



## **Mobio Technologies Inc.**

Consolidated Financial Statements

(EXPRESSED IN CANADIAN DOLLARS)

**For the nine month period ended September 30, 2025 and year ended  
December 31, 2024**

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# Independent Auditor's Report

To the Shareholders of Mobio Technologies Inc.

## Opinion

We have audited the consolidated financial statements of Mobio Technologies Inc. (the "Company"), which comprise the consolidated statements of financial position as at September 30, 2025 and December 31, 2024, and the consolidated statements of loss and comprehensive loss, changes in shareholder's equity (deficiency) and cash flows for the nine months ended September 30, 2025 and the year ended December 31, 2024 and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2025 and December 31, 2024, and its financial performance and its cash flows for the nine months ended September 30, 2025 and the year ended December 31, 2024 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

## Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company 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.

## Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which describes events or conditions that indicate a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

## 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. 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.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

## Other Information

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 auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, 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 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 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.

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

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

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

A handwritten signature in black ink that reads "DMCL" in a stylized, cursive font, followed by "LLP" in a smaller, simpler font.

**DMCL LLP**  
CHARTERED PROFESSIONAL ACCOUNTANTS  
Vancouver, BC

January 28, 2026

**MOBIO TECHNOLOGIES INC.**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
(Expressed in Canadian Dollars)

	Notes	September 30, 2025	December 31, 2024
<b>ASSETS</b>			
<u>Current Assets</u>			
Cash		\$ 2,284,390	\$ 746,783
Restricted cash		76,835	77,501
Accounts and other receivables	5	1,204,452	598,451
Deposits and prepaid expenses		117,301	5,226
<b>Total current assets</b>		<b>3,682,978</b>	<b>1,427,961</b>
<u>Non-Current Assets</u>			
Fixed assets	6	275,059	366,347
Right-of-use asset	8	180,900	44,475
Intangible assets	7	22,996	37,470
<b>TOTAL ASSETS</b>		<b>\$ 4,161,933</b>	<b>\$ 1,876,253</b>
<b>LIABILITIES</b>			
<u>Current Liabilities</u>			
Trade and other payables	10	\$ 2,162,217	\$ 1,555,020
Deferred income		11,000	11,000
Customer deposits		47,437	21,697
Current portion of related party loans	11	148,343	142,339
Current portion of financing liability	12	95,525	94,914
Current portion of lease liability	8	41,191	18,020
Income taxes payable		54,290	104,437
<b>Total current liabilities</b>		<b>2,560,003</b>	<b>1,947,427</b>
<u>Non-Current Liabilities</u>			
Deferred income		21,082	29,333
Related party loans	11	2,437,461	2,241,320
Financing liability	12	136,299	215,310
Lease liability	8	145,984	30,250
<b>TOTAL LIABILITIES</b>		<b>5,300,829</b>	<b>4,463,640</b>
<b>EQUITY (DEFICIENCY)</b>			
Share capital	13	13,586,931	1,797,268
Merger reserve		(1,000)	(1,000)
Contributed surplus		486,281	385,280
Accumulated other comprehensive loss		69,819	(36,987)
Deficit		(15,331,772)	(4,739,453)
Deficit attributable to the shareholders of the Company		(1,189,741)	(2,594,892)
Non-controlling interest	15	50,845	7,505
<b>TOTAL DEFICIENCY</b>		<b>(1,138,896)</b>	<b>(2,587,387)</b>
<b>TOTAL LIABILITIES AND EQUITY (DEFICIENCY)</b>		<b>\$ 4,161,933</b>	<b>\$ 1,876,253</b>
Nature of operations and going concern	1		
Subsequent events	20		

*Approved on behalf of the board*

*"Laurie Baggio"*

Laurie Baggio, Director

*"Lance Tracey"*

Lance Tracey, Director

See accompanying notes to the consolidated financial statements.

