receipts will be cancelled.

A company owned by a director of the Company participated in the Offering for aggregate proceeds of \$500,000.

The Company has received proceeds for the subscription receipts but has not issued the shares.

New Media Capital 2.0 Inc.
Financial Statements
For the Year Ended March 31, 2025

Independent Auditors' Report

To: The Shareholders of **New Media Capital 2.0 Inc.**

Opinion

We have audited the financial statements of New Media Capital 2.0 Inc. (the "Corporation"), which comprise the statements of financial position as at March 31, 2025 and March 31, 2024 and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2025 and March 31, 2024, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

We have determined that there are no key audit matters to be communicated in our auditors' report.

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

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

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

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

Responsibilities of Management and Those Charged With Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditors' Report (continued)

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Independent Auditors' Report (continued)

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

The engagement partner on the audit resulting in this Independent Auditors' report is Roland A. Bishop, CPA, CA.



Chartered Professional Accountants

July 8, 2025
Calgary, Alberta

New Media Capital 2.0 Inc.
Statements of Financial Position

As at March 31,	2025	2024
Assets		
Current assets		
Cash	\$ 255,115	\$ 290,685
Prepaid expenses	1,505	455
Accounts receivable	1,000	1,000
	<u>257,620</u>	<u>292,140</u>
	<u>\$ 257,620</u>	<u>\$ 292,140</u>
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	\$ 8,754	\$ 10,300
	<u>8,754</u>	<u>10,300</u>
Shareholders' Equity		
Share capital (Note 5)	511,948	511,948
Contributed surplus	37,000	37,000
Accumulated deficit	(300,082)	(267,108)
	<u>248,866</u>	<u>281,840</u>
	<u>\$ 257,620</u>	<u>\$ 292,140</u>

Approved by the Board

Randa Kachkar Director

John Putters Director

See accompanying notes to the financial statements

New Media Capital 2.0 Inc.

Statements of Loss and Comprehensive Loss

Years ended March 31,	2025	2024
Expenses		
Professional fees	\$ 16,806	\$ 31,261
Filing fees	11,900	26,182
General and administration	11,263	6,563
Bank fees	29	5
Total expenses	<u>39,997</u>	<u>64,011</u>
Loss from operations	(39,997)	(64,011)
Other income		
Interest income	<u>7,023</u>	<u>7,295</u>
Net and comprehensive loss	<u>\$ (32,974)</u>	<u>\$ (56,716)</u>
Basic & diluted net loss per common share (Note 9)	<u>(0.01)</u>	<u>(0.01)</u>
Weighted average number of common shares	<u>5,000,000</u>	<u>5,000,000</u>

See accompanying notes to the financial statements

New Media Capital 2.0 Inc.
Statements of Changes in Shareholders' Equity

For the year ended March 31,	2025					
	Common Shares		Contributed		Total	
	Number	Amount	Surplus	Deficit		
Balance, April 1, 2024	7,800,000	\$ 511,948	\$ 37,000	\$ (267,108)	\$	281,840
Net loss	-	-	-	(32,974)		(32,974)
Balance, March 31, 2025	7,800,000	\$ 511,948	\$ 37,000	\$ (300,082)	\$	248,866

For the year ended March 31,	2024					
	Common Shares		Contributed		Total	
	Number	Amount	Surplus	Deficit		
Balance, April 1, 2023	7,800,000	\$ 511,948	\$ 37,000	\$ (210,392)	\$	338,556
Net loss	-	-	-	(56,716)		(56,716)
Balance, March 31, 2024	7,800,000	\$ 511,948	\$ 37,000	\$ (267,108)	\$	281,840

New Media Capital 2.0 Inc.

Statements of Cash Flows

Year ended March 31,	2025	2024
Operating activities		
Net loss for the year	\$ (32,974)	\$ (56,716)
Change in non-cash working capital balances		
Accounts receivable	-	1,000
Prepaid expenses	(1,050)	-
Accounts payable and accrued liabilities	(1,546)	(2,986)
	<u>(35,570)</u>	<u>(58,702)</u>
Investing activities		
Loan repayments received	-	144,000
	<u>-</u>	<u>144,000</u>
(Decrease) increase in cash	(35,570)	85,298
Cash, beginning of year	290,685	205,387
Cash, end of year	<u>\$ 255,115</u>	<u>\$ 290,685</u>

See accompanying notes to the financial statements

New Media Capital 2.0 Inc.

Notes to Financial Statements

For the Year Ended March 31, 2025 and 2024

1. Incorporation and nature of business

New Media Capital 2.0 Inc. (the "Corporation") was initially incorporated under the Business Corporations Act (Alberta) on March 12, 2021 and is a Capital Pool Company ("CPC") as defined in Policy 2.4 (the "Policy") of the TSX Venture Exchange (the "Exchange").

The principal business of the Corporation will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT") as defined in the Policy. The Corporation has not commenced commercial operations. Given the nature of the activities, no separate segmented information is reported. The Corporation's continuing operations, as intended, is to identify and evaluate potential acquisitions of businesses, and once identified and evaluated, to negotiate an acquisition thereof or participation therein subject to receipt of regulatory and, if required, shareholders' approval.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Corporation. These restrictions apply until completion of a QT.

The head office and the registered head office of the Corporation is located at 8634-53 Avenue, Edmonton, AB T6E 5G2.

On June 30, 2025 the Board of Directors approved the financial statements for the fiscal year end March 31, 2023.

2. Basis of presentation

(a) Statement of compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

(b) Basis of measurement

The financial statements are presented in Canadian dollars ("CAD"), which is the Corporation's functional and presentation currency. The financial statements are prepared on a historical cost basis. The accounting policies have been applied consistently throughout the entire period presented in these financial statements.

New Media Capital 2.0 Inc.

Notes to Financial Statements

For the Year Ended March 31, 2025 and 2024

2. Basis of presentation, continued

(c) Estimates and judgements

The preparation of financial statements in conformity with IFRS accounting principles requires management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities, and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates used in the financial statements. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In preparing these financial statements, the significant judgments made by management in applying the Corporation's accounting policies and the key sources of estimate are related to the valuation of deferred taxes. Management has used judgment regarding the probability that taxable profits will be available to offset against deductible temporary differences.

3. Material accounting policies

(a) Financial instruments

Recognition

The Corporation recognizes financial assets and financial liabilities on the date the Corporation becomes a party to the contractual provisions of the instruments.

Classification

The Corporation classifies its financial assets and financial liabilities in the following measurement categories: i) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss, and ii) those to be measured at amortized cost. The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost at the end of the subsequent accounting periods. All other financial assets including equity investments are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income (irrevocable election at the time of recognition). Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at fair value through profit or loss (irrevocable election at the time of recognition).

For assets and liabilities measured at fair value, gains and losses are either recorded in profit or loss or other comprehensive income.

The Corporation reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Cash, accounts receivable and accounts payable and accrued liabilities have been classified at amortized cost.

New Media Capital 2.0 Inc.

Notes to Financial Statements

For the Year Ended March 31, 2025 and 2024

3. Material accounting policies, continued

(a) Financial instruments, continued

Measurement

All financial instruments are required to be measured at fair value on initial recognition, plus, in case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss.

Classification of financial instrument fair values in a fair value hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements are as follows:

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

There are no financial instruments measured at fair value on the statement of financial position.

Impairment of financial assets

The measurement of impairment of financial assets is based on expected credit losses. Accounts receivable and loans receivable that are considered collectible within one year or less are not considered to have a significant financing component and a lifetime expected credit loss ("ECL") is measured at the date of initial recognition of the receivable.

The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which requires the use of the lifetime expected loss provision for all receivables. In estimating the lifetime expected loss provision, the Company will consider historical industry default rates as well as credit ratings of major customers. The Company does not currently have any financial assets subject to this approach.

New Media Capital 2.0 Inc.

Notes to Financial Statements

For the Year Ended March 31, 2025 and 2024

3. Material accounting policies, continued

(b) Income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the intention is to settle on a net basis, or to realize the asset and settle the liability simultaneously. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of operations and comprehensive income.

Deferred income tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognized for all taxable temporary differences and deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to be recovered or settled. Deferred tax assets are recognized to the extent that realization of such benefits is probable.

(c) Share-based compensation

The Corporation uses the Black-Scholes option-pricing model to fair value options granted to directors, officers and employees. The estimated fair value of options on the date of grant is recognized as compensation expense over the vesting period. The number of expected forfeitures is estimated at the grant date and adjustments for actual forfeitures are made as they occur.

(d) Loss per share

Loss per share has been calculated using the weighted average number of common shares outstanding during the period. Shares held in escrow that are only released upon contingent events are not included in the calculation of the weighted average number of common shares.

(e) Share issuance costs

Costs directly related to issuance of share capital are charged as a reduction against share capital.

New Media Capital 2.0 Inc.

Notes to Financial Statements

For the Year Ended March 31, 2025 and 2024

4. Loans receivable

In the fiscal 2023, the Corporation issued a series of advances totaling \$151,000 to a company related by way of directors in common. The advances were unsecured and included flat rate interest on each advance between \$500 and \$2,000 totaling \$9,000. During the prior year, principal repayments of \$16,000 were received. During the prior year, the remaining principal balance and interest were repaid.

5. Share capital

Authorized – Unlimited common shares and preferred shares

	Common shares
Balance, March 31, 2024 and March 31, 2025	\$511,948

No preferred shares have been issued.

Escrowed Shares

All Common Shares: (a) issued at a price below the price of the Common Shares issued in the Corporation's initial public offering ("IPO"); and (b) all shares acquired from treasury after the IPO but before the date of the Final QT Exchange Bulletin (as defined in the Policy) which are, directly or indirectly, beneficially owned or controlled by Non-Arm's Length Parties (as defined in the Policy) to the Corporation, are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Corporation held by principals of the resulting issuer will also be subject to escrow. 2,800,000 Common Shares are held in escrow pursuant to the requirements of the Exchange.

Options

The Corporation has established a stock option plan for its directors, officers and consultants under which the Corporation may grant options from time to time to acquire a maximum of 10% of the issued and outstanding Common Shares. The exercise price of each option granted under the plan shall be determined by the Board of Directors.

Options may be granted for a maximum term of ten years from the date of the grant. They are nontransferable and are exercisable as determined by the Board of Directors when the option is granted. Options expire within 90 days of termination of employment or holding office as director or officer of the Corporation (other than in connection with the completion of the QT - in which case 1 year) and, in the case of death, expire within a maximum period of one year after such death, subject to the expiry date of the option.

New Media Capital 2.0 Inc.

Notes to Financial Statements

For the Year Ended March 31, 2025 and 2024

5. Share capital, continued

Any options granted, and any shares issued upon exercise of options, prior to the Corporation's completion of a QT will be subject to escrow restrictions. In addition to the foregoing, any options with an exercise price less than the offering price per Common Share in the IPO will be subject to the same escrow release schedule as the Common Shares issued for a price less than the offering price per Common Share in the IPO.

No options have been granted or are outstanding as at March 31, 2025 or 2024.

Warrants

On December 21, 2021, the Corporation completed its Initial Public Offering ("IPO") of 5,000,000 common shares at \$0.10 per share (\$500,000). The Corporation paid a commission of 10% of the gross proceeds to Haywood Securities Inc. (the "Agent"), and granted the Agent warrants to acquire 10% of the common shares issued in the IPO exercisable for a period ending the earlier of i) 60 months following the closing date of the IPO, and ii) 12 months from the date common shares of the Resulting Issuer (as defined in Exchange Policy 2.4 – Capital Pool Companies) commence trading on the TSX Venture Exchange or other recognized stock exchange following completion of the Qualifying Transaction, exercisable at \$0.10 per share. The Corporation also paid a corporate finance fee and reimbursed the Agent for legal fees and other reasonable expenses incurred pursuant to the IPO. Cash issuance costs of \$107,567 were associated with these issuances and the value attributed to warrants granted to the Agent is \$37,000 using the Black-Scholes model assuming a 5-year term, 1.29% risk-free interest rate and 100% volatility. At March 31, 2025 and 2024, the Corporation had 500,000 warrants outstanding exercisable at \$0.10 per warrant with an expiry date of December 21, 2026 (or earlier if a Qualifying Transaction is completed).

6. Financial risk management objectives and policies

Capital management

The Corporation's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Corporation includes equity, comprised of share capital and deficit in the definition of capital.

The Corporation's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Corporation may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Corporation. These restrictions apply until completion of a QT by the Corporation as defined under the policies of the Policy.

New Media Capital 2.0 Inc.

Notes to Financial Statements

For the Year Ended March 31, 2025 and 2024

6. Financial risk management objectives and policies, continued

Risk Disclosures and Fair Values

The Corporation's financial instruments, consisting of cash, accounts receivable and accounts payable and accrued liabilities approximate fair value due to the relatively short-term maturity of the instruments.

It is management's opinion that the Corporation is not exposed to significant market, interest, currency or credit risks arising from these financial instruments.

7. Related party transactions

One of the directors of the Corporation is a partner at a law firm representing the Corporation. During the year, the Corporation incurred \$6,306 (2024 - \$30,091) in professional fees from the law firm.

During the year the Corporation paid rent and office sharing costs to a company related by way of common management of \$11,000 (2024 - \$6,300).

8. Income taxes

The Corporation has unrecognized deferred tax assets since it cannot currently demonstrate that it is probable that its potential value will be realized. The tax rate of the Corporation is 23% for the years ended March 31, 2025 and 2024. The unrecognized asset is comprised of approximately \$354,713 (2024 - \$303,528) of non-capital loss carry forwards and \$14,507 (2024 - \$32,718) of deductible temporary differences. The non-capital loss carry forwards expire as follows:

2041	\$ 8,500
2042	123,924
2043	96,178
2044	74,926
2045	<u>51,185</u>
	\$ 354,713

9. Net loss per common share

The basic and diluted net loss per common share is based on the weighted average number of common shares outstanding for the year ended March 31, 2025 as there are no dilutive potential shares. Common shares placed in escrow are considered contingently issuable until the Corporation completes a QT and excluded for the purpose of the loss per share calculation.

New Media Capital 2.0 Inc.
Financial Statements
For the Year Ended March 31, 2024

Independent Auditors' Report

To: The Shareholders of **New Media Capital 2.0 Inc.**

Opinion

We have audited the financial statements of New Media Capital 2.0 Inc. (the "Corporation"), which comprise the statements of financial position as at March 31, 2024 and March 31, 2023 and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2024 and March 31, 2023, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

We have determined that there are no key audit matters to be communicated in our auditors' report.

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

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

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

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

Responsibilities of Management and Those Charged With Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditors' Report (continued)

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

The engagement partner on the audit resulting in this Independent Auditors' report is Roland A. Bishop, CPA, CA.



Chartered Professional Accountants

July 15, 2024
Calgary, Alberta

New Media Capital 2.0 Inc.
Statements of Financial Position

As at March 31,	2024	2023
Assets		
Current assets		
Cash	\$ 290,685	\$ 205,387
Prepaid expenses	455	455
Accounts receivable	1,000	2,000
Loans receivable (Note 4)	-	144,000
	<u>292,140</u>	<u>351,842</u>
	<u>\$ 292,140</u>	<u>\$ 351,842</u>
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	\$ 10,300	\$ 13,286
	<u>10,300</u>	<u>13,286</u>
Shareholders' Equity		
Share capital (Note 5)	511,948	511,948
Contributed surplus	37,000	37,000
Accumulated deficit	(267,108)	(210,392)
	<u>281,840</u>	<u>338,556</u>
	<u>\$ 292,140</u>	<u>\$ 351,842</u>

Approved by the Board

Randa Kachkar Director

John Putters Director

See accompanying notes to the financial statements

New Media Capital 2.0 Inc.

Statements of Loss and Comprehensive Loss

Year ended March 31,	2024	2023
Expenses		
Professional fees	\$ 31,261	\$ 30,220
Filing fees	26,182	58,618
General and administration	6,563	-
Bank fees	5	130
Total expenses	<u>64,010</u>	<u>88,968</u>
Loss from operations	(64,010)	(88,968)
Other income		
Interest income	<u>7,294</u>	<u>11,000</u>
Net and comprehensive loss	<u>\$ (56,716)</u>	<u>\$ (77,968)</u>
Basic & diluted net loss per common share (Note 9)	<u>(0.01)</u>	<u>(0.02)</u>
Weighted average number of common shares	<u>5,000,000</u>	<u>5,000,000</u>

See accompanying notes to the financial statements

New Media Capital 2.0 Inc.
Statements of Changes in Shareholders' Equity

For the year ended March 31,						2024
	Common Shares		Contributed			Total
	Number	Amount	Surplus	Deficit		
Balance, April 1, 2023	7,800,000	\$ 511,948	\$ 37,000	\$ (210,392)	\$	338,556
Net loss	-	-	-	(56,716)		(56,716)
Share issue costs adjustment	-	-	-	-		-
Balance, March 31, 2024	7,800,000	\$ 511,948	\$ 37,000	\$ (267,108)	\$	281,840

For the year ended March 31,						2023
	Common Shares		Contributed			Total
	Number	Amount	Surplus	Deficit		
Balance, April 1, 2022	7,800,000	\$ 494,433	\$ 37,000	\$ (132,424)	\$	399,009
Net loss	-	-	-	(77,968)		(77,968)
Share issue costs adjustment	-	17,515	-	-		17,515
Balance, March 31, 2023	7,800,000	\$ 511,948	\$ 37,000	\$ (210,392)	\$	338,556

New Media Capital 2.0 Inc.

