

**FORM 51-102F3**  
**AMENDED AND RESTATED MATERIAL CHANGE REPORT**

*This Amended and Restated Material Change Report is being filed to supplement the disclosure under item 5 of the material change report of Montfort Capital Corp. dated August 1, 2025.*

**Item 1          Name and Address of Company**

Montfort Capital Corp. (“**Montfort**” or the “**Company**”)  
181 Bay Street  
Bay Wellington Tower, Suite 2920  
Toronto, Ontario M5J 2T3

**Item 2          Date of Material Change**

August 1, 2025

**Item 3          News Release**

A news release was disseminated on August 5, 2025 and filed on SEDAR+.

**Item 4          Summary of Material Change**

On August 5, 2025, the Company announced that it entered into a definitive securities purchase agreement dated August 1, 2025 (the “**Pivot SPA**”) to sell Pivot Financial I Limited Partnership, Pivot Financial Services Inc. and 2862454 Ontario Inc. (collectively, the “**Pivot Group**”) to Pivot Endgame Corp., an affiliate of an arm’s length, third-party investment fund, in exchange for approximately \$2,278,541 in cash consideration and the tendering of the Montfort IB Note (as defined below) back to the Company (the “**Pivot Sale**”).

As a condition of the Pivot Sale, Montfort has also entered into a share purchase agreement (the “**Flaro SPA**”) with Dan Flaro, president of the Pivot Group, to acquire and cancel 1,024,299 Series A, Class A Preferred Shares of the Company and 2,397,368 common shares in the capital of the Company (the “**Repurchased Shares**”) for aggregate consideration as at August 5, 2025 of \$584,070.54 (the “**Flaro Purchase Price**”). The Flaro Purchase Price will be paid by Montfort on closing of the Flaro SPA by issuing a non-interest bearing promissory note (the “**Montfort IB Note**”), whereby the principal thereof will equal the market value of the Repurchased Shares on closing of the Flaro SPA.

**Item 5          Full Description of Material Change**

On August 1, 2025, the Company entered into a definitive Securities Purchase Agreement to sell all of the issued and outstanding securities of the Pivot Group to Pivot Endgame Corp. (the "**Purchaser**"), a corporation wholly owned by Manitou Total Return Yield Fund. The Purchase Price consists of (i) payment of approximately \$2.28 million in accrued intercompany debt owed by Montfort to Pivot LP (the "**Vendor Pivot Debt**"), which will be satisfied at closing, and (ii) the assignment to Montfort of Montfort IB Notes, subject to working capital adjustments and adjustments to the value of the Montfort IB Notes based on the closing price of each of the Common Shares and Series A Shares on the day prior to closing of the Flaro SPA. The Purchase Price is allocated 50% to PFSI (less \$1), 50% to Pivot LP, and \$1 to Pivot GP. The Pivot Sale to Pivot Endgame Corp. is not a related party transaction for purposes of MI 61-101 (as defined below) as the Purchaser is wholly owned by Manitou Total Return Yield Fund, which is an arm's length third party to the Company.

The Pivot Entities operate a private lending business providing revolving lines of credit and term loan facilities to small and mid-sized enterprises ("**SMEs**") in Canada and the United States. The transaction is subject to customary closing conditions including TSX Venture Exchange approval, third-party consents, refinancing or assumption of certain debt obligations, and the execution of a transition services agreement.

The transaction is expected to close on or before September 12, 2025. The sale allows Montfort to divest its SME lending operations and focus on its core business units of Langhaus Financial and Nuvo Financial.

In addition to the foregoing description of the material change, the Company provides the following disclosure regarding the Flaro SPA in accordance with Section 5.2 of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"):

#### *Business Rationale for Flaro SPA*

The business rationale for the Company entering into the Flaro SPA with Dan Flaro was to ensure that the Company's relationship with Mr. Flaro was terminated following closing of the Pivot SPA, which includes severing his relationship as shareholder to the Company. Given that Mr. Flaro would no longer be managing a business unit of the Company, Montfort believed that Mr. Flaro could dispose of his ownership in listed securities of the Company, creating significant selling pressure in any already thinly traded market.

#### *Anticipated Effect on Company's Business*

The Company does not expect any impact on its business following completion of the Flaro SPA other than the reduction in the issued and outstanding common shares in the capital of the Company ("**Common Shares**") and Series A Class A Preferred Shares of the Company ("**Series A Shares**"). Prior to closing of the Flaro SPA, the Company has 88,317,282 Common Shares and 20,485,994 Series A Shares issued and outstanding. Upon closing of the Flaro SPA, the Company will have 85,919,914 Common Shares

issued and outstanding, a reduction of 2.7% of the issued and outstanding Common Shares, and 19,461,695 Series A Shares issued and outstanding, a reduction of 4.99% of the issued and outstanding Series A Shares.

### Ownership of Dan Flaro

Upon closing of the Flaro SPA, Dan Flaro will have no direct or indirect ownership of any securities of Montfort.

### Prior Valuations

After reasonable inquiry, there are no prior valuations in respect of the Company that relate to the subject matter of or are otherwise relevant to the Flaro SPA that have been made in the 24 months before the date of this material change report, the existence of which is known to the Company or to any director or senior officer of the Company.

### Review and Approval Process

Given that each director of the Company has no direct interest in the Flaro SPA, there was no need to establish a special committee to review the merits of the related party nature of the Flaro SPA. The Board's approval was based on its review of relevant documentation, management's recommendations, and advice of independent legal advisors. The Board concluded that the Flaro SPA represents a fair and reasonable opportunity for the Company to mitigate the risk of creating selling pressure for its securities following completion of the Pivot SPA.

### Formal Valuation and Minority Approval Exemptions

The Company is exempt from the formal valuation requirement in section 5.4 of MI 61-101 in reliance on section 5.5(b) (Issuer Not Listed on Specified Markets), as no securities of the Company are listed or quoted on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., the New York Stock Exchange, the American Stock Exchange, the NASDAQ Stock Market, or a stock exchange outside of Canada and the United States other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

The Company is exempt from the minority approval requirement in section 5.6 of MI 61-101 in reliance on section 5.7(1)(a) (Fair Market Value Not More Than 25% of Market Capitalization), as the fair market value of the Repurchased Shares is \$584,070.54, which represents approximately 8.3% of the Company's market capitalization of approximately \$10.34 million based on the closing prices and issued and outstanding securities as of July 31, 2025.

### **Item 6      Reliance of subsection 7.1(2) of National Instrument 51-102**

Not applicable.

**Item 7          Omitted Information**

Not applicable.

**Item 8          Executive Officer**

Ken Thomson  
Chief Executive Officer  
Montfort Capital Corp.  
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1 (604) 398-8839

**Item 9          Date of Report**

September 4, 2025.