# MOBIO TECHNOLOGIES INC.

## CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Expressed in Canadian Dollars)

	Notes	Nine month period ended September 30, 2025	Year ended December 31, 2024
<b>REVENUE</b>			
Long distance moving		\$ 5,265,697	\$ 5,113,093
Royalty fees	13	3,345,334	4,111,273
Moving revenue		1,741,464	1,914,374
Third party commission		67,996	47,644
Miscellaneous		16,653	19,731
<b>Total revenue</b>		<b>10,437,144</b>	<b>11,206,115</b>
<b>COST OF REVENUE</b>			
Cost of long distance moving		3,893,560	3,989,089
Movers' wages		610,150	671,645
Gas expense		104,775	101,566
Merchant fees		166,106	167,729
Boxes and supplies		58,804	55,451
<b>Total cost of revenue</b>		<b>4,833,395</b>	<b>4,985,480</b>
<b>GROSS PROFIT</b>		<b>5,603,749</b>	<b>6,220,635</b>
<b>EXPENSES</b>			
Wages		2,112,084	2,590,575
Marketing and promotion		1,031,212	1,248,104
Office and general		1,035,033	1,064,627
Conference		128,294	95,577
Truck & auto		277,447	168,092
Professional fees		358,654	277,962
Management and consulting	14	239,911	285,532
Telephone		191,454	201,691
Travel, meals and entertainment		164,132	166,226
Depreciation	6, 7, 8	113,606	170,319
Share based payment expense	13	23,531	59,196
Bad debt expense	5	49,071	134,900
Transaction Costs		3,788	-
Franchise development		1,586	30,041
<b>Total expenses</b>		<b>5,729,803</b>	<b>6,492,842</b>
<b>OTHER ITEMS</b>			
Other income (expense)		13,488	(87,993)
Interest expense	8, 11, 12, 14	(233,364)	(316,873)
Gain on foreign exchange		370	39,844
Cost of listing	4	(10,200,863)	-
Share of loss from associate	9	-	(1,339)
<b>Total other items</b>		<b>(10,420,369)</b>	<b>(366,361)</b>
Net loss for the period/ year before tax		(10,546,423)	(638,568)
Income tax expense	19	1,578	75,312
<b>Net loss for the period/ year</b>		<b>\$ (10,548,001)</b>	<b>\$ (713,880)</b>
<b>Net (loss) income attributable to:</b>			
Shareholders of the parent company		\$ (10,592,319)	\$ (749,868)
Non-controlling interest	15	44,318	35,988
<b>Net loss for the period/ year</b>		<b>\$ (10,548,001)</b>	<b>\$ (713,880)</b>
<b>Other comprehensive loss:</b>			
Foreign currency translation loss attributed to equity shareholders of the parent company		\$ 106,806	\$ (48,528)
Foreign currency translation loss attributed to non-controlling interest	15	(978)	(3,488)
<b>Comprehensive loss for the period/ year</b>		<b>\$ (10,442,173)</b>	<b>\$ (765,896)</b>
<b>Loss per share</b>			
Basic		\$ (0.13)	\$ (0.08)
Diluted		\$ (0.13)	\$ (0.08)
<b>Weighted average number of common shares outstanding</b>			
Basic		81,181,521	47,500,000
Diluted		81,181,521	50,000,000

See accompanying notes to the consolidated financial statements.

## MOBIO TECHNOLOGIES INC.

### CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)

(Expressed in Canadian dollars)

	Note	Share capital		Merger reserve	Contributed surplus	Accumulated other comprehensiv e loss	Non- controlling interest	Deficit	Total
		Number of shares	Amount						
<b>Balance at December 31, 2023</b>		<b>47,500,000</b>	<b>\$ 1,797,268</b>	<b>\$ (1,000)</b>	<b>\$ 245,812</b>	<b>\$ 11,541</b>	<b>\$ (24,995)</b>	<b>\$ (3,989,585)</b>	<b>\$(1,960,959)</b>
MCSB Moving Services LLC unit subscription	13	-	-	-	65,238	-	-	-	65,238
YMM Phoenix LLC unit subscription	13	-	-	-	(6,042)	-	-	-	(6,042)
Equity portion of debt		-	-	-	4,678	-	-	-	4,678
Stock options granted to franchisees	13	-	-	-	58,015	-	-	-	58,015
Foreign currency translation		-	-	-	17,579	(48,528)	(3,488)	-	(34,437)
Income (loss) for the year		-	-	-	-	-	35,988	(749,868)	(713,880)
<b>Balance at December 31, 2024</b>		<b>47,500,000</b>	<b>\$ 1,797,268</b>	<b>\$ (1,000)</b>	<b>\$ 385,280</b>	<b>\$ (36,987)</b>	<b>\$ 7,505</b>	<b>\$ (4,739,453)</b>	<b>\$(2,587,387)</b>
MCSB Moving Services LLC unit subscription	13	-	-	-	23,237	-	-	-	23,237
YMM Phoenix LLC unit subscription	13	-	-	-	294	-	-	-	294
Stock options granted to franchisees	13	2,500,000	5,000	-	85,272	-	-	-	90,272
Effect of reverse acquisition - share exchange with TMI	4	42,583,260	8,530,166	-	-	-	-	-	8,530,166
Effect of reverse acquisition - private placement	4	9,000,000	1,800,000	-	-	-	-	-	1,800,000
Effect of reverse acquisition - debt conversion	4	7,272,486	1,454,497	-	-	-	-	-	1,454,497
Foreign currency translation		-	-	-	(7,802)	106,806	(978)	-	98,026
Income (loss) for the period		-	-	-	-	-	44,318	(10,592,319)	(10,548,001)
<b>Balance at September 30, 2025</b>		<b>108,855,746</b>	<b>\$ 13,586,931</b>	<b>\$ (1,000)</b>	<b>\$ 486,281</b>	<b>\$ 69,819</b>	<b>\$ 50,845</b>	<b>\$(15,331,772)</b>	<b>\$(1,138,896)</b>

See accompanying notes to the consolidated financial statements.