Statements of Cash Flows

Year ended March 31,	2024	2023
Operating activities		
Net loss for the year	\$ (56,716)	\$ (77,968)
Items not affecting cash		
Accrued interest	-	(9,000)
Change in non-cash working capital balances		
Accounts receivable	1,000	(2,000)
Prepaid expenses	-	(455)
Accounts payable and accrued liabilities	(2,986)	(61,414)
	<u>(58,702)</u>	<u>(150,837)</u>
Investing activities		
Loans advanced	-	(151,000)
Loan repayments received	144,000	16,000
	<u>144,000</u>	<u>(135,000)</u>
(Decrease) increase in cash	85,298	(285,837)
Cash, beginning of year	205,387	491,224
Cash, end of year	<u>\$ 290,685</u>	<u>\$ 205,387</u>

See accompanying notes to the financial statements

New Media Capital 2.0 Inc.

Notes to Financial Statements

For the Year Ended March 31, 2024 and 2023

1. Incorporation and nature of business

New Media Capital 2.0 Inc. (the "Corporation") was initially incorporated under the Business Corporations Act (Alberta) on March 12, 2021 and is a Capital Pool Company ("CPC") as defined in Policy 2.4 (the "Policy") of the TSX Venture Exchange (the "Exchange").

The principal business of the Corporation will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT") as defined in the Policy. The Corporation has not commenced commercial operations. Given the nature of the activities, no separate segmented information is reported. The Corporation's continuing operations, as intended, is to identify and evaluate potential acquisitions of businesses, and once identified and evaluated, to negotiate an acquisition thereof or participation therein subject to receipt of regulatory and, if required, shareholders' approval.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Corporation. These restrictions apply until completion of a QT.

The head office and the registered head office of the Corporation is located at 8634-53 Avenue, Edmonton, AB T6E 5G2.

On July 12, 2024 the Board of Directors approved the financial statements for the fiscal year end March 31, 2023.

2. Basis of presentation

(a) Statement of compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

(b) Basis of measurement

The financial statements are presented in Canadian dollars ("CAD"), which is the Corporation's functional and presentation currency. The financial statements are prepared on a historical cost basis. The accounting policies have been applied consistently throughout the entire period presented in these financial statements.

New Media Capital 2.0 Inc.

Notes to Financial Statements

For the Year Ended March 31, 2024 and 2023

2. Basis of presentation, continued

(c) Estimates and judgements

The preparation of financial statements in conformity with IFRS accounting principles requires management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities, and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates used in the financial statements. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In preparing these financial statements, the significant judgments made by management in applying the Corporation's accounting policies and the key sources of estimate are related to the valuation of deferred taxes. Management has used judgment regarding the probability that taxable profits will be available to offset against deductible temporary differences.

3. Material accounting policies

(a) Financial instruments

Recognition

The Corporation recognizes financial assets and financial liabilities on the date the Corporation becomes a party to the contractual provisions of the instruments.

Classification

The Corporation classifies its financial assets and financial liabilities in the following measurement categories: i) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss, and ii) those to be measured at amortized cost. The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost at the end of the subsequent accounting periods. All other financial assets including equity investments are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income (irrevocable election at the time of recognition). Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at fair value through profit or loss (irrevocable election at the time of recognition).

For assets and liabilities measured at fair value, gains and losses are either recorded in profit or loss or other comprehensive income.

The Corporation reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Cash, accounts receivable, loans receivable and accounts payable and accrued liabilities have been classified at amortized cost.

New Media Capital 2.0 Inc.

Notes to Financial Statements

For the Year Ended March 31, 2024 and 2023

3. Material accounting policies, continued

(a) Financial instruments, continued

Measurement

All financial instruments are required to be measured at fair value on initial recognition, plus, in case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss.

Classification of financial instrument fair values in a fair value hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements are as follows:

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

There are no financial instruments measured at fair value on the statement of financial position.

Impairment of financial assets

The measurement of impairment of financial assets is based on expected credit losses. Accounts receivable and loans receivable that are considered collectible within one year or less are not considered to have a significant financing component and a lifetime expected credit loss ("ECL") is measured at the date of initial recognition of the receivable.

The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which requires the use of the lifetime expected loss provision for all receivables. In estimating the lifetime expected loss provision, the Company will consider historical industry default rates as well as credit ratings of major customers. The Company does not currently have any financial assets subject to this approach.

New Media Capital 2.0 Inc.

Notes to Financial Statements

For the Year Ended March 31, 2024 and 2023

3. Material accounting policies, continued

(b) Income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the intention is to settle on a net basis, or to realize the asset and settle the liability simultaneously. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of operations and comprehensive income.

Deferred income tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognized for all taxable temporary differences and deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to be recovered or settled. Deferred tax assets are recognized to the extent that realization of such benefits is probable.

(c) Share-based compensation

The Corporation uses the Black-Scholes option-pricing model to fair value options granted to directors, officers and employees. The estimated fair value of options on the date of grant is recognized as compensation expense over the vesting period. The number of expected forfeitures is estimated at the grant date and adjustments for actual forfeitures are made as they occur.

(d) Loss per share

Loss per share has been calculated using the weighted average number of common shares outstanding during the period. Shares held in escrow that are only released upon contingent events are not included in the calculation of the weighted average number of common shares.

(e) Share issuance costs

Costs directly related to issuance of share capital are charged as a reduction against share capital.

New Media Capital 2.0 Inc.

Notes to Financial Statements

For the Year Ended March 31, 2024 and 2023

4. Loans receivable

In the prior year, the Corporation issued a series of advances totaling \$151,000 to a company related by way of directors in common. The advances were unsecured and included flat rate interest on each advance between \$500 and \$2,000 totaling \$9,000. During the prior year, principal repayments of \$16,000 were received. During the current year, the remaining principal balance and interest were repaid.

5. Share capital

Authorized – Unlimited common shares and preferred shares

	Common shares
Balance, March 31, 2022	\$494,433
Share issue cost adjustment	\$17,515
Balance, March 31, 2023 and March 31, 2024	\$511,948

No preferred shares have been issued.

Escrowed Shares

During the year ended March 31, 2022, the Corporation issued 5,000,000 common shares ("Common Shares") at \$0.10 per share for gross proceeds of \$500,000.

All Common Shares: (a) issued at a price below the price of the Common Shares issued in the Corporation's initial public offering ("IPO"); and (b) all shares acquired from treasury after the IPO but before the date of the Final QT Exchange Bulletin (as defined in the Policy) which are, directly or indirectly, beneficially owned or controlled by Non-Arm's Length Parties (as defined in the Policy) to the Corporation, are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Corporation held by principals of the resulting issuer will also be subject to escrow. 2,800,000 Common Shares are held in escrow pursuant to the requirements of the Exchange.

Options

The Corporation has established a stock option plan for its directors, officers and consultants under which the Corporation may grant options from time to time to acquire a maximum of 10% of the issued and outstanding Common Shares. The exercise price of each option granted under the plan shall be determined by the Board of Directors.

Options may be granted for a maximum term of ten years from the date of the grant. They are nontransferable and are exercisable as determined by the Board of Directors when the option is granted. Options expire within 90 days of termination of employment or holding office as director or officer of the Corporation (other than in connection with the completion of the QT - in which case 1 year) and, in the case of death, expire within a maximum period of one year after such death, subject to the expiry date of the option.

New Media Capital 2.0 Inc.

Notes to Financial Statements

For the Year Ended March 31, 2024 and 2023

5. Share capital, continued

Any options granted, and any shares issued upon exercise of options, prior to the Corporation's completion of a QT will be subject to escrow restrictions. In addition to the foregoing, any options with an exercise price less than the offering price per Common Share in the IPO will be subject to the same escrow release schedule as the Common Shares issued for a price less than the offering price per Common Share in the IPO.

No options have been granted or are outstanding as at March 31, 2024 or 2023.

During the prior year, an adjustment to the share issue costs was recorded for \$17,515 as a result of an inadvertent difference in the prior year.

Warrants

On December 21, 2021, the Corporation completed its Initial Public Offering ("IPO") of 5,000,000 common shares at \$0.10 per share (\$500,000). The Corporation paid a commission of 10% of the gross proceeds to Haywood Securities Inc. (the "Agent"), and granted the Agent warrants to acquire 10% of the common shares issued in the IPO exercisable for a period ending the earlier of i) 60 months following the closing date of the IPO, and ii) 12 months from the date common shares of the Resulting Issuer (as defined in Exchange Policy 2.4 – Capital Pool Companies) commence trading on the TSX Venture Exchange or other recognized stock exchange following completion of the Qualifying Transaction, exercisable at \$0.10 per share. The Corporation also paid a corporate finance fee and reimbursed the Agent for legal fees and other reasonable expenses incurred pursuant to the IPO. Cash issuance costs of \$107,567 were associated with these issuances and the value attributed to warrants granted to the Agent is \$37,000 using the Black-Scholes model assuming a 5-year term, 1.29% risk-free interest rate and 100% volatility. At March 31, 2024 and 2023, the Corporation had 500,000 warrants outstanding exercisable at \$0.10 per warrant with an expiry date of December 21, 2026 (or earlier if a Qualifying Transaction is completed).

6. Financial risk management objectives and policies

Capital management

The Corporation's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Corporation includes equity, comprised of share capital and deficit in the definition of capital.

The Corporation's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Corporation may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Corporation. These restrictions apply until completion of a QT by the Corporation as defined under the policies of the Policy.

New Media Capital 2.0 Inc.

Notes to Financial Statements

For the Year Ended March 31, 2024 and 2023

6. Financial risk management objectives and policies, continued

Risk Disclosures and Fair Values

The Corporation's financial instruments, consisting of cash, accounts receivable, loans receivable and accounts payable and accrued liabilities approximate fair value due to the relatively short-term maturity of the instruments.

It is management's opinion that the Corporation is not exposed to significant market, interest, currency or credit risks arising from these financial instruments.

7. Related party transactions

One of the directors of the Corporation is a partner at a law firm representing the Corporation. During the year, the Corporation incurred \$30,091 (2023 - \$66,712) in professional fees and filing fees to the law firm related to formation of the Corporation and share issuance costs. At March 31, 2024 \$nil (2023 - \$1,713) owing to the law firm was recorded in accounts payable and accrued liabilities.

During the year the Corporation paid rent to a company related by way of common management of \$6,300 (2023 - \$nil). At March 31, 2024 \$2,125 owing to the company was included in accounts payable and accrued liabilities.

8. Income taxes

The Corporation has unrecognized deferred tax assets since it cannot currently demonstrate that it is probable that its potential value will be realized. The tax rate of the Corporation is 23% for the years ended March 31, 2024 and 2023. The unrecognized asset is comprised of approximately \$303,528 (2023 - \$228,602) of non-capital loss carry forwards and \$32,718 (2023 - \$50,928) of deductible temporary differences. The non-capital loss carry forwards expire as follows:

2041	\$ 8,500
2042	123,924
2043	96,178
2044	74,926
	\$ 303,528

9. Net loss per common share

The basic and diluted net loss per common share is based on the weighted average number of common shares outstanding as at March 31, 2024 as there are no anti-dilutive shares. Common shares placed in escrow are considered contingently issuable until the Corporation completes a QT and excluded for the purpose of the loss per share calculation.

10. Qualifying transaction

The Corporation entered into a Letter of Intent with Hypersonix Launch Systems (HLS) on January 26, 2022 for the acquisition by the Corporation of all shares of HLS, in consideration for which the Corporation will issue common shares of the Corporation to HLS' shareholders resulting in the reverse take-over of the Corporation. During the prior year, the Board resolved to terminate the agreement, which has expired.

SCHEDULE “B”

MANAGEMENT’S DISCUSSION AND ANALYSIS OF THE COMPANY

NEW MEDIA CAPITAL 2.0 INC.

Management Discussion and Analysis

As at and for the Three and Nine Months ended December 31, 2025

The following is Management's Discussion and Analysis ("MD&A") of the financial results of New Media Capital 2.0 Inc. (the "Company") for the three and nine months ended December 31, 2025. This MD&A should be read in conjunction with the unaudited condensed interim financial statements for the three and nine months ended December 31, 2025 and the audited financial statements for the year ended March 31, 2025 and 2024. The unaudited condensed interim financial statements were prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting. Unless otherwise noted, all financial information is expressed in Canadian dollars. This MD&A is based on information available as of March 2, 2026, 2026 and was reviewed and approved by the board of directors of the Company on March 2, 2026, 2026.

This MD&A, the Company's unaudited condensed interim financial statements, annual audited consolidated financial statements, press releases and other disclosure documents required to be filed by applicable securities laws have been filed in Canada on SEDAR+ at www.sedarplus.ca.

Forward-Looking Information

This MD&A may contain "forward-looking statements" within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, included herein may be forward-looking statements. Generally, forward-looking statements may be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "proposed", "is expected", "budgets", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases, or by the use of words or phrases which state that certain actions, events or results may, could, would, or might occur or be achieved.

These forward-looking statements reflect the Company's current beliefs and are based on information currently available to the Company and on assumptions the Company believes are reasonable. These assumptions include, but are not limited to, demand for the Company's products, meeting budgets and forecasts and future costs and expenses being based on historical costs and expenses, adjusted for inflation. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements. Such risks and other factors may include, but are not limited to: the early stage development of the Company's products; general business, economic, competitive, political and social uncertainties; an un-diversified customer base for the Company's products; competition; delay or failure to receive board or regulatory approvals; changes in legislation affecting the Company; timing and availability of external financing on acceptable terms; conclusions of economic evaluations; and lack of qualified, skilled labor or loss of key individuals.

NEW MEDIA CAPITAL 2.0 INC.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those described in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.

Business Overview

New Media Capital 2.0 Inc. (the "Company") was initially incorporated under the Business Corporations Act (Alberta) on March 12, 2021 and is a Capital Pool Company (CPC).

The principal business of the Company will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT") as defined in the Policy. The Company has not commenced commercial operations and has no assets other than cash and loans receivable. Given the nature of the activities, no separate segmented information is reported. The Company's continuing operations, as intended, are dependent on its ability to secure equity financing with which it intends to identify and evaluate potential acquisitions of businesses, and once identified and evaluated, to negotiate an acquisition thereof or participation therein subject to receipt of regulatory and, if required, shareholders' approval.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Company. These restrictions apply until completion of a QT.

The head office and the registered head office of the Company is located at 8634 – 53 Avenue, Edmonton, AB T6E 5G2.

Results of Operations

For the three and nine months ended December 31, 2025, the Company recorded net and comprehensive loss of \$24,542 and \$79,237, respectively. The net loss and comprehensive loss for this period is mainly due to costs in relation to professional fees related to the announced Asiatel (as defined below) QT and general and administrative expenses offset somewhat by interest income. For the three and nine months ended December 31, 2024, the Company recorded net and comprehensive loss of \$3,955 and \$11,925. The net loss and comprehensive loss for this period is mainly due to costs in relation to general and administration fees offset somewhat by interest income. The increase in professional fees in the 2025 periods compared to 2024 was due to costs related to the announced QT with Asiatel on July 16, 2025.

Additional Disclosure For Venture Issuers Without Significant Revenue

The Company has no revenue as it has no operations. The Company did not incur any expenditures or costs in areas that require additional disclosure for venture issuers without significant revenue.

NEW MEDIA CAPITAL 2.0 INC.

Summary of Quarterly Results

Description	Oct 25 – Dec 25	July 25 – Sept 25	Apr 25 – June 25	Jan 25 – Mar 25	Oct 24 – Dec 24	July 24 – Sept 24	Apr 24 – June 24	Jan 24 – Mar 24
Interest Income	966	1,188	1,247	1,389	1,781	1,903	1,950	3,000
Net (Loss)	(28,144)	(40,002)	(11,091)	(28,072)	(3,415)	(6,799)	(1,711)	(13,437)
Basic and Diluted Net Loss Per Common Share	(\$0.00)	(\$0.01)	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)

The quarterly results of the Company mainly fluctuate as a result of costs relating to public company fees and professional fees.