**MOBIO TECHNOLOGIES INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Expressed in Canadian Dollars)

	Nine month period ended September 30, 2025	Year ended December 31, 2024
<b>OPERATING ACTIVITIES</b>		
Net loss for the period/ year	\$ (10,548,001)	\$ (713,880)
Items not affecting cash		
Interest expense	233,364	316,321
Depreciation & amortization	113,606	170,319
Cost of listing	10,200,863	-
Share of loss from associate	-	1,339
Share based payment expense	23,531	59,196
Share based payment to franchisees	85,272	58,015
Bad debt expense	49,071	134,900
(Gain) loss on foreign exchange	(45,893)	3,146
Net changes in non-cash working capital		
Accounts and other receivables	(647,096)	414,274
Deposits and prepaid expenses	(106,253)	76,080
Trade and other payables	397,763	73,416
Customer deposits	26,417	19,770
Deferred income	(8,251)	(11,000)
Income taxes payable	(50,147)	124,521
Net cash (used in) provided by operating activities	(275,754)	726,417
<b>INVESTING ACTIVITIES</b>		
Acquisition of fixed assets	-	(50,362)
Cash acquired on reverse takeover	7,425	-
Net cash provided by (used in) investing activities	7,425	(50,362)
<b>FINANCING ACTIVITIES</b>		
Proceeds from financing liability	-	50,362
Repayment of financing liability	(83,596)	(94,384)
Proceeds from private placement	1,800,000	-
Proceeds from loans	188,489	407,100
Repayment of loans	(186,257)	(436,930)
Exercise of pioneer stock options	5,000	-
Repayment of lease liability	(24,194)	(23,400)
Net cash provided by (used in) financing activities	1,699,442	(97,252)
NET CHANGE IN CASH	1,431,113	578,803
FOREIGN EXCHANGE TRANSLATION	105,828	(22,983)
CASH & RESTRICTED CASH, BEGINNING OF THE PERIOD/ YEAR	824,284	268,464
RESTRICTED CASH	(76,835)	(77,501)
CASH, END OF THE PERIOD/ YEAR	\$ 2,284,390	\$ 746,783

See accompanying notes to the consolidated financial statements.

## **MOBIO TECHNOLOGIES INC.**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

Nine Month Period Ended September 30, 2025 and Year Ended December 31, 2024

#### **1. NATURE OF OPERATIONS AND GOING CONCERN UNCERTAINTY**

Mobio Technologies Inc. (“Mobio” or the “Company”) was incorporated pursuant to the provisions of the Business Corporations Act (Alberta) on November 19, 1998 and was continued into British Columbia under the Business Corporations Act (British Columbia). The Company’s registered and records office is located at 204 – 1080 Mainland Street, Vancouver, BC, V6B 2T4. Mobio is a public company whose shares are listed on the TSX Venture Exchange under the symbol “MBO”.

On April 24, 2025, the Company completed a reverse takeover transaction (the “RTO”), pursuant to a Share Exchange Agreement dated February 14, 2025 between the Mobio and Tracksuit Movers Inc. (“TMI”). Pursuant to the RTO, Mobio acquired all of the outstanding shares in TMI in exchange for common shares of Mobio. Upon completion of the RTO, the shareholders of TMI controlled Mobio and accordingly, the transaction was accounted for as a reverse acquisition of Mobio by TMI and TMI was identified as the accounting acquirer. The historical operations, assets and liabilities of TMI as at and for the year ended December 31, 2024 are shown as the comparative figures, as TMI is deemed to be the continuing entity for financial reporting purposes.

As part of the RTO, the following transactions occurred: (i) Mobio acquired 100% of the issued and outstanding shares of TMI by way of five-to-one share exchange: 10,000,000 of the issued and outstanding shares of TMI were exchanged for 50,000,000 newly issued shares of Mobio at a price of \$0.20 per Mobio share; (ii) Mobio completed a non-arm’s length non-brokered Private Placement, raising gross proceeds of \$1,800,000 through the issuance of 9,000,000 common shares at a price of \$0.20 per share; (iii) the Company converted outstanding loans payable, totalling \$1,454,497, into 7,272,486 common shares of Mobio, priced at \$0.20 per share. Collectively, the RTO, the Private Placement and loan conversion are referred to as the “Transaction”.

The principal business of the Company is to acquire, optimize, and grow diversified portfolio of home service franchisors (“Mobio Brands”). Mobio provides strategic resources, management expertise, and other value added services that help franchisors grow and scale their business.

These consolidated financial statements have been prepared using the going concern assumption, which assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities in the normal course of business. During the nine month period ended September 30, 2025, the Company generated a net loss of \$10,548,001.

The continuing operations of the Company are dependent upon its ability to develop profitable operations in the future and successfully access additional capital, if necessary. The Company has a history of generating operating losses. As of September 30, 2025, the Company’s accumulated deficit is \$15,331,772. These conditions indicate the existence of material uncertainties that cast significant doubt about the Company’s ability to continue as a going concern. The consolidated financial statements do not include any adjustments relating to the carrying values of assets and liabilities and the reported revenues and expenses that might be necessary should the Company be unable to continue as a going concern and such adjustments could be material.

## MOBIO TECHNOLOGIES INC.

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

Nine Month Period Ended September 30, 2025 and Year Ended December 31, 2024

## 2. BASIS OF PRESENTATION

These consolidated financial statements were authorized for issue on January 28, 2026, by the Board of Directors of the Company.

### Statement of Compliance

These consolidated financial statements have been prepared in compliance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board.