Outstanding Share Data

The Company is authorized to issue an unlimited number of voting common shares and preferred shares. As at the date of this MD&A, the Company had the following securities issued and outstanding:

Shares: 7,800,000 common shares and NIL preferred shares.

Stock Options: NIL.

Common Share Purchase Warrants: 500,000 warrants exercisable at \$0.10 per warrant with an expiry date of December 21, 2026 (or earlier if a Qualifying Transaction is completed).

Liquidity and Capital Resources

As at December 31, 2025 the Company had cash of \$179,683. The Company had current liabilities of \$10,054 and working capital of \$169,629.

The Company used \$75,432 in operating activities during the nine months ended December 31, 2025 primarily for operating expenses.

The Company generated \$NIL from financial activities for the nine months ended December 31, 2025.

Related Party Transactions

The corporate secretary of the Corporation is a partner at a law firm representing the Corporation. In the three and nine months ended December 31, 2025, the Corporation incurred \$NIL and \$40,885, respectively, in professional fees to the law firm for general legal fees (three and nine months ended December 31, 2024 - \$NIL and \$491, respectively). At December 31, 2025, \$1,006 owing to the law firm was recorded in accounts payable and accrued liabilities (March 31, 2025 - \$NIL).

NEW MEDIA CAPITAL 2.0 INC.

Capital Management

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Company includes equity, comprised of share capital and deficit in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Company. These restrictions apply until completion of a QT by the Company as defined under the policies of the Policy.

Financial Instruments

The Company's financial instruments consist of cash and accounts payable and accrued liabilities

The Company has designated its financial assets and liabilities as follows:

Financial statement item	Original Classification (Measurement) IAS 39	New Classification and measurement
Cash	Fair Value through profit and loss (fair value)	Amortized cost
Accounts payable and accrued liabilities	Other financial liabilities measured at amortized cost	Amortized cost

Risk Disclosures and Fair Values

The Company's financial instruments, consisting of cash and accounts payable and accrued liabilities approximate fair value due to the relatively short-term maturity of the instruments. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

NEW MEDIA CAPITAL 2.0 INC.

Fair Value

The carrying values of accounts payable and accrued liabilities approximate their fair values due to the short-term maturity of these instruments. Management considers that no events have occurred subsequent to the inception of these financing arrangements that would indicate that fair value differs substantially from carrying value.

The following provides an analysis of financial instruments that are measured 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 and liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are not observable for the assets or liabilities, 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 assets or liabilities that are not based on observable market data.

Risk Factors

- The following describes certain risks, events and uncertainties that could affect the Company and that each reader should carefully consider. Please refer to the Company's prospectus dated September 28, 2021 for additional risks, events and uncertainties that could affect the Company.
- External financing may be required to fund the Company's activities primarily through the issuance of New Media Capital shares. There can be no assurance that the Company will be able to obtain adequate financing. The securities of the Company should be considered a highly speculative investment.
- The Company has not generated significant revenues and does not expect to generate significant revenues in the near future. In the event that the Company generates significant revenues in the future, the Company intends to retain its earnings in order to finance further growth. Furthermore, the Company has not paid any dividends in the past and does not expect to pay any dividends in the foreseeable future.

Credit Risk

There are no financial instruments that would potentially subject the Company to concentrations of credit risk.

NEW MEDIA CAPITAL 2.0 INC.

Concentration of credit risk

Concentration of credit risk is the risk that a customer has more than ten percent of the total accounts receivable balance and thus is a higher risk to the business in the event of a default by one of these customers. There are no accounts receivable and as such, there is no credit risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's objective in managing liquidity risk is to ensure that it has sufficient liquidity available to meet its liabilities when due.

At December 31, 2025, the Company had cash of \$179,683 (March 31, 2025 - \$255,115) with which to meet its obligations.

Interest Rate Risk

Interest rate risk is the risk that the fair value or the future cash flows of financial instruments will fluctuate due to changes in interest rates. The Company is not susceptible to interest rate fair value risk on its fixed rate debt at this time.

Capital Management

The Company considers the contributed surplus of \$37,000 (March 31, 2025 - \$37,000), share capital of \$511,948 (March 31, 2025 - \$511,948), as capital. The Company's objectives when managing its capital structure are to provide sufficient capital to maintain its current operations and to continue with the search for a qualifying transaction. The Company has no externally imposed capital restrictions.

The Company's Directors take full responsibility for managing the Company's capital and do so through regular meetings and review of financial information.

The Company's objectives have remained unchanged

Critical Accounting Estimates

The Company's significant accounting estimates are summarized in Note 2 to the audited financial statements for the year ended March 31, 2025.

Significant Accounting Policies

The Company's significant accounting policies are summarized in Note 3 to the audited financial statements for the year ended March 31, 2025.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

NEW MEDIA CAPITAL 2.0 INC.

Future Plans and Outlook

The principal business of the Company remains the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT") as defined in the Policy. The Company has not commenced commercial operations and has no assets other than cash. Given the nature of the activities, no separate segmented information is reported. The Company's continuing operations, as intended, are dependent on its ability to secure equity financing with which it intends to identify and evaluate potential acquisitions of businesses, and once identified and evaluated, to negotiate an acquisition thereof or participation therein subject to receipt of regulatory and, if required, shareholders' approval.

The Company entered into a definitive share exchange agreement dated July 16, 2025 (the "Definitive Agreement") with Asiatel Outsourcing Ltd. ("Asiatel"), a business process outsourcing Company, existing under the laws of the Cayman Islands, specializing in remote staffing and managed operations, located in Metro Manila Philippines, and the shareholders of Asiatel. Pursuant to the Definitive Agreement, the Company has agreed to acquire 100% of the outstanding shares of Asiatel in exchange for post-consolidation shares of the Company (the "Transaction"). The Company will provide additional information on the business of Asiatel, including significant financial information, in a non-offering prospectus to be filed with the TSX Venture Exchange (the "TSXV" or the "Exchange") and the securities regulators in the provinces of Alberta, British Columbia, and Ontario in respect of the Transaction (the "Prospectus"). The preliminary Prospectus, once filed prior to closing of the Transaction, will be available on the Company's SEDAR+ profile on www.sedarplus.ca. Additional information related to the Transaction can be found in the Company's July 18, 2025 press release.

SUBSEQUENT EVENT

On February 17, 2026, The Company announced the closing of the first tranche of its previously announced non-brokered private placement, consisting of the issuance of an aggregate 3,800,000 subscription receipts ("Subscription Receipts") at a price of \$0.20 per Subscription Receipt for gross proceeds of \$760,000 (the "Offering"). The Offering was completed in connection with the previously-announced arm's length Qualifying Transaction (as such term is defined in the policies of the TSX Venture Exchange ("TSXV")) (the "Qualifying Transaction") proposed to be completed by the Company and Asiatel Outsourcing Ltd. ("Asiatel"), further details of which may be found in the Company's news releases dated July 18, 2025 and September 22, 2025.

Each Subscription Receipt entitles the holder to receive, without any further action or additional consideration, one post-consolidation unit (a "Unit") upon the satisfaction, or waiver by the holder, of certain escrow release conditions, including the completion or waiver of all conditions precedent (other than the completion of this private placement) to the completion of the Qualifying Transaction, prior to the escrow termination deadline. Each Unit is comprised of one post-consolidation common share of the Company (a "Share") and one post-consolidation Share purchase warrant (a "Warrant"). Each Warrant entitles the holder to purchase one additional post-consolidation Share of the Company (a "Warrant Share") at a price of \$0.30 per Warrant Share for a period of 18 months from the conversion date, subject to acceleration if the closing price of

NEW MEDIA CAPITAL 2.0 INC.

the common shares of the Company is at or above \$0.45 for ten consecutive days. Pursuant to applicable Canadian securities laws and the policies of the TSXV, all securities to be issued under the Offering will be subject to a four-month hold period ending on June 14, 2026.

In connection with the Offering, the Company agreed to pay \$25,000 in finder's fees upon completion of the Qualifying Transaction.

The Company intends to use the proceeds from the Offering for expansion in the Philippines, IT enhancements and AI alliances, development of niche products, Canadian office expenses, investor relations, costs of the Qualifying Transaction, and general working capital.

In the event that: (i) the escrow release conditions are not satisfied on or prior to the escrow termination deadline or (ii) the Qualifying Transaction is terminated at any time prior to the escrow termination deadline, or (iii) the Company and Asiatel otherwise notify the holders of Subscription Receipts in writing that they do not intend to proceed with the Offering, the proceeds of the Offering will be returned to the holders of Subscription Receipts and the Subscription Receipts will be cancelled.

A company owned by a director of New Media participated in the Offering for aggregate proceeds of \$500,000 and is considered a "related party" of the Company for the purposes of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). Their participation constitutes a "related party transaction" within the meaning of MI 61-101. The Company is relying on the exemptions from the formal valuation requirements contained in section 5.5(b) of MI 61-101 and the minority shareholder approval requirements contained in section 5.7(1)(b) of MI 61-101, as the Company is not listed on specified markets and the fair market value of the Subscription Receipts issued, and the consideration to be paid by the related party, did not exceed \$2.5 million. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the Offering due to the Company's desire to close the Offering expeditiously.

NEW MEDIA CAPITAL 2.0 INC.

Management Discussion and Analysis

As at and for the Three Months and Year Ended March 31, 2025

The following is Management's Discussion and Analysis ("MD&A") of the financial results of New Media Capital 2.0 Inc. (the "Company") for the three months and year ended March 31, 2025. This MD&A should be read in conjunction with the audited financial statements for the year ended March 31, 2025 and 2024. The financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS"). Unless otherwise noted, all financial information is expressed in Canadian dollars. This MD&A is based on information available as of May 25, 2025 and was reviewed and approved by the board of directors of the Company on June 30, 2025.

This MD&A, the Company's annual audited consolidated financial statements, press releases and other disclosure documents required to be filed by applicable securities laws have been filed in Canada on SEDAR+ at www.sedarplus.ca.

Forward-Looking Information

This MD&A may contain "forward-looking statements" within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, included herein may be forward-looking statements. Generally, forward-looking statements may be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "proposed", "is expected", "budgets", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases, or by the use of words or phrases which state that certain actions, events or results may, could, would, or might occur or be achieved.

These forward-looking statements reflect the Company's current beliefs and are based on information currently available to the Company and on assumptions the Company believes are reasonable. These assumptions include, but are not limited to, demand for the Company's products, meeting budgets and forecasts and future costs and expenses being based on historical costs and expenses, adjusted for inflation. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements. Such risks and other factors may include, but are not limited to: the early stage development of the Company's products; general business, economic, competitive, political and social uncertainties; an un-diversified customer base for the Company's products; competition; delay or failure to receive board or regulatory approvals; changes in legislation affecting the Company; timing and availability of external financing on acceptable terms; conclusions of economic evaluations; and lack of qualified, skilled labor or loss of key individuals.

NEW MEDIA CAPITAL 2.0 INC.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those described in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.

Business Overview

New Media Capital 2.0 Inc. (the "Corporation") was initially incorporated under the Business Corporations Act (Alberta) on March 12, 2021 and is a Capital Pool Company (CPC).

The principal business of the Corporation will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT") as defined in the Policy. The Corporation has not commenced commercial operations and has no assets other than cash and loans receivable. Given the nature of the activities, no separate segmented information is reported. The Corporation's continuing operations, as intended, are dependent on its ability to secure equity financing with which it intends to identify and evaluate potential acquisitions of businesses, and once identified and evaluated, to negotiate an acquisition thereof or participation therein subject to receipt of regulatory and, if required, shareholders' approval.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Corporation. These restrictions apply until completion of a QT.

The head office and the registered head office of the Corporation is located at 8634 – 53 Avenue, Edmonton, AB T6E 5G2.

Selected Annual Information

The following table details the company's previous three years performance (in Canadian dollars) based on audited financial results prepared in accordance with International Financial Reporting Standards.

	2023	2024	2025
Total Revenue	\$ Nil	\$ Nil	\$ Nil
Net Loss	\$ (88,968)	\$ (56,716)	\$ (32,974)
Basic and Diluted Net Loss per Common Share	\$ (0.02)	\$ (0.01)	\$ (0.01)
Total Assets	\$ 351,852	\$ 292,140	\$ 257,620
Total Long Term Financial Liabilities	\$ Nil	\$ Nil	\$ Nil

NEW MEDIA CAPITAL 2.0 INC.

Results of Operations

For the three months and year ended March 31, 2025, the Company recorded net and comprehensive loss of \$1,512 and \$32,974, respectively. The net loss and comprehensive loss for this period is mainly due to costs in relation to professional fees and public company costs offset somewhat by net interest earned. For the three months and year ended March 31, 2024, the Company recorded net and comprehensive loss of \$13,437 and \$56,716, respectively. The net loss and comprehensive loss for this period is mainly due to costs in relation to professional fees and filing fees.

Additional Disclosure For Venture Issuers Without Significant Revenue

The Company has no revenue as it has no operations. The Company did not incur any expenditures or costs in areas that require additional disclosure for venture issuers without significant revenue.

Summary of Quarterly Results

Description	Jan 25 – Mar 25	Oct 24 – Dec 24	July 24 – Sept 24	Apr 24 – June 24	Jan 24 – Mar 24	Oct 23 – Dec 23	July 23 – Sept 23	Apr 23 – June 23
Interest Income	1,389	1,781	1,903	1,950	3,000	2,156	2,246	Nil
Net (Loss)	(27,532)	(3,955)	(6,799)	(1,711)	(13,437)	(24,811)	(11,892)	(6,576)
Basic and Diluted Net Loss Per Common Share	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)

The quarterly results of the Company mainly fluctuate as a result of costs relating to public company fees and professional fees.

Outstanding Share Data

The Company is authorized to issue an unlimited number of voting common shares and preferred shares. As at the date of this MD&A, the Company had the following securities issued and outstanding:

Shares: 7,800,000 common shares and NIL preferred shares.

Stock Options: NIL.

Common Share Purchase Warrants: 500,000 warrants exercisable at \$0.10 per warrant with an expiry date of December 21, 2026 (or earlier if a Qualifying Transaction is completed).

NEW MEDIA CAPITAL 2.0 INC.

Liquidity and Capital Resources

As at March 31, 2025 the Company had cash of \$257,620. The Company had current liabilities of \$8,754 and working capital of \$248,866.

The Company used \$34,520 in operating activities during the year ended March 31, 2025 primarily for operating expenses.

The Corporation generated \$7,023 from financial activities for the year ended March 31, 2025 from bank interest earned.

Related Party Transactions

One of the directors of the Corporation is a partner at a law firm representing the Corporation. During the year, the Corporation incurred \$16,806 (2024 - \$30,091) in professional fees and filing fees to the law firm related to formation of the Corporation and share issuance costs. At March 31, 2025 \$8,754 (2024 - \$Nil) owing to the law firm was recorded in accounts payable and accrued liabilities.

During the year the Corporation paid rent to a company related by way of common management of \$10,500 (2024 - \$6,300). At March 31, 2025, \$Nil was owing to the company and was included in accounts payable and accrued liabilities.

Capital Management

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Company includes equity, comprised of share capital and deficit in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Company. These restrictions apply until completion of a QT by the Company as defined under the policies of the Policy.

Financial Instruments

The Company's financial instruments consist of cash and accounts payable and accrued liabilities

The Company has designated its financial assets and liabilities as follows:

NEW MEDIA CAPITAL 2.0 INC.

Financial statement item	Original Classification (Measurement) IAS 39	New Classification and measurement
Cash	Fair Value through profit and loss (fair value)	Amortized cost
Accounts payable and accrued liabilities	Other financial liabilities measured at amortized cost	Amortized cost

Risk Disclosures and Fair Values

The Company's financial instruments, consisting of cash and accounts payable and accrued liabilities approximate fair value due to the relatively short-term maturity of the instruments. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Fair Value

The carrying values of accounts payable and accrued liabilities approximate their fair values due to the short-term maturity of these instruments. Management considers that no events have occurred subsequent to the inception of these financing arrangements that would indicate that fair value differs substantially from carrying value.

The following provides an analysis of financial instruments that are measured 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 and liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are not observable for the assets or liabilities, 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 assets or liabilities that are not based on observable market data.

Risk Factors

- The following describes certain risks, events and uncertainties that could affect the Company and that each reader should carefully consider. Please refer to the Company's prospectus dated September 28, 2021 for additional risks, events and uncertainties that could affect the Company.

NEW MEDIA CAPITAL 2.0 INC.