### Principles of Consolidation

These consolidated financial statements include the accounts of the Company and its controlled subsidiaries. Details of controlled subsidiaries are as follows:

	Country of incorporation	Percentage owned	
		September 30, 2025	December 31, 2024
Tracksuit Movers Inc.	CAN	100%	N/A
Strutta.com Media Inc. ("Strutta")	CAN	100%	N/A
You Move Me LLC	USA	100%	100%
MCSB Moving Services LLC	USA	80%	80%
YMM Phoenix LLC	USA	94%	94%
YMM Reno LLC	USA	100%	100%
YMM Interstate LLC	USA	100%	100%

Strutta, is a wholly owned subsidiary of the Company, which runs social promotions platform that allows brands to run contests and sweepstakes across multiple social web channels. Tracksuit movers Inc. ("TMI") is a wholly owned subsidiary that sells franchise rights throughout Canada for the operation of businesses that provide residential and commercial moving services. You Move Me LLC ("YMM LLC") is a wholly owned subsidiary of TMI that sells franchise rights throughout the United States. MCSB Moving Services LLC ("MCSB") is a corporately owned franchise location that performs moving services in Cincinnati Ohio. YMM Phoenix LLC ("YMM Phoenix") is a corporately owned franchise location that performs moving services in Phoenix, Arizona. YMM Reno LLC ("YMM Reno") is a wholly owned franchise location that performs moving services in Reno, Nevada. History of changes in the percentage of ownership of MCSB and YMM Phoenix are discussed further in Note 13 and Note 15. YMM Interstate LLC ("YMM Interstate") is a wholly owned subsidiary of YMM LLC that administers long distance moves throughout the United States with franchise partners acting as agents.

Entities over which the Company has control are consolidated from the date that control commences until the date that control ceases. Entities over which the Company has significant influence (investments in associates) are accounted for under the equity method. Significant influence is assumed when the Company's interests are 20% or more, but less than 50%, unless qualitative factors overcome this assumption (Note 9).

### Functional and Presentation Currency

The consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company, TMI, and Strutta. The functional currency of YMM LLC, YMM Interstate, MCSB, YMM Reno and YMM Phoenix is the US dollar.

## **MOBIO TECHNOLOGIES INC.**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

Nine Month Period Ended September 30, 2025 and Year Ended December 31, 2024

## **2. BASIS OF PRESENTATION (CONT'D)**

### **Basis of Measurement**

These consolidated financial statements have been prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss, which are stated at their fair values. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting.

### **New Accounting Standards and Recent Pronouncements**

The following amendment to the standards issued by the International Accounting Standards Board (“IASB”) is applicable to the Company’s financial statements:

Presentation and Disclosure in Financial Statements (IFRS 18):

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements to improve reporting of financial performance. The new standards replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new categories and required subtotals in the statement of profit and loss and also requires disclosure of management defined performance measures. It also includes new requirements for the location, aggregation and disaggregation of financial information. The standard is effective for annual reporting periods beginning on or after January 1, 2027. Retrospective application is required and early adoption is permitted. The Company is assessing the impacts to the consolidated financial statements.

### **Use of Estimates and Judgments**

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. This also includes judgement on whether certain assets should be presented as current which is predicated on management’s best estimate at the time of when they’ll be settled. Actual results could differ from those estimates.

### **Critical Accounting Judgements**

- i. Common control between entities: Judgement is required to assess whether common control exists based on all of the facts and circumstances surrounding the relationships between parties, both direct and indirect.
- ii. Market rate of interest for related party loans: Management has applied judgement in assessing whether the interest rate on related party loans reflects market rate by reviewing publicly available interest rates for comparable companies and other 3rd party evidence.
- iii. Assessing functional currency: Management has applied judgement in the assessment of an entity’s functional currency in situations where primary and secondary indicators are mixed. Primary indicators such as the currency that mainly influence sales prices are given priority before considering secondary indicators.
- iv. Provisions: Judgement is required to determine whether contingent liabilities are present, probable and require disclosure in each financial reporting period.
- v. Carrying value of investment in associate: The Company has an investment in a start-up company, Karve IT Ltd, whose products and services are under development. The successful development and commercialization of these products and services is subject to a high

## MOBIO TECHNOLOGIES INC.

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

Nine Month Period Ended September 30, 2025 and Year Ended December 31, 2024

#### 2. BASIS OF PRESENTATION (CONT'D)

degree of risk. Judgement is applied in the consideration of the fair value of the investment at each reporting period. The Company has assessed that it exerts significant influence over Karve IT Ltd. and accounts for it as an 'Investment in Associate' (Note 9). Significant influence is the power to participate in the financial and operating policy decisions of the investee but has no control or joint control over those policies. The assessment of the existence of significant influence was based on the Company's ownership interest in the investment in associate and the representation on the Board of Directors.

- vi. Classification of expenses between cost of revenue and expense: The Company has applied judgement in the classification of its expenses between cost of revenue and expense based on how management views and evaluates the operating performance of the business.
- vii. Operating segments: Operating segments require the amount of each operating segment item to be disclosed using the measures reported to the chief operating decision maker. Management has determined that there are currently two operating segments and will reevaluate at each reporting period.

#### Critical Accounting Estimates

- i. Collectability of accounts receivable: Management assesses the collectability of accounts receivable at each period and determines whether an allowance needs to be recorded.
- ii. Deferred tax assets: The recognition of deferred tax assets is based on forecasts of future taxable profit. The measurement of future taxable profit for the purposes of determining whether or not to recognize deferred tax assets depends on many factors, including the Company's ability to generate such profits. The occurrence or non-occurrence of such events in the future may lead to significant changes in the measurement of deferred tax assets. During the nine month period ended September 30, 2025, management determined that the deferred tax asset should not be recognized.
- iii. Depreciation rate for fixed assets: Management estimates the useful life of its fixed assets based upon its current condition and whether there are any indicators of impairment.
- iv. Impairment of long-lived assets: Long-lived assets are reviewed for indicators of impairment at each statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds its recoverable amount. Judgments and estimates are required in determining the indicators of impairment and the estimates required to measure an impairment, if any.
- v. Fair value of shares, options, and warrants: Fair values attributable to shares, options and warrants are determined using valuation techniques. The Company uses judgement to select the methods used and to make certain assumptions in performing fair value calculations. These valuation estimates could be significantly different because of the use of judgement and the inherent uncertainty in estimating the fair value of these equity components that are not quoted in an active market.

Estimates and 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.

## **MOBIO TECHNOLOGIES INC.**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

Nine Month Period Ended September 30, 2025 and Year Ended December 31, 2024

#### **3. MATERIAL ACCOUNTING POLICY INFORMATION**

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

##### **Basis of Consolidation**

The consolidated financial statements at September 30, 2025 include the assets, liabilities, revenues and expenses of the Company and its controlled subsidiaries. All inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

##### **Functional Currency and Presentation**

The Company's functional currency and reporting currency is the Canadian dollar and transactions in foreign currencies are translated into Canadian dollars at rates of exchange at the time of such transactions. Monetary assets and liabilities denominated in foreign currencies are translated at reporting period rate of exchange. Non-monetary assets and liabilities denominated in foreign currencies are translated at historical exchange rates.

Revenue and expenses denominated in foreign currencies are translated at the average exchange rates prevailing during the periods. Foreign currency gains or losses resulting from the translation of transactions are recorded in net loss for the period.

The functional currency of YMM LLC, YMM Interstate, MSCB, YMM Reno and YMM Phoenix is the US dollar. The assets and liabilities of these entities included in these consolidated financial statements are translated from functional currency to the Company's presentation currency using the exchange rates at period end. Income, expenses, and cash flow items included in these consolidated financial statements are translated from functional currency to the Company's presentation currency using the exchange rate that approximates the exchange rates at the date of the transactions (i.e., the average rate for the year). The differences arising upon translation from the functional currency to the reporting currency are recorded as a foreign currency translation adjustment in other comprehensive income and remain in other comprehensive income until a subsidiary is partially or fully disposed of, or until the Company determines that it is abandoning all of the non-financial assets which are held by that subsidiary. If the operation is a non-wholly owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interest where applicable.

##### **Revenue Recognition**

In accordance with IFRS Accounting Standard 15 – Revenue from Contracts with Customers, the Company follows a 5-step process to determine whether to recognize revenue:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to performance obligations
5. Recognizing revenue when/as performance obligation(s) are satisfied

Royalty fees revenue is based on a fixed percentage of sales earned by the franchise locations.

Moving revenues are based on amounts invoiced to customers after a move has been completed. Any deposits paid by customers to book their moving services are deferred as a contract liability and recognized as revenue once the moving service has been completed.

## MOBIO TECHNOLOGIES INC.

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

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#### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Long-distance moving services are provided with the use of franchise partners and third parties that contract with YMM Interstate. IFRS Accounting Standard 15 requires the Company to evaluate whether the Company promises to transfer services to the customer (as the principal) or to arrange for services to be provided by another party (as the agent) using a control model. Based on the

evaluation of the control model, management has determined that YMM Interstate is the principal to the transaction for most of these services and revenue is recognized on a gross basis based on the transfer of control to the customer. YMM Interstate also engages in certain referral transactions wherein they act as agents. Revenue from these transactions is recorded on a net basis.

##### **Fixed assets**

Fixed assets are stated at historical cost less accumulated depreciation and accumulated impairment losses. Repairs and maintenance are charged to the consolidated statement of loss and comprehensive loss during the financial period in which they are incurred. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the consolidated statement of loss and comprehensive loss.

The depreciation methods and rates applicable to each category of fixed assets are as follows:

<b>Class of fixed assets</b>	<b>Depreciation rate</b>
Moving trucks	Declining balance of 30%
Right of use assets	Straight line over lease term

##### **Intangible Assets**

Intangible assets with a finite life currently consist of software. It is amortized on a straight-line basis over its estimated useful life of 3 to 5 years and is measured at cost less accumulated amortization and accumulated impairment losses. Amortization commences once the underlying asset is complete and put into use.

##### **Provisions**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the estimated future cash flows required to settle the present obligation, based on the most reliable evidence available at the reporting date. The estimated cash flows are discounted at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability, where the time value of money is material. The amortization of the discount is recognized as part of finance costs. Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset; however, this asset may not exceed the amount of the related provision. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

##### **Financial Instruments**

###### (i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets and liabilities at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of

## MOBIO TECHNOLOGIES INC.

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

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### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The following summarizes the Company's classification of financial assets and liabilities:

<u>Financial Assets/Liabilities</u>	<u>IFRS 9 Classification</u>
Cash & restricted cash	FVTPL
Accounts and other receivables	Amortized cost
Deposits and prepaid expenses	Amortized cost
Trade and other payables	Amortized cost
Customer deposits	Amortized cost
Related party loans	Amortized cost
Financing liability	Amortized cost

#### (ii) Measurement

##### Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and are subsequently carried at amortized cost less any impairment. This includes cash, restricted cash, accounts and other receivables, trade and other payables, related party loans and financing liability.

##### Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss and comprehensive loss in the period in which they arise.

##### Debt investments at FVTOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss. The Company does not hold instruments in this category.

##### Equity investments at FVTOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss. The Company does not hold instruments in this category.

#### (iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If, at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses.

## MOBIO TECHNOLOGIES INC.

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

Nine Month Period Ended September 30, 2025 and Year Ended December 31, 2024

#### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

The Company shall recognize in the consolidated statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

##### (iv) Derecognition

###### Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

###### Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. Gains and losses on derecognition are generally recognized in profit or loss.

##### **Comprehensive Loss**

Comprehensive loss is defined as the change in equity from transactions and other events from non-owner sources. Other comprehensive loss refers to items recognized in comprehensive loss that are excluded from net loss. Comprehensive loss for the nine month period ended September 30, 2025 and the year ended December 31, 2024 includes the foreign exchange loss for the translation of YMM LLC, YMM Interstate, MSCB, YMM Reno and YMM Phoenix's financial statements, which are denominated in US dollars, to Canadian dollars being the reporting currency.

##### **Loss per Share**

Basic loss per share is calculated by dividing the loss attributable to common shareholders by the weighted-average number of common shares outstanding during the period. The Company uses the treasury stock method to compute the dilutive effect of warrants and similar instruments. The method requires computation as if the proceeds from the exercisable warrants would be used to purchase common shares at the average market price during the period. When a loss is incurred during the reporting period, basic and diluted loss per share is the same as the exercise of share purchase warrants is considered to be anti-dilutive.

##### **Impairment of Non-Financial Assets**

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

##### **Leases**

IFRS Accounting Standard 16 sets out the principles for the recognition, measurement, presentation, and disclosure of leases for both the lessee and the lessor. It follows a single lessee accounting model that requires the recognition of all assets and liabilities arising from a lease.

At inception of the lease term, the Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of the costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The assets are depreciated over the earlier of the end of useful life of the right-

## **MOBIO TECHNOLOGIES INC.**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

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#### **3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**

of-use asset or the lease term using the straight-line method as this most closely reflects the expected pattern of the consumption of the future economic benefits. The Company also assesses the right-of-use asset for impairment when such indicators exist.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease liability is measured at the amortized cost using the effective interest method.

For low value leases or leases with a term of less than twelve months, lease payments are recognized as an expense on a straight-line basis over the lease term.

##### **Share-Based Payments**

Stock options issued are accounted for in accordance with fair value accounting for share-based payments. The fair value of each stock option granted is estimated on the date of grant using the Black-Scholes option pricing model. The associated expense is charged to profit or loss with a corresponding increase to share-based payment reserves over the vesting period of the option. The amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. Compensation expense for stock options granted to non-employees is recorded as an expense in the period at the earlier of the completion of performance and the date the options are vested using the fair value method.

As the options are exercised, the consideration paid, along with the amount previously recognized in share-based payment reserves, is recorded as an increase to share capital. For stock options which have expired or been forfeited, the amount previously recognized in share-based payments reserve is reclassified to deficit.

##### **Income Taxes**

Income tax expense consists of current and deferred tax expenses. Income tax expense is recognized in net loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized directly in equity.

Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is calculated using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred taxes are not recognized for temporary differences related to the initial recognition of assets or liabilities that affect neither accounting nor taxable profit or investments in subsidiaries and equity investments to the extent it is probable that they will not be reversed in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a future tax asset will be recovered, it provides a valuation allowance against that asset.

## MOBIO TECHNOLOGIES INC.

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

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#### 4. REVERSE TAKEOVER AND RELATED TRANSACTIONS

On April 24, 2025, the Company completed the RTO pursuant to a Share Exchange Agreement dated February 14, 2025 between the Mobio and TMI.

TMI's primary line of business is to sell franchise rights in Canada and the United States for the operation of businesses that provide residential and commercial moving services. In 2021, the Company began operating its own corporate owned franchise locations in Cincinnati, Ohio, and Phoenix, Arizona. In 2023, the Company began offering its long-distance moving service. In January of 2025, the Company began operating its own corporate owned franchise location in Reno, Nevada. As at September 30, 2025, the Company had 20 (December 31, 2024 – 19) operating franchises in Canada and the USA.

Pursuant to the RTO, Mobio acquired all of the outstanding shares in TMI in exchange for common shares of Mobio by way of five-to-one share exchange: 10,000,000 of the issued and outstanding shares of TMI were exchanged for 50,000,000 of newly issued shares of Mobio at a price of \$0.20 per Mobio share. Concurrently with the RTO, Mobio: completed a non-arm's length non-brokered Private Placement, raising gross proceeds of \$1,800,000 through the issuance of 9,000,000 common shares at a price of \$0.20 per share; and converted outstanding non-arm's length loans payable, totalling \$1,454,497, into 7,272,486 common shares of Mobio, priced at \$0.20 per share.

In accordance with Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101"), the Transaction is considered a "related party transaction" and was therefore subject to "minority approval". Under MI 61-101, minority approval requires that the votes of related parties be excluded from the determination of approval. As a result, the votes attached to Mobio shares held by related parties were excluded from the approval process for this Transaction. Disinterested shareholders of Mobio approved the Transaction on March 31, 2025 at an annual general and special meeting of Company shareholders.