- External financing may be required to fund the Company's activities primarily through the issuance of New Media Capital shares. There can be no assurance that the Company will be able to obtain adequate financing. The securities of the Company should be considered a highly speculative investment.
- The Company has not generated significant revenues and does not expect to generate significant revenues in the near future. In the event that the Company generates significant revenues in the future, the Company intends to retain its earnings in order to finance further growth. Furthermore, the Company has not paid any dividends in the past and does not expect to pay any dividends in the foreseeable future.

Credit Risk

There are no financial instruments that would potentially subject the Company to concentrations of credit risk.

Concentration of credit risk

Concentration of credit risk is the risk that a customer has more than ten percent of the total accounts receivable balance and thus is a higher risk to the business in the event of a default by one of these customers. There are no accounts receivable and as such, there is no credit risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's objective in managing liquidity risk is to ensure that it has sufficient liquidity available to meet its liabilities when due.

At March 31, 2025, the Company had cash of \$257,620 (2024 - \$290,685) with which to meet its obligations.

Interest Rate Risk

Interest rate risk is the risk that the fair value or the future cash flows of financial instruments will fluctuate due to changes in interest rates. The Company is not susceptible to interest rate fair value risk on its fixed rate debt at this time.

Capital Management

The Company considers the contributed surplus of \$37,000 (March 31, 2024 - \$37,000), share capital of \$511,948 (March 31, 2024 - \$511,948), as capital. The Company's objectives when managing its capital structure are to provide sufficient capital to maintain its current operations and to continue with the search for a qualifying transaction. The Company has no externally imposed capital restrictions.

The Company's Directors take full responsibility for managing the Company's capital and do so through regular meetings and review of financial information.

NEW MEDIA CAPITAL 2.0 INC.

The Company's objectives have remained unchanged

Critical Accounting Estimates

The Company's significant accounting estimates are summarized in Note 2 to the audited financial statements for the year ended March 31, 2025.

Significant Accounting Policies

The Company's significant accounting policies are summarized in Note 3 to the audited financial statements for the year ended March 31, 2025.

Off-Balance Sheet Arrangements

The Corporation has no off-balance sheet arrangements.

Future Plans and Outlook

The principal business of the Company remains the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT") as defined in the Policy. The Company has not commenced commercial operations and has no assets other than cash. Given the nature of the activities, no separate segmented information is reported. The Company's continuing operations, as intended, are dependent on its ability to secure equity financing with which it intends to identify and evaluate potential acquisitions of businesses, and once identified and evaluated, to negotiate an acquisition thereof or participation therein subject to receipt of regulatory and, if required, shareholders' approval.

SCHEDULE “C”

FINANCIAL STATEMENTS OF ATI

Asia Teleservices Inc.

Interim Condensed Financial Statements
As at March 31, 2025
and for the Three-Month Period Ended
March 31, 2025 and 2024
(With Comparative Figures as at
December 31, 2024)

and

Independent Auditor's Report



REPORT ON REVIEW OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

The Stockholders and the Board of Directors
Asia Teleservices Inc.

Introduction

We have reviewed the accompanying interim condensed financial statements of Asia Teleservices, Inc. (the Company), which comprise the interim condensed statement of financial position as at March 31, 2025 and the related interim condensed statements of comprehensive income, changes in equity and cash flows for the three-month period ended March 31, 2025 and explanatory notes. Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standards (IAS) 34, *Interim Financial Reporting*. Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with IAS 34.

SYCIP GORRES VELAYO & CO.

Raphael Erickson M. de Leon

Raphael Erickson M. de Leon

Partner

CPA Certificate No. 0121325

Tax Identification No. 255-493-996

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-162-2025, January 8, 2025, valid until January 7, 2028

PTR No. 10465292, January 2, 2025, Makati City

October 1, 2025



ASIA TELESERVICES INC.**INTERIM CONDENSED STATEMENTS OF FINANCIAL POSITION**

	March 31, 2025	December 31, 2024
ASSETS		
Current Assets		
Cash (Note 4)	₱7,754,922	₱5,633,781
Trade and other receivables (Notes 5 and 8)	14,209,958	12,899,646
Other current assets	307,201	661,717
Total Current Assets	22,272,081	19,195,144
Noncurrent Assets		
Property and equipment (Note 6)	4,972,892	4,157,293
Refundable deposits (Note 14)	2,425,944	2,425,944
Deferred income tax asset (Note 15)	855,719	1,077,604
Total Noncurrent Assets	8,254,555	7,660,841
TOTAL ASSETS	₱30,526,636	₱26,855,985
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables (Note 7)	₱5,250,706	₱3,441,363
Due to a related party (Note 8)	2,126,653	924,721
Income tax payable	841,780	622,069
Total Current Liabilities	8,219,139	4,988,153
Noncurrent Liability		
Net retirement liability (Note 13)	4,447,010	5,334,552
Total Liabilities	12,666,149	10,322,705
Equity		
Capital stock (Note 9)	7,100,000	7,100,000
Other comprehensive losses (Note 13)	(4,174,358)	(4,165,885)
Retained earnings	14,934,845	13,599,165
Total Equity	17,860,487	16,533,280
TOTAL LIABILITIES AND EQUITY	₱30,526,636	₱26,855,985

See accompanying Notes to Interim Condensed Financial Statements.



ASIA TELESERVICES INC.**INTERIM CONDENSED STATEMENTS OF COMPREHENSIVE INCOME**

	Three-Month Period Ended March 31	
	2025	2024
SERVICE REVENUES (Note 10)	₱70,015,307	₱33,220,856
COST OF SERVICES (Note 11)	(63,819,263)	(27,709,549)
GROSS INCOME	6,196,044	5,511,307
GENERAL AND ADMINISTRATIVE EXPENSES (Note 12)	(4,418,361)	(3,286,368)
INTEREST INCOME (Note 4)	3,023	827
INCOME BEFORE INCOME TAX	1,780,706	2,225,766
PROVISION FOR INCOME TAX (Note 15)		
Current	220,316	327,835
Deferred	224,710	228,564
	445,026	556,399
NET INCOME	1,335,680	1,669,397
OTHER COMPREHENSIVE LOSS		
<i>Item not to be reclassified to profit or loss in subsequent periods:</i>		
Remeasurement loss on net retirement liabilities (Note 13)	(11,297)	(140,223)
Income tax effect (Note 15)	2,824	35,056
	(8,473)	(105,167)
TOTAL COMPREHENSIVE INCOME	₱1,327,207	₱1,564,230

See accompanying Notes to Interim Condensed Financial Statements.



ASIA TELESERVICES INC.**INTERIM CONDENSED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2025 AND 2024**

	Capital Stock (Note 9)	Other Comprehensive Losses (Note 13)	Retained Earnings	Total
BALANCES AT DECEMBER 31, 2024	₱7,100,000	(₱4,165,885)	₱13,599,165	(₱16,533,280)
Net income for the year	—	—	1,335,680	1,335,680
Other comprehensive loss for the year	—	(8,473)	—	(8,473)
Total comprehensive income (loss)	—	(8,473)	1,335,680	1,327,207
BALANCES AT MARCH 31, 2025	₱7,100,000	(₱4,174,358)	₱14,934,845	₱17,860,487
BALANCES AT DECEMBER 31, 2023	₱7,100,000	(₱3,745,216)	₱8,330,109	₱11,684,893
Net income for the year	—	—	1,669,397	1,669,397
Other comprehensive loss for the year	—	(105,167)	—	(105,167)
Total comprehensive income (loss)	—	(105,167)	1,669,397	1,564,230
BALANCES AT MARCH 31, 2024	₱7,100,000	(₱3,850,383)	₱9,999,506	₱13,249,123

See accompanying Notes to Interim Condensed Financial Statements.



ASIA TELESERVICES INC.**INTERIM CONDENSED STATEMENTS OF CASH FLOWS**

	Three-Month Period Ended	
	March 31	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	₱1,780,706	₱2,225,766
Adjustments for:		
Depreciation (Notes 11 and 12)	236,335	168,534
Interest income (Note 4)	(3,023)	(827)
Retirement expense (Note 13)	204,496	189,081
Operating income before working capital changes	2,218,514	2,582,554
Decrease (increase) in:		
Trade and other receivables	(1,310,312)	(253,873)
Other current assets	354,515	(791,770)
Increase (decrease) in trade and other payables	1,809,342	(569,719)
Cash generated from operations	3,072,059	967,192
Interest received	3,023	827
Contributions to plan assets (Note 13)	(1,103,335)	(1,103,335)
Income taxes paid, including final and creditable withholding taxes	(605)	(165)
Net cash flows from (used in) operating activities	1,971,142	(135,481)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of property and equipment (Note 6)	(1,051,933)	(411,749)
Payment of refundable deposit	—	(169,265)
Cash used in investing activities	(1,051,933)	(581,014)
CASH FLOWS FROM A FINANCING ACTIVITY		
Availment of loans from a related party (Note 8)	1,201,932	—
NET INCREASE (DECREASE) IN CASH	2,121,141	(716,495)
CASH AT JANUARY 1	5,633,781	5,225,729
CASH AT MARCH 31 (Note 4)	₱7,754,922	₱4,509,234

See accompanying Notes to Interim Condensed Financial Statements.



ASIA TELESERVICES INC.

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS

1. Corporate Information and Authorization for the Issuance of the Interim Condensed Financial Statements

Corporate Information

Asia Teleservices Inc. (the Company) was incorporated and registered with the Securities and Exchange Commission on July 6, 2006. The Company's primary purpose is to engage in the business of providing services to the enterprise market in the form of products and services information dissemination, delivery of outsourcing solutions for customer relationship management and initiative, and such other support services connected therewith, through the use of telephone, computer reservations systems, and information technology systems. The Company is a wholly owned subsidiary of Asia Telecom Holdings Limited (ATHL), an entity incorporated in Seychelles.

On February 17, 2025, ATHL entered into a sale agreement with Asiatel Outsourcing Ltd. (AOL), an entity incorporated in Cayman Islands, to sell its 99.99% shares in the Company. Consequently, the Company became a wholly owned subsidiary of AOL.

The Company's registered office address is Units 1703, 1907-1910, Hanston Square, San Miguel Avenue, Ortigas Center, San Antonio, Pasig City.

Authorization for the Issuance of the Financial Statements

The interim condensed financial statements as at and for the three months ended March 31, 2025 were approved and authorized for issuance by the Company's Board of Directors (BOD) on October 1, 2025.

2. Basis of Preparation and Changes in Accounting Policies

Basis of Preparation

The financial statements of the Company have been prepared on a historical cost basis. The financial statements are presented in Philippine peso, which is the Company's functional and presentation currency. Amounts are rounded to the nearest peso unless otherwise indicated.

The interim condensed financial statements for the three months ended March 31, 2025 have been prepared in accordance with International Accounting Standards (IAS) 34, *Interim Financial Reporting*. The Company has prepared the interim condensed financial statements on the basis that it will continue to operate as a going concern. The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's financial statements as at December 31, 2024.

Changes in Accounting Policies

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company's financial statements as at and for the year ended December 31, 2024, except for the adoption of new standards effective as of January 1, 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Effective beginning on or after January 1, 2025

- IFRS 17, *Insurance Contracts*
- Amendments to IAS 21, *Lack of exchangeability*

The above amendments did not have an impact on the Company's financial statements.



3. Significant Judgments, Accounting Estimates and Assumptions

The preparation of the Company's interim condensed financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Accounting judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations, which has the most significant effect on the amounts recognized in the financial statements.

Impairment of property and equipment

The Company assessed that there are no impairment indicators for property and equipment as of March 31, 2025 that would trigger an impairment review (see Note 6).

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Estimation of allowance for expected credit loss (ECL)

No provision for ECL was recognized for the three months ended March 31, 2025 (see Note 5).

Estimation of useful lives of property and equipment

Based on management's assessment as at March 31, 2025, there is no change in the estimated useful lives of property and equipment. Actual result, however, may vary due to changes in estimates brought about by changes in factors mentioned above. The carrying values of property and equipment amounted to ₱5.0 million and ₱4.2 million as at March 31, 2025 and December 31, 2024, respectively.

Estimation of retirement benefits

The cost of the defined benefit pension plan and the present value of the pension obligation are determined using actuarial valuations. All assumptions are reviewed at each reporting date. Net retirement liabilities amounted to ₱4.4 million and ₱5.3 million as of March 31, 2025 and December 31, 2024, respectively (see Note 13).

Recognition of deferred income tax assets

The Company reviews the carrying amounts of deferred income tax assets at the end of each reporting period and adjusts the balance of deferred income tax assets to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred income tax assets to be utilized. Deferred income tax assets recognized by the Company amounted to ₱0.9 million and ₱1.1 million as of March 31, 2025 and December 31, 2024, respectively (see Note 15).



4. Cash

This account consists of the following:

	March 31, 2025	December 31, 2024
Cash in banks	₱7,744,922	₱5,623,781
Cash on hand	10,000	10,000
	₱7,754,922	₱5,633,781

Cash in banks earn interest at their respective bank deposit rates. Interest income earned from cash in banks amounted ₱3,023 and ₱827 for the three months period ended March 31, 2025 and 2024, respectively.

5. Trade and Other Receivables

This account consists of the following:

	March 31, 2025	December 31, 2024
Trade receivables		
Related parties (Note 8)	₱12,791,823	₱11,507,014
Third parties	1,219,609	1,099,882
Others	198,526	292,750
	₱14,209,958	₱12,899,646

No provision for ECLs on receivables was recognized for the three months period ended March 31, 2025 and 2024, as the management assessed that the credit exposure on trade receivables is minimal, with collection expected to occur the month following the transaction date.

6. Property and Equipment

During the three months ended March 31, 2025 and 2024, the Company acquired property and equipment with a cost totaling to ₱1.1 million and ₱0.4 million, respectively.

7. Trade and Other Payables

This account consists of the following:

	March 31, 2025	December 31, 2024
Trade payables - third parties	₱—	₱203,885
Refundable deposits	1,513,624	1,299,578
Statutory payables	3,255,429	1,898,252
Accrued expenses	481,653	39,648
	₱5,250,706	₱3,441,363



8. Related Party Transactions

The table below shows the Company's related party transactions and balances:

		Three-Month Period Ended March 31	
		2025	2024
Entity Under Common Control			
Revenues (Note 10)		₱64,606,111	₱28,401,183
Advances for working capital		1,201,932	—
Key Management Personnel			
Short-term benefits		2,731,359	—
	Terms and Conditions	March 31, 2025	December 31, 2024
Entity Under Common Control			
Trade receivables (Note 5)	Unsecured; noninterest bearing; 30-day credit term; to be settled in cash; not impaired	₱12,791,823	₱11,507,014
Due to a related party	Unsecured, noninterest bearing; with no fixed repayment date; and to be settled in cash	(2,126,653)	(924,721)

9. Equity

Details of the Company's capital stock as at March 31, 2025 and December 31, 2024 are as follows:

	Number of shares	Amount
Authorized shares at ₱1 par value	15,000,000	₱15,000,000
Issued and outstanding	7,100,000	₱7,100,000

10. Service Revenues

Disaggregated Revenue Information

Set out below are the disaggregation of the Company's revenue from contracts with customers for the three-month period ended March 31, 2025 and 2024 based on geographical market.

		Three-Month Period Ended March 31	
		2025	2024
Export sales (Note 8)		₱64,606,111	₱28,401,183
Local sales		5,409,196	4,819,673
		₱70,015,307	₱33,220,856



11. Cost of Services

	Three-Month Period Ended March 31	
	2025	2024
Personnel cost (Note 13)	₱61,061,309	₱24,452,447
Rent (Note 14)	698,080	698,080
Communication, light and water	326,359	443,031
Association dues	313,322	313,322
Depreciation (Note 7)	159,656	112,012
Others	1,260,537	1,690,657
	₱63,819,263	₱27,709,549

12. General and Administrative Expenses

	Three-Month Period Ended March 31	
	2025	2024
Personnel cost (Note 13)	₱1,816,142	₱1,398,683
Communication, light and water	550,745	407,994
Rent (Note 14)	471,235	471,235
Medical insurance	453,207	—
Taxes and licenses	281,612	309,206
Association dues	222,720	297,580
Professional fees	87,591	50,000
Depreciation (Note 7)	76,679	56,522
Representation expense	72,046	28,584
Others	386,384	266,564
	₱4,418,361	₱3,286,368

13. Salaries and Retirement Benefits

Salaries

This account consists of the following:

	Three-Month Period Ended March 31	
	2025	2024
Salaries, bonuses and allowances	₱57,447,375	₱23,266,159
Statutory contributions	4,150,546	1,531,483
Retirement benefits	204,496	189,081
Others	1,075,034	864,407
	₱62,877,451	₱25,851,130



Personnel cost as a function of expense follows:

	Three-Month Period Ended March 31	
	2025	2024
Cost of services (Note 11)	₱61,061,309	₱24,452,447
General and administrative (Note 12)	1,816,142	1,398,683
	₱62,877,451	₱25,851,130

Retirement benefits

The tables below summarize the components of the net retirement benefits cost recognized in the interim condensed statements of comprehensive income and the funded status and amounts recognized in the interim condensed statements of financial position.