For accounting purposes, it has been determined that Mobio was the accounting acquiree and TMI was the accounting acquirer, based upon the guidance in IFRS 10, Consolidated Financial Statements, and IFRS 3, Business Combinations, as the shareholders of the former TMI now control the Company. Since TMI is considered the accounting acquirer, these consolidated financial statements are prepared as a continuation of the financial statements of TMI.

The acquisition of Mobio by TMI was accounted for as a share based payment, as Mobio was not considered a business, with the assets acquired and liabilities assumed measured at their fair values at the acquisition date. The total fair value of consideration was first allocated to the acquired assets and liabilities, with the difference recorded as a listing expense of \$10,200,863. The results of the operations, financial position and cash flows of Mobio have been included in the Company's consolidated financial statements since the date of acquisition.

The acquisition-date fair value of the consideration transferred by the accounting acquirer, TMI, for its interest in the accounting acquiree, Mobio, of \$8,530,166 was determined based on the equity value of TMI and the number of shares that TMI would have to issue to acquire 100% of the issued and outstanding shares of Mobio, and is recorded as an increase in common shares in the consolidated statement of financial position.

**MOBIO TECHNOLOGIES INC.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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**4. REVERSE TAKEOVER AND RELATED TRANSACTIONS (CONT'D)**

The following table summarizes the calculation of the purchase price:

<b>Fair value of TMI's equity</b>	<b>\$ 10,000,000</b>
Number of TMI shares prior to transaction at exchange ratio of 5:1	50,000,000
Percentage equity interest of Mobio former shareholders in the combined entity	45.99%
# of shares of TMI that would have been issued	42,583,260
<b>New total # of shares issued to shareholders of Mobio</b>	<b>42,583,260</b>
<b>Value per share</b>	<b>\$ 0.20</b>

<b>Purchase Price:</b>	<b>CAD</b>
# of shares of TMI that would have been issued	42,583,260
Estimated fair value per share	\$ 0.20
Fair Value of TMI shares	8,516,652
Fair value of Mobio's outstanding options	13,514
<b>Fair value of purchase consideration</b>	<b>\$ 8,530,166</b>

As the valuation of Mobio's identifiable net assets at the reverse acquisition date was negative \$1,670,697, the excess of consideration transferred over the net assets acquired of \$10,200,863 is reflected as a "Cost of listing" expense in the consolidated statement of loss and comprehensive loss. The fair value of the assets was determined to be their carrying value given the nature of these assets.

The following table summarizes the purchase price allocation:

<b>Total Purchase Consideration</b>	<b>\$ 8,530,166</b>
Identifiable assets acquired	
Cash	7,425
Accounts and other receivables	7,521
Deposits and prepaid expenses	5,889
Due from related party	16,105
Trade and other payables	(253,140)
Related party loans	(1,454,497)
<b>Net assets acquired</b>	<b>(1,670,697)</b>
<b>Cost of listing</b>	<b>\$ 10,200,863</b>

**5. ACCOUNTS AND OTHER RECEIVABLES**

For the nine month period ended September 30, 2025, the Company recognized \$49,071 (December 31, 2024 - \$134,900) of bad debt expense, mainly related to moving service operations of YMM Interstate, MSCB and YMM Phoenix.

**MOBIO TECHNOLOGIES INC.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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**5. ACCOUNTS AND OTHER RECEIVABLES (CONT'D)**

Included in accounts receivable and other receivables at September 30, 2025 is an amount of \$348,516 (December 31, 2024 - \$291,000) owing from companies controlled by directors of the Company. Amounts receivable from related parties are unsecured, non-interest bearing and have terms of repayment of net 30.

**6. FIXED ASSETS**

		Moving Trucks
<b>Cost</b>		
<b>Balance December 31, 2023</b>	<b>\$</b>	<b>781,551</b>
Additions		50,362
Effect of foreign exchange		68,724
<b>Balance December 31, 2024</b>		<b>900,637</b>
Effect of foreign exchange		(28,058)
<b>Balance September 30, 2025</b>	<b>\$</b>	<b>872,579</b>
<b>Accumulated depreciation</b>		
<b>Balance December 31, 2023</b>	<b>\$</b>	<b>364,148</b>
Depreciation for the year		131,489
Effect of foreign exchange		38,653
<b>Balance December 31, 2024</b>		<b>534,290</b>
Depreciation for the period		80,131
Effect of foreign exchange		(16,901)
<b>Balance September 30, 2025</b>	<b>\$</b>	<b>597,520</b>
<b>Net book value</b>		
Balance December 31, 2024	\$	366,347
Balance September 30, 2025	\$	275,059

**7. INTANGIBLE ASSETS**

		Software
<b>Balance December 31, 2023</b>	<b>\$</b>	<b>57,897</b>
Amortization		(20,427)
<b>Balance December 31, 2024</b>		<b>37,470</b>
Amortization		(14,474)
<b>Balance September 30, 2025</b>	<b>\$</b>	<b>22,996</b>

**8. LEASE**

On October 1, 2022, the Company entered into an office lease agreement for a term of three years and four months with the option to extend it for a further 16 months until May 31, 2027. In accordance with IFRS 16 *Leases*, the Company recorded a right-of-use asset and a lease liability with

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**8. LEASE (CONT'D)**

a fair value of \$298,270. The fair value was determined by discounting future lease payments at a discount rate of 15% per annum.