The net retirement liabilities were derived as follows:

	March 31, 2025	December 31, 2024
Present value of defined benefit obligation	₱6,182,053	₱5,967,868
Fair value of plan assets	(1,735,043)	(633,316)
Net retirement liabilities	₱4,447,010	₱5,334,552

The movements in the net retirement liabilities are as follows:

	March 31, 2025	December 31, 2024
Beginning balance	₱5,334,552	₱5,120,671
Retirement benefits cost	204,496	756,324
Contribution	(1,103,335)	(1,103,335)
Remeasurement losses	11,297	560,892
Ending balance	₱4,447,010	₱5,334,552

14. Lease Commitments

The Company leases its office space from a third party. The lease is renewable on an annual basis upon mutual agreement of both parties. Refundable deposit relating to the lease agreement amounted to ₱2.4 million as of March 31, 2025 and December 31, 2024. Rent expense amounted to ₱1.2 million and for the three months ended March 31, 2025 and 2024 (see Notes 11 and 12).



15. Income Taxes

- a. Provision for income tax consists of the following:

	Three-Month Period Ended March 31	
	2025	2024
Current:		
Regular corporate income tax (RCIT)	₱219,711	₱327,670
Final tax on interest income	605	165
	220,316	327,835
Deferred	224,710	228,564
	₱445,026	₱556,399

- b. The Company's deferred income tax assets on net retirement liability, including remeasurement loss on retirement liability, amounted ₱0.9 million as of June 30, 2025 and ₱1.1 million as of December 31, 2024.

16. Financial Risk Management Objectives and Policies and Fair Values

The Company's principal financial instruments comprise cash, trade receivables and refundable deposits. The Company has various other financial assets and financial liabilities such as trade and other payables and loans to a related party which arise directly from operations.

Financial Risk Management Policy

The main risks arising from the Company's financial instruments are credit risk, and liquidity risk. The policies are summarized as follows:

Credit risk

Credit risk arises because the counterparty may fail to discharge its contractual obligations. As a matter of policy, the Company limits its maximum exposure to credit risk to the amount of carrying value of the instruments. The Company transacts only with related parties and with recognized and creditworthy third parties.

About 90% and 89% of the outstanding receivables as of March 31, 2025 and December 31, 2024, respectively, arise from transactions with ATHL. Such receivables are monitored on continuous basis with the result that the Company's exposure to bad debts is not significant.

For cash in banks, impairment is measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash in banks have low credit risk based on the external credit ratings of the counterparties and any ECL is expected to be immaterial.

The maximum exposure to credit risk of the Company as at the reporting date is equal to the carrying amounts of its financial assets.



Credit quality per class of financial assets

Set out below is the information about the credit risk exposure on the Company's trade receivables as of December 31 using a provision matrix.

As of March 31, 2025:

	0 to 30 Days	31 to 60 Days	61 to 90 Days	Over 90 Days	Total
Expected credit loss rate	0%	0%	0%	0%	
Estimated total gross carrying amount at default	₱14,011,432	₱—	₱—	₱—	₱14,011,432
Expected credit loss	₱—	₱—	₱—	₱—	₱—

As of December 31, 2024:

	0 to 30 Days	31 to 60 Days	61 to 90 Days	Over 90 Days	Total
Expected credit loss rate	0%	0%	0%	0%	
Estimated total gross carrying amount at default	₱12,606,896	₱—	₱—	₱—	₱12,606,896
Expected credit loss	₱—	₱—	₱—	₱—	₱—

Other financial assets at amortized cost

The Company's other financial assets at amortized cost are mostly composed of cash, nontrade receivables and refundable deposits. The Company limits its exposure to credit risk by investing its cash with local financial institutions. Other financial assets at amortized cost are subjected to 12 - month ECL. There are no financial assets that are subjected to lifetime ECL as there has been no significant increase in credit risk since initial recognition.

Liquidity risk

Liquidity risk is the risk that the Company will be unable to settle its obligations when they fall due. The Company manages its liquidity profile to be able to finance its working capital requirements and capital expenditures. Covering its financing requirements, the Company uses internally generated funds.

Carrying Values and Fair Values of Financial Instruments

The methods and assumptions below have been used to estimate the fair value of each class of financial instrument.

Cash, trade and other receivables, refundable deposits and trade and other current payables and due to a related party

Due to the short-term nature of these financial instruments, their fair values approximate the carrying value.



Asia Teleservices Inc.

Financial Statements
December 31, 2024 and 2023

and

Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
Asia Teleservices Inc.

Opinion

We have audited the financial statements of Asia Teleservices Inc. (the Company), which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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



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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

SYCIP GORRES VELAYO & CO.

Raphael Erickson M. de Leon

Raphael Erickson M. de Leon

Partner

CPA Certificate No. 0121325

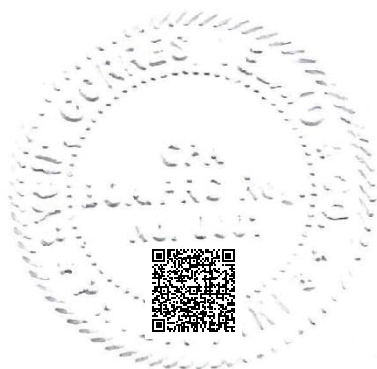
Tax Identification No. 255-493-996

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-162-2025, January 8, 2025, valid until January 7, 2028

PTR No. 10465292, January 2, 2025, Makati City

October 1, 2025



ASIA TELESERVICES INC.**STATEMENTS OF FINANCIAL POSITION**

	December 31, 2024	December 31, 2023 (As restated, Note 2)	January 1, 2023 As restated, Note 2)
ASSETS			
Current Assets			
Cash (Note 5)	₱5,633,781	₱5,225,729	₱1,413,424
Trade and other receivables (Notes 6 and 9)	12,899,646	11,230,440	9,143,129
Other current assets	661,717	133,128	171,684
Total Current Assets	19,195,144	16,589,297	10,728,237
Noncurrent Assets			
Property and equipment (Note 7)	4,157,293	3,156,789	2,570,942
Refundable deposits (Note 15)	2,425,944	2,143,835	2,087,413
Deferred income tax asset (Note 16)	1,077,604	1,024,134	1,350,937
Total Noncurrent Assets	7,660,841	6,324,758	6,009,292
TOTAL ASSETS	₱26,855,985	₱22,914,055	₱16,737,529
LIABILITIES AND EQUITY			
Current Liabilities			
Trade and other payables (Note 8)	₱3,441,363	₱5,183,770	₱3,623,396
Loans payable to a related party (Note 9)	924,721	924,721	6,059,946
Income tax payable	622,069	—	—
Total Current Liabilities	4,988,153	6,108,491	9,683,342
Noncurrent Liability			
Net retirement liability (Note 14)	5,334,552	5,120,671	6,754,686
Total Liabilities	10,322,705	11,229,162	16,438,028
Equity			
Capital stock (Note 10)	7,100,000	7,100,000	1,100,000
Other comprehensive losses (Note 14)	(4,165,885)	(3,745,216)	(5,031,146)
Retained earnings	13,599,165	8,330,109	4,230,647
Total Equity	16,533,280	11,684,893	299,501
TOTAL LIABILITIES AND EQUITY	₱26,855,985	₱22,914,055	₱16,737,529

See accompanying Notes to Financial Statements.



ASIA TELESERVICES INC.**STATEMENTS OF COMPREHENSIVE INCOME**

	Years Ended December 31	
	2024	2023 (As restated, Note 2)
SERVICE REVENUES (Note 11)	₱187,019,813	₱108,445,325
COST OF SERVICES (Note 12)	(164,474,206)	(89,154,253)
GROSS INCOME	22,545,607	19,291,072
GENERAL AND ADMINISTRATIVE EXPENSES (Note 13)	(15,441,398)	(14,167,323)
INTEREST INCOME (Note 5)	7,287	1,889
INCOME BEFORE INCOME TAX	7,111,496	5,125,638
PROVISION FOR INCOME TAX (Note 16)		
Current	1,755,687	1,020,856
Deferred	86,753	5,320
	1,842,440	1,026,176
NET INCOME	5,269,056	4,099,462
OTHER COMPREHENSIVE INCOME (LOSS)		
<i>Item not to be reclassified to profit or loss in subsequent periods:</i>		
Remeasurement gain (loss) on defined benefit obligation (Note 14)	(560,892)	1,607,413
Income tax effect (Note 16)	140,223	(321,483)
	(420,669)	1,285,930
TOTAL COMPREHENSIVE INCOME	₱4,848,387	₱5,385,392

See accompanying Notes to Financial Statements.



ASIA TELESERVICES INC.**STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

	Capital Stock (Note 10)	Other Comprehensive Losses (Note 14)	Retained Earnings (Deficit)	Total
BALANCES AT JANUARY 1, 2023 AS PREVIOUSLY REPORTED	₱1,100,000	₱–	(₱417,863)	₱682,137
Effect of transition to IFRS (Note 2)	–	(5,031,146)	4,648,510	(382,636)
BALANCES AT JANUARY 1, 2023, AS RESTATED	1,100,000	(5,031,146)	4,230,647	299,501
Net income for the year	–	–	4,099,462	4,099,462
Other comprehensive income for the year	–	1,285,930	–	1,285,930
Total comprehensive income	–	1,285,930	4,099,462	5,385,392
Issuance of new shares through conversion of debt to equity (Note 10)	6,000,000	–	–	6,000,000
BALANCES AT DECEMBER 31, 2023, AS RESTATED	₱7,100,000	(₱3,745,216)	₱8,330,109	₱11,684,893
BALANCES AT DECEMBER 31, 2023, AS PREVIOUSLY REPORTED	₱7,100,000	₱–	₱3,566,005	₱10,666,005
Effect of transition to IFRS (Note 2)	–	(3,745,216)	4,764,104	1,018,888
BALANCES AT DECEMBER 31, 2023, AS RESTATED	7,100,000	(3,745,216)	8,330,109	11,684,893
Net income for the year	–	–	5,269,056	5,269,056
Other comprehensive loss for the year	–	(420,669)	–	(420,669)
Total comprehensive income (loss)	–	(420,669)	5,269,056	4,848,387
BALANCES AT DECEMBER 31, 2024	₱7,100,000	(₱4,165,885)	₱13,599,165	₱16,533,280

See accompanying Notes to Financial Statements.

ASIA TELESERVICES INC.
STATEMENTS OF CASH FLOWS

	Years Ended December 31	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	₱7,111,496	₱5,125,638
Adjustments for:		
Depreciation (Note 7)	674,138	608,615
Interest income (Note 5)	(7,287)	(1,889)
Retirement expense (Note 14)	756,324	1,076,733
Operating income before working capital changes	8,534,671	6,809,097
Increase in:		
Trade and other receivables	(1,669,206)	(2,087,311)
Other current assets	(653,317)	(17,828)
Refundable deposits	(282,109)	(56,422)
Increase (decrease) in trade and other payables	(1,742,407)	1,559,996
Cash generated from operations	4,187,632	6,207,532
Interest received	7,287	1,889
Contributions to plan assets (Note 14)	(1,103,335)	(1,103,335)
Income taxes paid, including final and creditable withholding taxes	(1,008,890)	(964,094)
Net cash flows from operating activities	2,082,694	4,141,992
CASH FLOWS FROM AN INVESTING ACTIVITY		
Acquisitions of property and equipment (Note 7)	(1,674,642)	(1,194,462)
CASH FLOWS FROM A FINANCING ACTIVITY		
Availment of loans from a related party (Note 9)	–	864,775
NET INCREASE IN CASH	408,052	3,812,305
CASH AT BEGINNING OF YEAR	5,225,729	1,413,424
CASH AT END OF YEAR (Note 5)	₱5,633,781	₱5,225,729

See accompanying Notes to Financial Statements.



ASIA TELESERVICES INC.

NOTES TO FINANCIAL STATEMENTS

1. Corporate Information and Authorization for the Issuance of the Financial Statements

Corporate Information

Asia Teleservices Inc. (the Company) was incorporated and registered with the Securities and Exchange Commission on July 6, 2006. The Company's primary purpose is to engage in the business of providing services to the enterprise market in the form of products and services information dissemination, delivery of outsourcing solutions for customer relationship management and initiative, and such other support services connected therewith, through the use of telephone, computer reservations systems, and information technology systems. The Company is a wholly owned subsidiary of Asia Telecom Holdings Limited (ATHL), an entity incorporated in Seychelles.

On February 17, 2025, ATHL entered into a sale agreement with Asiatel Outsourcing Ltd. (AOL), an entity incorporated in Cayman Islands, to sell its 99.99% shares in the Company. Consequently, the Company became a wholly owned subsidiary of AOL.

The Company's registered office address is Units 1703, 1907-1910, Hanston Square, San Miguel Avenue, Ortigas Center, San Antonio, Pasig City.

Authorization for the Issuance of the Financial Statements

The financial statements as at December 31, 2024 and 2023 and for the years then ended were approved and authorized for issuance by the Company's Board of Directors (BOD) on October 1, 2025.

2. Basis of Preparation and Statement of Compliance

Basis of Preparation

The financial statements of the Company have been prepared on a historical cost basis. The financial statements are presented in Philippine Peso, which is the Company's functional and presentation currency. Amounts are rounded to the nearest Peso unless otherwise indicated.

Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) Accounting Standards.

Transition from Philippine Financial Reporting Standards (PFRS) for Small Entities ("SEs") Accounting Standard to IFRS Accounting Standards

The financial statements as of and for the year ended December 31, 2024 are the Company's first financial statements prepared in accordance with IFRS Accounting Standards. The Company's date of transition to IFRS Accounting Standards is January 1, 2024. Prior to December 31, 2023, the Company prepared its financial statements in accordance with PFRS for SEs Accounting Standard.

In 2024, the Company, as a small entity, availed the exemption of adopting PFRS for SEs Accounting Standard and opted to prepare its financial statements in compliance with IFRS Accounting Standards as the Company meets the exemption criteria of being a subsidiary of a foreign parent company which prepares financial statements in accordance with the International Financial Reporting Standards (IFRS) Accounting Standards.



The transition from PFRS for SEs Accounting Standard to IFRS Accounting Standards resulted in certain changes to the Company's previous accounting and financial reporting policies. This required more extensive disclosures, specifically on financial instruments, financial risk management objectives and policies and capital management, which have been provided in Note 17.

Adoption of New Accounting Standards

The Company applied IFRS 1, *First-time Adoption of International Financial Reporting Standards*, in preparing its financial statements, with January 1, 2023 as the date of transition. The adoption of IFRS resulted in certain changes to the Company's previous accounting policies. The comparative figures for the 2023 financial statements were restated to reflect these changes in policies.

The reconciliation of the effects of adopting these new and revised accounting standards as they apply equity as of January 1, 2023 and December 31, 2023 and on net income for the year ended December 31, 2023 are set out below:

Statements of Financial Position

	At January 1, 2023 (Date of transition)			At December 31, 2023 (End of last period presented under previous GAAP)		
	Under PFRS for SEs	Effect of Transition to IFRS	Under IFRS	Under PFRS for SEs	Effect of Transition to IFRS	Under IFRS
ASSETS						
Cash	P1,413,424	P	P1,413,424	P5,225,729	P	P5,225,729
Trade and other receivables	9,143,129	—	9,143,129	11,230,440	—	11,230,440
Other current assets	171,684	—	171,684	133,128	—	133,128
Property and equipment	2,570,942	—	2,570,942	3,156,789	—	3,156,789
Refundable deposits	2,087,413	—	2,087,413	2,143,835	—	2,143,835
Deferred income tax asset	—	1,350,937	1,350,937	—	1,024,134	1,024,134
TOTAL ASSETS	P15,386,592	P1,350,937	P16,737,529	P21,889,921	P1,024,134	P22,914,055
LIABILITIES AND STOCKHOLDERS' EQUITY						
Liabilities						
Trade and other payables	P3,623,396	P—	P3,623,396	P5,183,770	P—	P5,183,770
Loans payable to related party	6,059,946	—	6,059,946	924,721	—	924,721
Net retirement liability	5,021,113	1,733,573	6,754,686	5,115,425	5,246	5,120,671
Total Liabilities	14,704,455	1,733,573	16,438,028	11,223,916	5,246	11,229,162
Equity						
Capital stock	1,100,000	—	1,100,000	7,100,000	—	7,100,000
Remeasurement loss on defined benefit obligation, net of tax	—	(5,031,146)	(5,031,146)	—	(3,745,216)	(3,745,216)
Retained earnings (deficit)	(417,863)	4,648,510	4,230,647	3,566,005	4,764,104	8,330,109
Equity	682,137	(382,636)	299,501	10,666,005	1,018,888	11,684,893
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	P15,386,592	P1,350,937	P16,737,529	P21,889,921	P1,024,134	P22,914,055

Statement of Comprehensive Income for the year ended December 31, 2023

	Under PFRS for SEs	Effect of Transition to IFRS	Under IFRS
Service revenues	P108,445,325	P—	P108,445,325
Cost of services	(89,263,075)	108,822	(89,154,253)
Gross profit	19,182,250	108,822	19,291,072
General and administrative expense	(14,179,415)	12,092	(14,167,323)
Interest income	1,889	—	1,889
Income before income tax	5,004,724	120,914	5,125,638
Provision for income tax	1,020,856	5,320	1,026,176
Net income	3,983,868	115,594	4,099,462
Other comprehensive income	—	1,285,930	1,285,930
Total comprehensive income	P3,983,868	P1,401,524	P5,385,392



The transition resulted in adjustments to the retirement benefit obligation and related costs due to the adoption of the projected unit credit method in calculating retirement benefits. Furthermore, actuarial gains and losses were recognized in other comprehensive income. The transition to IFRS Accounting Standards did not have an impact on the Company's cash flows from operating, investing and financing activities.

Changes in Accounting Policies

Standards Issued but not yet Effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Effective beginning on or after January 1, 2025

- IFRS 17, *Insurance Contracts*
- Amendments to IAS 21, *Lack of exchangeability*

Effective beginning on or after January 1, 2026

- Amendments to IFRS 9 and IFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to IFRS Accounting Standards-Volume 11
 - Amendments to IFRS 1, *Hedge Accounting by a First-time Adopter*
 - Amendments to IFRS 7, *Gain or Loss on Derecognition*
 - Amendments to IFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
 - Amendments to IFRS 10, *Determination of a 'De Facto Agent'*
 - Amendments to IAS 7, *Cost Method*

Effective beginning on or after January 1, 2027

- IFRS 18, *Presentation and Disclosure in Financial Statements*

In April 2024, the IASB issued IFRS 18, which replaces IAS 1, *Presentation of Financial Statements*. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7, *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after January 1, 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.



- IFRS 19, *Subsidiaries without Public Accountability*

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

As the Company's equity instruments are not publicly traded, it is eligible to elect to apply IFRS 19.

The Company continues to assess the impact of the above amended accounting standards effective subsequent to December 31, 2024 on the financial statements in the period of initial application. Additional disclosures required by these amended accounting standards will be included in the financial statements when these amendments are adopted.

3. Material Accounting Policy Information

The material accounting policy information that have been used in the preparation of these financial statements are summarized below.

Fair Value Measurement

The Company measures financial instruments and non-financial assets at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

Financial Instruments

Initial recognition of financial instruments

Financial instruments are recognized initially at fair value, which is the fair value of the consideration given (in case of an asset) or received (in case of a liability). Trade receivables are measured at the transaction price determined under IFRS 15, *Revenue from Contracts with Customers*.

Financial assets at amortized cost (Debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and,



- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Company's financial assets at amortized cost include cash, trade and other receivables and refundable deposits.

Impairment of financial assets

For receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

After initial recognition, these financial liabilities are carried at amortized cost taking into account the impact of applying the effective interest method of amortization (or accretion) for any related premium, discount and any directly attributable transaction cost. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

The Company's financial liabilities include trade and other payables and loans payable to a related party.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. The Company assesses that it has a currently enforceable right of offset if the right is



not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Company and all of its counterparties.

Property, and Equipment

Property and equipment are carried at cost less accumulated depreciation and any impairment in value.

Depreciation which commences when the asset is available for use, is computed on the straight-line basis over the estimated useful lives of the assets:

	Number of Years
Furniture and fixtures	5
Computer equipment	5
Leasehold improvements	5 or the term of lease, whichever is shorter

Impairment of property and equipment

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying values may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets or cash-generating units are written down to their recoverable amounts. The recoverable amount of the assets is the higher of net selling price and value in use.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Any impairment losses are recognized in profit or loss.

Equity

Capital stock is measured at par value for all shares issued. Any amount received by the Company in excess of par value of its shares is credited to additional paid-in capital. Incremental costs directly attributable to the issuance of new shares are shown in equity as a deduction from proceeds, net of tax.

Retained earnings (deficit) represent the cumulative balance of net income or loss, net of any dividend declaration, and effect of any changes in accounting policies. When the retained earnings account has a debit balance, it is called "deficit". A deficit is not an asset but a deduction from equity.

Dividend distributions. Dividends are recognized as a liability and deducted from retained earnings when approved by the BOD of the Company.

Revenues from Contracts with Customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in all of its revenue arrangements.

Service revenue. Service revenue is recognized over time because customers simultaneously receive and consume the benefits provided by the Company. The Company elects the practical expedient to recognize revenue based on amounts invoiced to the customers since this method of measuring progress best depicts the performance provided.



Costs and Expenses

Costs and expenses are recognized in profit or loss when a decrease in future economic benefit related to a decrease in an asset or an increase in a liability, other than distributions to equity participants, has arisen that can be measured reliably. These constitute expenses incurred in rendering the services and administering the business, and are expensed as incurred.

Retirement Benefits

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling.

The obligation and cost of providing benefits under the defined benefit plans is actuarially determined by professionally qualified independent actuary using the projected unit credit method. Actuarial valuations are made with sufficient regularity that the amounts recognized in the financial statements do not differ materially from the amounts that would be determined at the end of the reporting period.

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated annually by an independent qualified actuary.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income (OCI) in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund. Plan assets are not available to the creditors of the Company, nor can they be paid directly to the Company. Fair value of plan assets is based on market price information.

Leases

The Company applies the short-term lease recognition exemption to its short-term leases of office space (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

Taxes

Income taxes

The Company uses the taxes payable method for accounting its income taxes. Under the taxes payable method, the Company shall recognize a current tax liability for tax payable on taxable profit for the



current and past periods. If the amount paid for the current and past periods exceeds the amount payable for those periods, the Company shall recognize the excess as “Prepaid income tax”.

The Company shall measure its current tax liabilities (assets) using the tax rates and laws that have been enacted or substantively enacted by the reporting date. The Company shall regard tax rates as substantively enacted when future events required by the enactment process historically have not affected the outcome and are unlikely to do so.

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred income tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred income tax asset to be recovered.

Value-added tax (VAT)

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the statement of financial position to the extent of the recoverable amount.

The net amount of VAT recoverable from or payable to, the taxation authority is included as part of “Other current assets” or “Trade and other payables” in the statement of financial position.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense in profit or loss.

Contingencies

Contingent liabilities are not recognized in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but disclosed when an outflow of economic benefits is probable. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in profit or loss.



Events after the Reporting Date

Post year-end events that provide additional information about the Company's position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to financial statements when material.

4. Significant Judgments, Accounting Estimates and Assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Accounting judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations, which has the most significant effect on the amounts recognized in the financial statements.

Impairment of property and equipment

The Company assesses impairment on its nonfinancial assets, such as property and equipment, whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The factors that the Company considers important which may trigger an impairment review include significant underperformance relative to expected historical or projected future operating results and significant changes in the manner of use of the acquired assets or the strategy of the overall business.

The Company assessed that there are no impairment indicators for property and equipment as of December 31, 2024 and 2023 that would trigger an impairment review (see Note 7).

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Estimation of allowance for expected credit loss (ECL)

The Company uses the ECL model in estimating the level of allowance which includes forecasts of future events and conditions. A credit loss is measured as the present value of all cash shortfalls (the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). The model represents a probability-weighted estimate of the difference over the remaining life of the receivables. The maturity of the Company's receivables is less than one year so the lifetime ECL and the 12-month expected credit losses are similar.



Trade and other receivables amounted to ₱12.9 million and ₱11.2 million as at December 31, 2024 and 2023, respectively. No provision for ECL was recognized in 2024 and 2023 (see Note 6).

Estimation of useful lives of property and equipment

The Company estimates the useful lives of property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of assets

Based on management's assessment as at December 31, 2023 and 2024, there is no change in the estimated useful lives of property and equipment. Actual result, however, may vary due to changes in estimates brought about by changes in factors mentioned above. The carrying values of property and equipment amounted to ₱4.2 million and ₱3.2 million as at December 31, 2024 and 2023, respectively (see Note 7).

Estimation of retirement benefits

The cost of the defined benefit pension plan and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include, the determination of the discount rate, future salary increases, among others. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Net retirement liabilities amounted to ₱5.3 million and ₱5.1 million as of December 31, 2024 and 2023, respectively (see Note 14).

Recognition of deferred income tax assets

The Company reviews the carrying amounts of deferred income tax assets at the end of each reporting period and adjusts the balance of deferred income tax assets to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred income tax assets to be utilized. The Company's assessment on the recognition of deferred income tax assets on deductible temporary differences is based on the level and timing of forecasted taxable profits of the subsequent reporting periods. This forecast is based on the Company's past results and future expectations on revenues and expenses as well as future tax planning strategies. However, there is no assurance that the Company will generate sufficient taxable profits to allow all or part of the deferred income tax assets to be utilized.

Deferred income tax assets recognized by the Company amounted to ₱1.1 million and ₱1.0 million as of December 31, 2024 and 2023, respectively (see Note 16).

5. Cash

This account consists of the following:

	2024	2023
Cash in banks	₱5,623,781	₱5,215,729
Cash on hand	10,000	10,000
	<u>₱5,633,781</u>	<u>₱5,225,729</u>

Cash in banks earn interest at their respective bank deposit rates. Interest income earned from cash in banks amounted ₱7,287 and ₱1,889 in 2024 and 2023, respectively.



6. Trade and Other Receivables

This account consists of the following:

	2024	2023
Trade receivables		
Related parties (Note 9)	₱11,507,014	₱11,089,658
Third parties	1,099,882	—
Others	292,750	140,782
	₱12,899,646	₱11,230,440

Trade receivables are collectible in cash, unsecured and non-interest bearing.

Others mainly comprise of advances to officers and employees. These are non-interest bearing and are collected through salary deduction within 12 months from the grant date.

No provision for ECLs on receivables was recognized in 2024 and 2023, as the management assessed that the credit exposure on trade receivables is minimal, with collection expected to occur the month following the transaction date.

7. Property and Equipment

The movement and balances of this account are as follows:

	December 31, 2024			
	Furniture and fixtures	Computer equipment	Leasehold improvements	Total
Cost				
Beginning balance	₱4,360,559	₱8,892,750	₱3,323,069	₱16,576,378
Additions	93,120	1,271,522	310,000	1,674,642
Ending balance	4,453,679	10,164,272	3,633,069	18,251,020
Accumulated Depreciation				
Beginning balance	3,961,173	6,907,039	2,551,377	13,419,589
Depreciation	94,003	448,048	132,087	674,138
Ending balance	4,055,176	7,355,087	2,683,464	14,093,727
Net Book Values	₱398,503	₱2,809,185	₱949,605	₱4,157,293

	December 31, 2023			
	Furniture and fixtures	Computer equipment	Leasehold improvements	Total
Cost				
Beginning balance	₱4,195,806	₱8,378,041	₱2,808,069	₱15,381,916
Additions	164,753	514,709	515,000	1,194,462
Ending balance	4,360,559	8,892,750	3,323,069	16,576,378
Accumulated Depreciation				
Beginning balance	3,873,666	6,535,479	2,401,829	12,810,974
Depreciation	87,507	371,560	149,548	608,615
Ending balance	3,961,173	6,907,039	2,551,377	13,419,589
Net Book Values	₱399,386	₱1,985,711	₱771,692	₱3,156,789



The distribution of depreciation follows:

	2024	2023
Cost of services (Note 12)	₱448,048	₱371,560
General and administrative (Note 13)	226,090	237,055
	₱674,138	₱608,615

8. Trade and Other Payables

This account consists of the following:

	2024	2023
Trade payables:		
Related party (Note 9)	₱—	₱1,372,303
Third parties	203,885	456,957
Refundable deposits	1,299,578	1,392,843
Statutory payables	1,898,252	1,556,720
Accrued expenses	39,648	404,947
	₱3,441,363	₱5,183,770

The nature of these current liabilities are as follows:

- Trade payables represent accounts due to suppliers and are stated at invoice value.
- Refundable deposits pertain to the customer's deposit which are refundable upon expiration or termination of the contract.
- Statutory payables include withholding taxes payable and employer's share in government-mandated contributions, which are normally settled within the first quarter of the next financial year.
- Accrued expenses include accruals for utilities and association dues, among others.

9. Related Party Transactions

The table below shows the Company's related party transactions and balances as of and for the year ended December 31:

	Year	Volume of Transaction	Trade Receivables (Note 6)	Trade Payable to a Related party (Note 8)	Loans Payable to a Related Party	Terms and Conditions
Parent Company*						
• Revenues	2024	₱167,017,168	₱11,507,014	₱—	₱—	Unsecured; noninterest bearing; 30-day credit term; to be settled in cash; not impaired
	2023	₱89,851,780	₱11,089,658	(₱1,372,303)	₱—	
• Advances for working capital**	2024	—	—	—	(924,721)	Unsecured, noninterest bearing; with no fixed repayment date; and to be settled in cash
	2023	5,135,225	—	—	(924,721)	



	Year	Volume of Transaction	Trade Receivables (Note 6)	Trade Payable to a Related party (Note 8)	Loans Payable to a Related Party	Terms and Conditions
Key Management Personnel						
• Short-term benefits	2024	₱9,339,132	₱—	₱—	₱—	Compensation is settled monthly in the period incurred
	2023	₱6,807,626	₱—	₱—	₱—	

* Pertains to ATHL as of December 31, 2024 (see Note 1). Effective February 17, 2025, ATHL became a related party of the Company under common control.

**In 2023, the ATHL converted loans payable totaling to ₱6,000,000 to equity (see Note 10).

Change in liabilities arising from financing activities

Shown below is the rollforward of loans payable to a related party for the year ended December 31.

	2024	2023
Beginning	₱924,721	₱6,059,946
Conversion to equity (Note 10)	—	(6,000,000)
Availment	—	864,775
Ending	₱924,721	₱924,721

10. Equity

Movement in the Company's capital stock with ₱1 par value is as follows:

	Authorized	Issued and Outstanding	Amount
Balance at December 31, 2022	4,400,000	1,100,000	₱1,100,000
Increase in ACS	10,600,000	—	—
Conversion of debt to equity	—	6,000,000	6,000,000
Balance at December 31, 2023 and 2024	15,000,000	7,100,000	₱7,100,000

On May 4, 2023, the stockholders and the BOD of the Company approved the increase in authorized capital stock from 4,400,000 shares with par value of ₱1 to 15,000,000 shares with par value of ₱1. Out of the net increase of 10,600,000 shares, 6,000,000 shares have been subscribed and paid by the Parent Company through the conversion of its advances to equity. The conversion was treated as a non-cash financing activity in the 2023 statement of cash flows.

On November 6, 2023, the Philippine SEC approved the Company's application for increase in authorized capital stock.

11. Service Revenues

Disaggregated Revenue Information

Set out below are the disaggregation of the Company's revenue from contracts with customers for the years ended December 31, 2024 and 2023 based on geographical market.

	2024	2023
Export sales (Note 9)	₱167,017,168	₱89,851,780
Local sales	20,002,645	18,593,545
	₱187,019,813	₱108,445,325



12. Cost of Services

	2024	2023
Personnel cost (Note 14)	₱151,990,889	₱79,351,263
Rent (Note 15)	2,792,321	2,792,321
Communication, light and water	1,573,645	2,494,222
Association dues	1,253,286	1,253,287
Depreciation (Note 7)	448,048	371,560
Others	6,416,017	2,891,600
	₱164,474,206	₱89,154,253

13. General and Administrative Expenses

	2024	2023
Personnel cost (Note 14)	₱6,033,519	₱7,560,370
Communication, light and water	2,158,401	386,292
Rent (Note 15)	1,884,940	1,991,960
Professional fees	1,270,096	932,537
Taxes and licenses	1,058,755	470,188
Association dues	954,695	884,593
Business process recovery server expense	274,516	266,992
Repairs and maintenance	249,296	146,797
Depreciation (Note 7)	226,090	237,055
Others	1,331,090	1,290,539
	₱15,441,398	₱14,167,323

14. Salaries and Retirement Benefits*Salaries*

This account consists of the following:

	2024	2023
Salaries, bonuses and allowances	₱145,220,042	₱77,125,785
Statutory contributions	8,554,371	5,298,922
Retirement benefits	756,324	1,076,733
Others	3,493,671	3,410,193
	₱158,024,408	₱86,911,633

Personnel cost as a function of expense follows:

	2024	2023
Cost of services (Note 11)	₱151,990,889	₱79,351,263
General and administrative (Note 12)	6,033,519	7,560,370
	₱158,024,408	₱86,911,633



Retirement benefits

Under the existing regulatory framework, Republic Act No. 7641, *The Retirement Pay Law*, requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided however that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the plan.

The tables below summarize the components of the net retirement benefits cost recognized in the statements of comprehensive income and the funded status and amounts recognized in the statements of financial position.

Retirement benefits cost consists of the following:

	2024	2023
Current service cost	₱445,499	₱595,799
Net interest cost	310,825	480,934
Retirement benefits cost	₱756,324	₱1,076,733

The net retirement liabilities were derived as follows:

	2024	2023
Present value of defined benefit obligation	₱5,967,868	₱6,229,252
Fair value of plan assets	633,316	1,108,581
Net retirement plan assets	₱5,334,552	₱5,120,671

The movements in the net retirement liabilities are as follows:

	2024	2023
At January 1	₱5,120,671	₱6,754,686
Retirement benefits cost	756,324	1,076,733
Remeasurement loss (gain)	560,892	(1,607,413)
Contribution	(1,103,335)	(1,103,335)
At December 31	₱5,334,552	₱5,120,671

Changes in the present value of defined benefits obligation are as follows:

	2024	2023
At January 1	₱6,229,252	₱6,754,686
Current service cost	445,499	595,799
Interest cost	378,116	480,934
Benefits paid	(1,623,656)	—
Remeasurement loss (gain) arising from changes in:		
Financial assumptions	(35,403)	841,542
Demographic assumption	(212,942)	(1,424,524)
Experience adjustments	787,002	(1,019,185)
At December 31	₱5,967,868	₱6,229,252



Changes in the fair value of plan assets are as follows:

	2024	2023
At January 1	₱1,108,581	₱—
Interest income included in net interest income	67,291	—
Contributions	1,103,335	1,103,335
Benefits paid	(1,623,656)	—
Remeasurement gain (loss)	(22,235)	5,246
At December 31	₱633,316	₱1,108,581

The actual return on plan assets amounted to ₱0.05 million ₱0.01 million in 2024 and 2023, respectively. The Company expects to contribute ₱1.1 million to the retirement fund in 2025.

The major categories of the plan assets are the following:

	2024	2023
Cash and cash equivalents	₱17,246	₱1,107,058
Investment in government securities	622,579	—
Accrued interest receivable	7,567	2,633
	647,392	1,109,691
Less payable	14,076	1,110
	₱633,316	₱1,108,581

The retirement benefits cost and the present value of defined benefit obligation are determined using actuarial valuations. The latest actuarial valuation report is as of December 31, 2024.

The actuarial valuation involves making various assumptions. The principal actuarial assumptions as of January 1 used to determine pension benefits follow:

	2024	2023
Discount rate	6.07%	7.12%
Salary increase rate	3.00%	3.00%

The principal assumptions as of December 31, 2024 are 6.12% and 3.00% for discount rate and salary increase rate, respectively.

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as of December 31, assuming all other assumptions were held constant:

	Increase (decrease)	Increase (decrease) in defined benefit obligation	
		2024	2023
Discount rate	+50	(₱322,322)	(₱313,803)
	-50	304,525	303,936
Future salary increases	+100	325,239	326,253
	-100	(358,389)	(353,344)



There were no changes from the previous period in the methods and assumptions used in preparing sensitivity analysis. Shown below is the maturity analysis of the undiscounted benefit payments:

	2024	2023
One year and less	₱-	₱1,661,041
More than 1 to 5 years	378,220	358,986
More than 5 to 10 years	5,772,447	394,632
More than 10 to 15 years	8,562,420	14,704,330
More than 15 to 20 years	1,208,455	1,628,757
More than 20 years	15,290,430	14,812,198

The average durations of the defined benefit obligation as of December 31, 2024 and 2023 are 17 and 18 years, respectively.

15. Lease Commitments

The Company leases its office space from a third party. The lease is renewable on an annual basis upon mutual agreement of both parties. Refundable deposit relating to the lease agreement amounted to ₱2.4 million and ₱2.1 million as of December 31, 2024 and 2023, respectively. Rent expense amounted to ₱4.7 million and ₱4.8 million in 2024 and 2023, respectively (see Notes 12 and 13).

16. Income Taxes

- a. Provision for income tax consists of the following:

	2024	2023
Current:		
Regular corporate income tax (RCIT)	₱1,754,230	₱1,020,478
Final tax on interest income	1,457	378
	1,755,687	1,020,856
Deferred	86,753	5,320
	₱1,842,440	₱1,026,176

- b. The components of the Company's deferred income tax assets are as follows:

	2024	2023
<i>Directly recognized in profit or loss</i>		
Deferred income tax asset on retirement liability	₱1,077	₱87,830
<i>Directly recognized in other comprehensive income</i>		
Deferred income tax asset on remeasurement loss on retirement benefits	1,076,527	936,304
	₱1,077,604	₱1,024,134



- c. Reconciliation of the Company's provision for income tax computed at the statutory income tax rates of 25% in 2024 and 20% in 2023 to the provision for income tax is as follows:

	2024	2023
Provision for income tax at statutory income tax rates	₱1,777,873	₱1,025,128
Adjustments to resulting from tax effects of:		
Interest income subjected to final tax	(364)	(378)
Nondeductible expenses	64,931	1,426
	₱1,842,440	₱1,026,176

- d. On June 20, 2023, the Bureau of Internal Revenue issued Revenue Memorandum Circular (RMC) No. 69-2023 reverting the MCIT rate to 2% of gross income effective July 1, 2023 pursuant to Republic Act (RA) No. 11534, otherwise known as the "Corporate Recovery and Tax Incentives for Enterprises (CREATE)" Act. MCIT rate was previously reduced from 2% to 1% effective July 1, 2020 to June 30, 2023 upon the effectivity of CREATE Act in 2021.

17. Financial Risk Management Objectives and Policies and Fair Values

The Company's principal financial instruments comprise cash, trade receivables and refundable deposits. The Company has various other financial assets and financial liabilities such as trade and other payables and loans to a related party which arise directly from operations

Financial Risk Management Policy

The main risks arising from the Company's financial instruments are credit risk, and liquidity risk. The policies are summarized as follows:

Credit risk

Credit risk arises because the counterparty may fail to discharge its contractual obligations. As a matter of policy, the Company limits its maximum exposure to credit risk to the amount of carrying value of the instruments. The Company transacts only with related parties and with recognized and creditworthy third parties.

About 89% and 99% of the outstanding receivables as of December 31, 2024 and 2023, respectively, arise from transactions with ATHL. Such receivables are monitored on continuous basis with the result that the Company's exposure to bad debts is not significant.

For cash in banks, impairment is measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash in banks have low credit risk based on the external credit ratings of the counterparties and any ECL is expected to be immaterial

The maximum exposure to credit risk of the Company as at the reporting date is equal to the carrying amounts of its financial assets, as follows:

	2024	2023
Financial assets		
Cash	₱5,633,781	₱5,225,729
Receivables	12,899,646	11,230,440
Refundable deposits	2,425,944	2,143,835
	₱20,959,371	₱18,600,004



Credit quality per class of financial assets

Set out below is the information about the credit risk exposure on the Company's trade receivables as of December 31 using a provision matrix.

As of December 31, 2024:

	0 to 30 Days	31 to 60 Days	61 to 90 Days	Over 90 Days	Total
Expected credit loss rate	0%	0%	0%	0%	
Estimated total gross carrying amount at default	₱12,606,896	₱–	₱–	₱–	₱12,606,896
Expected credit loss	₱–	₱–	₱–	₱–	₱–

As of December 31, 2023:

	0 to 30 Days	31 to 60 Days	61 to 90 Days	Over 90 Days	Total
Expected credit loss rate	0%	0%	0%	0%	
Estimated total gross carrying amount at default	₱11,089,658	₱–	₱–	₱–	₱11,089,658
Expected credit loss	₱–	₱–	₱–	₱–	₱–

Other financial assets at amortized cost

The Company's other financial assets at amortized cost are mostly composed of cash, nontrade receivables and refundable deposits. The Company limits its exposure to credit risk by investing its cash with local financial institutions. Other financial assets at amortized cost are subjected to 12 - month ECL. There are no financial assets that are subjected to lifetime ECL as there has been no significant increase in credit risk since initial recognition.

Liquidity risk

Liquidity risk is the risk that the Company will be unable to settle its obligations when they fall due. The Company manages its liquidity profile to be able to finance its working capital requirements and capital expenditures. Covering its financing requirements, the Company uses internally generated funds.

The following tables show the maturity profile of the Company's financial liabilities and the undiscounted cash flows from financial assets used for liquidity purposes.

As at December 31, 2024:

	On Demand	Less than 3 Months	3 to 12 Months	More than 1 to 5 Years	Total
Trade payables	₱–	₱203,885	₱–	₱–	₱203,885
Nontrade payables and accrued expenses*	1,299,578	39,648	–	–	1,339,226
Loans payable to a related party	924,721	–	–	–	924,721
	₱2,224,299	₱243,533	₱–	₱–	₱2,467,832
Cash	₱5,633,781	₱–	₱–	₱–	₱5,633,781
Trade receivables	–	12,606,896	–	–	12,606,896
Nontrade receivables	–	292,750	–	–	292,750
Refundable deposit	–	–	–	2,425,944	2,425,944
	₱5,633,781	₱12,899,646	₱–	₱2,425,944	₱20,959,371

*Excluding statutory payables amounting to ₱2,947,037



As at December 31, 2023:

	On Demand	Less than 3 Months	3 to 12 Months	More than 1 to 5 Years	Total
Trade payables	₱1,372,303	₱456,957	₱—	₱—	₱1,829,260
Nontrade payables and accrued expenses*	1,392,843	404,947	—	—	1,797,790
Loans payable to a related party	924,721	—	—	—	924,721
	₱3,689,867	₱861,904	₱—	₱—	₱4,551,771
Cash	₱5,225,729	₱—	₱—	₱—	₱5,225,729
Trade receivables	—	11,089,658	—	—	11,089,658
Nontrade receivables	—	140,782	—	—	140,782
Refundable deposit	—	—	—	2,143,835	2,143,835
	₱5,225,729	₱11,230,440	₱—	₱2,143,835	₱18,600,004

*Excluding statutory payables amounting to ₱1,556,720

Carrying Values and Fair Values of Financial Instruments

The methods and assumptions below have been used to estimate the fair value of each class of financial instrument.

Cash, trade and other receivables, refundable deposits and trade and other current payables and loans payable to a related party

Due to the short-term nature of these financial instruments, their fair values approximate the carrying value.



SCHEDULE “D”

MANAGEMENT’S DISCUSSION AND ANALYSIS OF ATI

MANAGEMENT'S DISCUSSION AND ANALYSIS

Asia Teleservices Inc.

For the Three-Month Period Ended March 31, 2025

(Expressed in Philippine Pesos unless otherwise stated)

1. DATE OF MD&A

This Management's Discussion and Analysis ("MD&A") is dated **October 1, 2025**, and reflects management's assessment of the financial condition and results of operations of **Asia Teleservices Inc.** (the "Company") for the three-month period ended **March 31, 2025**, with comparative information for **March 31, 2024**, and relevant information from the audited financial statements as at and for the year ended **December 31, 2024**.

2. CAUTION REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking information within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, statements regarding future performance, operational strategies, and anticipated business developments.

Forward-looking information is based on management's current expectations and assumptions and involves known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially. Readers are cautioned not to place undue reliance on forward-looking statements.

3. BASIS OF PRESENTATION

This MD&A should be read in conjunction with the **Interim Condensed Financial Statements of Asia Teleservices Inc. as at and for the three-month period ended March 31, 2025**, and the **audited Financial Statements for the years ended December 31, 2024, and 2023**, prepared in accordance with **International Financial Reporting Standards (IFRS)**.

The financial information presented in this MD&A has been prepared on a historical cost basis and is expressed in Philippine Pesos, the Company's functional and presentation currency.

4. BUSINESS OVERVIEW

4.1 Corporate History and Structure

Asia Teleservices Inc. was incorporated in the Philippines on **July 6, 2006**. The Company provides enterprise outsourcing services, including:

- Contact center operations,
- Customer relationship management solutions, and
- Business process outsourcing (BPO)
- Employer of Record(EPR) and shared services

On **February 17, 2025**, the Company became a wholly owned subsidiary of **Asiatel Outsourcing Ltd. (AOL)**, an entity incorporated in the Cayman Islands, following the sale of shares by its former parent company, **Asia Telecom Holdings Limited (ATHL)**.

4.2 Nature of Business

The Company operates primarily in the Philippines, with a significant portion of revenues derived from export customers, particularly related-party transactions with ATHL. Its core services include providing customized outsourcing solutions to enterprise clients.

5. SELECTED FINANCIAL INFORMATION

The following table summarizes the Company's key financial metrics as of and for the three-month period ended March 31, 2025, with comparative figures as of December 31, 2024, and for the same period in 2024:

Financial Measure	March 31, 2025	March 31, 2024	December 31, 2024
Service revenues	P=70,015,307	P=33,220,856	P=187,019,813
Gross income	P=6,196,044	P=5,511,307	P=22,545,607
Net income	P=1,335,680	P=1,669,397	P=5,269,056
Total assets	P=30,526,636	N/A	P=26,855,985
Total liabilities	P=12,666,149	N/A	P=10,322,705
Total equity	P=17,860,487	N/A	P=16,533,280
Cash	P=7,754,922	P=4,509,234	P=5,633,781

6. RESULTS OF OPERATIONS

6.1 Service Revenues

The Company's service revenues for the three-month period ended March 31, 2025, increased by **111%** to **P=70.0 million** compared to **P=33.2 million** for the same period in 2024.

This growth was driven by:

- Higher transaction volumes from export customers, particularly related-party transactions with ATHL; and
- Expansion of BPO and outsourcing services to existing clients.

Export revenues accounted for approximately **92%** of total revenues in the first quarter of 2025.

6.2 Cost of Services and Gross Margin

Cost of services increased significantly to **P=63.8 million** in the first quarter of 2025 from **P=27.7 million** in the same period of 2024. The increase was primarily due to:

- Increased personnel costs to support higher transaction volumes; and
- Operational expenses associated with service expansion.

Gross income increased to **P=6.2 million**, though the gross margin declined to **8.9%** from **16.6%** in the first quarter of 2024, reflecting cost pressures associated with rapid growth and higher operational costs.

6.3 General and Administrative Expenses

General and administrative expenses increased to **P=4.4 million** in the first quarter of 2025 from **P=3.3 million** in the same period of 2024. This increase was primarily due to:

- Higher personnel-related expenses, including medical insurance and statutory contributions;
- Increased utilities and communication costs; and
- Higher rent and professional fees.

6.4 Net Income

Net income for the three-month period ended March 31, 2025, was **P=1.3 million**, representing a **20% decrease** from **P=1.7 million** in the same period of 2024. The decline was due to increased operating costs and lower margins.

7. FINANCIAL CONDITION

7.1 Assets

As at March 31, 2025, total assets increased to **P=30.5 million** from **P=26.9 million** as at December 31, 2024. The increase was driven primarily by:

- Higher trade receivables resulting from increased service revenues; and
- Acquisition of property and equipment to support service expansion.

7.2 Liabilities

Total liabilities increased to **P=12.7 million** as at March 31, 2025, from **P=10.3 million** as at December 31, 2024, due to:

- An increase in trade and other payables related to higher operating activities; and
- Advances from a related party to support working capital requirements.

7.3 Equity

Total equity increased to **P=17.9 million** as at March 31, 2025, from **P=16.5 million** as at December 31, 2024, primarily due to:

- Net income earned during the period; and
- Accumulated retained earnings.

8. LIQUIDITY AND CAPITAL RESOURCES

8.1 Cash Flows

The Company's cash and cash equivalents increased to **P=7.8 million** as at March 31, 2025, from **P=5.6 million** as at December 31, 2024. This increase was attributed to:

- Positive cash flows from operating activities totaling **P=2.1 million**, offset by:
- Cash used in the acquisition of property and equipment amounting to **P=1.1 million**.

8.2 Liquidity Assessment

Management believes that the Company has sufficient liquidity to meet its short-term obligations, supported by internally generated cash flows and related-party financial support if required.

9. RELATED PARTY TRANSACTIONS

The Company conducts significant transactions with related parties, including:

- **Service revenues:** Export sales to ATHL totaled **P=64.6 million** in the first quarter of 2025, representing 92% of total revenues.
- **Advances from related parties:** The Company received **P=1.2 million** in working capital advances from ATHL during the quarter.

All related party transactions are unsecured, non-interest bearing, and settled in cash.

10. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Key estimates and judgments that have a significant impact on the financial statements include:

- **Allowance for expected credit losses (ECL):** No provision for ECL was recognized, as the Company assessed credit risk on receivables as minimal.
 - **Retirement benefits:** The net retirement liability decreased to **P=4.4 million** as at March 31, 2025, from **P=5.3 million** as at December 31, 2024, due to contributions to plan assets.
 - **Useful lives of property and equipment:** Management assessed no changes in the estimated useful lives of property and equipment.
-

11. FINANCIAL RISK MANAGEMENT

The Company's principal financial risks are:

- **Credit risk:** Approximately 90% of receivables as at March 31, 2025, were from related parties, with low default risk.
 - **Liquidity risk:** Managed through cash flow monitoring and related-party financial support.
-

12. SUBSEQUENT EVENTS

On **February 17, 2025**, the Company became a wholly owned subsidiary of **Asiatel Outsourcing Ltd.**, following the sale of shares by ATHL.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Asia Teleservices Inc.

For the Year Ended December 31, 2024

(Expressed in Philippine Pesos unless otherwise stated)

1. DATE OF MD&A

This Management's Discussion and Analysis ("MD&A") is dated **October 1, 2025**, and reflects management's assessment of the financial condition and results of operations of Asia Teleservices Inc. (the "Company") for the year ended December 31, 2024.

2. CAUTION REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking information within the meaning of applicable Canadian securities legislation. Forward-looking information is based on management's current expectations and assumptions and involves known and unknown risks that may cause actual results to differ materially. Readers are cautioned not to place undue reliance on such information.

3. BASIS OF PRESENTATION

This MD&A should be read in conjunction with the audited financial statements of the Company for the year ended December 31, 2024, prepared in accordance with **International Financial Reporting Standards (IFRS)**.

The Company adopted IFRS Accounting Standards effective January 1, 2023. Comparative figures for 2023 have been restated accordingly.

4. BUSINESS & CORPORATE OVERVIEW

Asia Teleservices Inc. was incorporated in the Philippines on **July 6, 2006**, and is registered with the Philippine Securities and Exchange Commission. As of December 31, 2023, the Company was a wholly owned subsidiary of Asia Telecom Holdings Limited (ATHL), incorporated in Seychelles

The Company provides enterprise outsourcing services, including:

- Contact center operations,
- Business process outsourcing (BPO), and
- Customer relationship management solutions.
- Employer of Record (EOR) Services

The Company operates primarily in the Philippines and derives a substantial portion of its revenues from export customers, primarily its parent company, **Asia Telecom Holdings Limited (ATHL)**.

5. EFFECTS OF COVID-19

5.1 Impact from 2020 to 2022

From **2020 to 2022**, the COVID-19 pandemic had a severe impact on the Philippine economy and the Company's operations. Key challenges during this period included:

- **Revenue Decline:** The Company experienced a significant reduction in service revenues as global demand for outsourcing services declined. Many client businesses faced operational disruptions, leading to reduced transaction volumes and project cancellations.
- **Stagnant Growth:** The Company's growth initiatives were delayed due to heightened uncertainty, declining customer demand, and operational constraints during lockdowns and quarantines.
- **Operational Challenges:** The pandemic required a shift to remote work arrangements, which increased the Company's operating costs and impacted productivity in the short term.

5.2 Recovery and Growth

The Company began to recover towards the **end of 2022**, as global economic activity resumed and clients increasingly sought cost-effective outsourcing solutions to optimize their operations post-pandemic. Key factors driving recovery included:

- Resumption of deferred projects and increased client activity across key markets, particularly export customers.
- Investment in technology and operational improvements, which enhanced service delivery and expanded the Company's capabilities.
- A surge in demand for outsourcing services as clients sought to reduce operational costs.

Since the beginning of **2023**, the Company has been in a **growth stage**, reflected in the significant increase in service revenues in both 2023 and 2024. Management remains optimistic about the long-term growth prospects, driven by strong client demand and operational resilience.

6. SELECTED ANNUAL FINANCIAL INFORMATION

Financial Measure	2024	2023
Service revenues	P=187,019,813	P=108,445,325
Gross income	P=22,545,607	P=19,291,072
Net income	P=5,269,056	P=4,099,462
Total assets	P=26,855,985	P=22,914,055
Total liabilities	P=10,322,705	P=11,229,162
Total equity	P=16,533,280	P=11,684,893
Cash	P=5,633,781	P=5,225,729

7. RESULTS OF OPERATIONS – 2024

7.1 Revenues

Service revenues increased by 72% to **P=187.0 million** in 2024 from **P=108.4 million** in 2023. This growth was driven by:

- Higher transaction volumes from export customers, and
- Expansion of outsourcing services to existing clients.

Export revenues accounted for approximately **89%** of total revenues in 2024.

7.2 Cost of Services and Gross Margin

Cost of services increased to **P=164.5 million** from **P=89.2 million**, primarily due to:

- Increased personnel costs to support higher volumes, and
- Higher operational expenses related to expanded service delivery.

Gross income increased to **P=22.5 million**, though gross margin decreased to **12.1%** from **17.8%** in 2023, reflecting cost pressures associated with rapid growth.

7.3 General and Administrative Expenses

General and administrative expenses increased modestly to **P=15.4 million** from **P=14.2 million**, mainly due to:

- Higher professional fees,
- Increased utilities and communication costs, and
- Higher statutory and regulatory expenses.

7.4 Net Income

Net income for 2024 amounted to **P=5.3 million**, representing a **29%** increase over 2023. This reflects strong revenue growth partially offset by increased operating costs.

8. COMPREHENSIVE INCOME

Total comprehensive income for 2024 was **P=4.8 million**, comprising:

- Net income of **P=5.3 million**, and
 - Other comprehensive loss of **P=0.4 million** arising from the remeasurement of retirement benefit obligations, net of tax.
-

9. FINANCIAL CONDITION

9.1 Assets

Total assets increased to **P=26.9 million** from **P=22.9 million**, mainly due to:

- Higher trade receivables driven by revenue growth, and
- Increased investment in property and equipment.

9.2 Liabilities

Total liabilities decreased to **P=10.3 million** from **P=11.2 million**, reflecting:

- Reduced trade and other payables, and
- Stable retirement benefit obligations.

9.3 Equity

Equity increased to **P=16.5 million**, primarily due to:

- Net income earned during the year, and
 - Accumulated retained earnings.
-

10. LIQUIDITY AND CAPITAL RESOURCES

10.1 Cash Flows

Net cash from operating activities was **P=2.1 million** in 2024 compared to **P=4.1 million** in 2023. The decrease was driven by:

- Increased working capital requirements, particularly receivables.

The Company ended 2024 with **P=5.6 million** in cash and no interest-bearing bank debt.

10.2 Liquidity Assessment

Management believes the Company has sufficient liquidity to meet its obligations through internally generated cash flows and related-party financial support, if required.

11. RELATED PARTY TRANSACTIONS

The Company conducts significant transactions with its parent company, **ATHL**, including:

- Service revenues,
- Trade receivables, and
- Working capital advances.

These transactions are unsecured, non-interest bearing, and settled in cash.

12. CONTRACTUAL OBLIGATIONS

The Company's principal contractual obligations relate to:

- Short-term office lease arrangements, and
 - Statutory retirement benefit obligations.
-

13. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Critical estimates include:

- Valuation of retirement benefit obligations,
 - Assessment of expected credit losses on receivables, and
 - Recognition of deferred tax assets.
-

14. FINANCIAL RISK MANAGEMENT

The Company is exposed primarily to:

- **Credit risk** due to customer concentration, and
- **Liquidity risk.**

Management considers these risks to be manageable.

15. SUBSEQUENT EVENTS

On **February 17, 2025**, the Company became a wholly owned subsidiary of **Asiatel Outsourcing Ltd.** following the sale of shares by ATHL.

SCHEDULE “E”

FINANCIAL STATEMENTS OF ASIATEL

SCHEDULE “F”

MANAGEMENT’S DISCUSSION AND ANALYSIS OF ASIATEL

SCHEDULE “G”

PRO FORMA FINANCIAL STATEMENTS OF THE RESULTING ISSUER

Asiatel Outsourcing Ltd.

Balance sheet (Unaudited)

December 31, 2025

Reporting currency - USD

Assets	
Cash and Cash Equivalent	303,331
Trade and Other Receivable	152,647
Other current assets	50,299
Total Current Asset	506,277
Property and equipment	119,442
Refundable deposit	-
Investment in subsidiary (ATI)	-
Deferred income tax	15,391
Total Noncurrent Asset	134,834
Total Assets	641,111
Liabilities	
Trade and other payables	71,377
Loans payable to a related party	194,572
Income tax payable	-
Other current liabilities	72,599
Total Current Liabilities	338,547
Net retirement liability	78,982
Total Noncurrent Liabilities	78,982
Total Liabilities	417,529
Equity	
Capital stock	100
Other comprehensive losses	-
Equity Reserves	(44,898)
Retained Earnings	83,157
Share premium	200,000
Cumulative Translation adjustment	(14,777)
Total Equity	223,582
Total Liabilities And Equity	641,111

Note: Below are the conversion rate used in converting:

Balance Sheet

USD to CAD for Asiatel Outsourcing Ltd. Balances 0.7315

Income Statement

USD to CAD for Asiatel Outsourcing Ltd. Balances 0.7182

Asiatel Outsourcing Ltd.

Income Statement (Unaudited)

February 17 to December 31, 2025

Reporting currency - USD

ACCOUNT	Consolidated Balances
Service revenue	6,024,595
Cost of services	(5,383,154)
Gross Income	641,440
General administrative expenses	(506,341)
Interest income	466
Other income	50
Unrealized ForEx Gain (Loss)	(4,768)
Income Before Income Tax	130,847
Current	(44,632)
Deferred	(3,058)
	(47,690)
Net Income	83,157

Asiatel Outsourcing Ltd.

Statement of Cash Flows (Unaudited)

December 31, 2025

Reporting currency - USD

ACCOUNT	Consolidated Balances	
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	-	69,868
Adjustments for:		-
Depreciation and amortization		12,775
Retirement benefits expense		-
Noncash expenses		-
Unrealized forex gain		-
Finance income		-
Income (loss) before working capital changes	-	57,093
Decrease (increase) in:		-
Receivables		1,243
Other current assets		2,207
Increase (decrease) in accounts payable and other current liabilities		299,441
Cash generated from (used in) operations		245,798
Interest received		-
Contributions paid		31,467
Income taxes paid, including creditable withholding and final taxes	-	11,712
Net cash from (used in) operating activities		265,552
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of property and equipment	-	61,521
Acquisition of ATI	-	187,749
Deferred tax asset		2,934
Net cash from (used in) investing activities	-	246,337
CASH FLOWS FROM FINANCING ACTIVITIES		
Retained earnings	-	55
Share premium		200,000
Share capital		100
Retirement liability	-	11,734
Net cash from (used in) financing activities		188,311
NET INCREASE (DECREASE) IN CASH		207,527
CASH AT BEGINNING OF YEAR		95,804
CASH AT END OF YEAR		303,331

Note 1

These are consolidated financials of ATI and AOL as on December 2025.

Note 2**Basis of preparation**

The consolidated financial statements have been prepared on a historical cost basis. The consolidated financial statements are presented in USD. Amounts are rounded to the nearest peso unless otherwise indicated.

Statement of Compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) Accounting Standards.

Note 3 CASH

	2025
Cash	303,161
Petty cash	170
Total	303,331

Note 4 TRADE AND OTHER RECEIVABLES

	2025
Trade Receivables (Note 6)	
Related Parties	143,475
Third Parties	4,442
Others	4,729
Total	152,647

Note 5 PROPERTY AND EQUIPMENT

	2025			
Cost	Furniture & Fixture	Computer Equipment	Leasehold Improvements	Total
At January 1	75,736	172,847	61,782	310,365
Additions	4,316	15,852	44,654	64,822
Disposals				
At December 31	80,052	188,699	106,436	375,187
Accumulated depreciation and amortization				
At January 1	68,960	125,076	45,633	239,669
Depreciation and amortization	1,915	10,860	3,301	16,076
Disposals	-	-	-	-
At December 31	70,875	135,936	48,934	255,745
Net book values	9,177	52,763	57,502	119,442

Note 6 TRADE AND OTHER PAYABLES

This account consists of:	2025
Trade payable:	
Accounts Payable	8,763
Refundable deposits	-
Statutory payables	62,613
Accrued expenses	
	71,377

Note 7 SERVICE REVENUES

	2025
Export sales	5,711,804
Local sales	312,791
	6,024,595

Note 8 COST OF SERVICES

Personnel cost (Note 10)	5,132,718
Communication, light and water	20,370
Rent	40,398
Association dues	18,132
Depreciation (Note 5)	5,625
Others	165,910
	5,383,154

Note 9 GENERAL AND ADMINISTRATIVE EXPENSES

Personnel Cost	108,819
Professional fees	206,828
Communication, light and water	28,723
Rent	29,978
Medical insurance	9,755
Association dues	14,342
Taxes and licenses	13,456
Depreciation (Note 5)	9,439
Representation expense	9,798
Others	75,203
	506,341

Note 10 PERSONNEL COST

Salaries and allowances	4,806,543
Statutory contributions	304,366
Retirement benefits	-
Others	21,809
	5,132,718

SCHEDULE “H”

AUDIT COMMITTEE CHARTER

Audit Committee Charter

(Form 52-110F1)

PURPOSE

The overall purpose of the Audit Committee (the “Committee”) is to ensure that the management of New Media Capital 2.0 Inc. (the “Company”) has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements and related financial disclosure of the Company, and to review the Company’s compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. It is the intention of the Board that through the involvement of the Committee, the external audit will be conducted independently of the Company’s Management to ensure that the independent auditors serve the interests of Shareholders rather than the interests of Management of the Company. The Committee will act as a liaison to provide better communication between the Board and external auditors. The Committee will monitor the independence and performance of the Company’s independent auditors.

COMPOSITION, PROCEDURES AND ORGANIZATION

- (1) The Committee shall consist of at least three members of the Board of Directors (the “Board”).
- (2) At least two (2) members of the Committee shall be independent and the Committee shall endeavour to appoint a majority of independent directors to the Committee, who in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Committee members’ independent judgment. At least one (1) member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices applicable to the Company. For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.
- (3) The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
- (4) Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.
- (5) The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
- (6) The Committee shall have access to such officers and employees of the Company and to the Company’s external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
- (7) Meetings of the Committee shall be conducted as follows:
 - a. the Committee shall meet as necessary to fulfill its duties and responsibilities in person or via telephone at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;
 - b. the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and

- c. management representatives may be invited to attend all meetings except private sessions with the external auditors.
- (8) The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Company as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

Roles and Responsibilities

- (1) The overall duties and responsibilities of the Committee shall be as follows:
- a. to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and quarterly consolidated financial statements and related financial disclosure;
 - b. to establish and maintain a direct line of communication with the Company's internal and external auditors and assess their performance
 - c. to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; an
 - d. to report regularly to the Board on the fulfilment of its duties and responsibilities.
- (2) The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
- a. to recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;
 - b. to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
 - c. review the audit plan of the external auditors prior to the commencement of the audit;
 - d. to review with the external auditors, upon completion of their audit:
 - i. contents of their report;
 - ii. scope and quality of the audit work performed;
 - iii. adequacy of the Company's financial and auditing personnel;
 - iv. co operation received from the Company's personnel during the audit;
 - v. internal resources used;
 - vi. significant transactions outside of the normal business of the Company;
 - vii. significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
 - viii. the non audit services provided by the external auditors;

- e. to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles; and
 - f. to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.
- (3) The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:
- a. review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
 - b. review compliance under the Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;
 - c. review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
 - d. periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.
- (4) The Committee is also charged with the responsibility to:
- a. review the Company's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;
 - b. review and approve the financial sections of:
 - i. the annual report to Shareholders;
 - ii. the annual information form, if required;
 - iii. annual and interim MD&A;
 - iv. prospectuses;
 - v. news releases discussing financial results of the Company; and
 - vi. other public reports of a financial nature requiring approval by the Board, and report to the Board with respect thereto;
 - c. review regulatory filings and decisions as they relate to the Company's consolidated financial statements;
 - d. review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies; and
 - e. review and report on the integrity of the Company's consolidated financial statements.