On June 26, 2025, the Company entered into an office lease agreement for a term of five years with the option to extend it for a further 3 years until July 31, 2033. In accordance with IFRS 16 *Leases*, the Company recorded a right-of-use asset and a lease liability with a fair value of \$155,408. The fair value was determined by discounting future lease payments at a discount rate of 14% per annum.

The Company's right-of-use asset as at September 30, 2025:

<b>Balance December 31, 2023</b>	\$	62,878
Amortization		(18,403)
<b>Balance December 31, 2024</b>		44,475
Addition of right-of-use asset		155,408
Amortization		(19,001)
Effect of foreign exchange		18
<b>Balance September 30, 2025</b>	<b>\$</b>	<b>180,900</b>

The Company's lease liability as at September 30, 2025:

<b>Balance December 31, 2023</b>	\$	63,940
Payments made		(23,400)
Interest accrued		7,730
<b>Balance December 31, 2024</b>	\$	48,270
Addition of lease liability		155,408
Payments made		(24,194)
Interest accrued		7,680
Effect of foreign exchange		11
<b>Balance September 30, 2025</b>	<b>\$</b>	<b>187,175</b>
Current portion	\$	41,191
Long term portion		145,984
	<b>\$</b>	<b>187,175</b>

The Company's minimum lease payments over the next 5 years are as follows:

	Within 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	Total
Lease payments	\$ 63,394	\$ 57,194	\$ 43,257	\$ 44,987	\$ 38,732	\$ 247,564
Imputed interest	(22,203)	(16,369)	(12,029)	(7,549)	(2,239)	(60,389)
<b>Net present values</b>	<b>\$ 41,191</b>	<b>\$ 40,825</b>	<b>\$ 31,228</b>	<b>\$ 37,438</b>	<b>\$ 36,493</b>	<b>\$ 187,175</b>

**9. INVESTMENT IN ASSOCIATE**

On April 30, 2021, the Company subscribed to 200,000 common shares of Karve IT Ltd. ("Karve") at the price of \$1 per common share, for an aggregate subscription price of \$200,000.

As at September 30, 2025, the Company owned 200,000 shares of Karve, representing 39.22% of the Company and one Board seat (December 31, 2024 – 39.22%). Management have determined that the

**MOBIO TECHNOLOGIES INC.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

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**9. INVESTMENT IN ASSOCIATE (CONT'D)**

Company has significant influence over Karve and recorded this investment using the equity method. The Company made an adjustment for the equity pick-up required each month given its percentage of ownership for that particular month (Note 20).

During the nine month period ended September 30, 2025, the Company recognized a \$Nil (December 31, 2024 – \$1,339) share of loss from the investment in Karve on its consolidated statement of loss and comprehensive loss.

	Karve IT Ltd.	
<b>Balance December 31, 2023</b>	\$	<b>1,339</b>
Share of loss from associate		(1,339)
<b>Balance December 31, 2024 and September 30, 2025</b>		<b>-</b>

**10. TRADE AND OTHER PAYABLES**

	September 30, December 31,	
	2025	2024
Accounts payable	\$ 1,430,264	\$ 908,064
Accrued liabilities	336,458	216,151
Due to related party	395,495	430,805
	<b>\$ 2,162,217</b>	<b>\$ 1,555,020</b>

Included in accounts payable and accrued liabilities at September 30, 2025 is an amount of \$395,495 (December 31, 2024 - \$430,805) owing to companies controlled by directors of the Company. Amounts payable to related parties are unsecured, non-interest bearing and have no specified terms of repayment.

**11. RELATED PARTY LOANS**

On October 9, 2019, the Company signed a loan agreement with a company controlled by a director that would allow the Company to borrow up to \$1,189,160. The Company borrowed \$989,160 on October 9, 2019 and an additional \$200,000 on November 7, 2019. The loan is unsecured and bears an annual interest rate at 10%. The Company agreed to repay the amount borrowed in 60 equal monthly installments on the first business day of each month commencing January 2021 and ending December 2025. The loan was recorded at face value of \$1,189,160 less the value of the equity component of the loan of \$63,140, determined by discounting the loan at an appropriate market rate of interest of 12%. The lender has waived the installment payments for the next 12 months. As of September 30, 2025, the Company has not made any repayment installments. On August 24, 2020, \$200,922 of the loan plus any interest accrued thereon was assigned to another director of the Company. During the nine month period ended September 30, 2025, the Company recorded interest of \$149,351 (December 31, 2024 – \$183,262) on the loan (Note 14). The balance of the loan at September 30, 2025 is \$1,855,615 (December 31, 2024 - \$1,706,263).

On August 24, 2020, due to the loan assignment described above, the Company was indebted to a director in the amount of \$200,922. The loan is unsecured and bears an annual interest rate at 10%. The Company agreed to repay the amount borrowed in 60 equal monthly installments on the first business day of each month commencing January 2021 and ending December 2025. The loan was recorded at face value of \$200,922 less the value of the equity component of the loan of \$8,997, determined by discounting the loan at an appropriate market rate of interest of 12%. The lender has

## MOBIO TECHNOLOGIES INC.

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

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#### 11. RELATED PARTY LOANS (CONT'D)

waived the installment payments for the next 12 months. As of September 30, 2025, the Company has not made any repayment installments. During the nine month period ending September 30, 2025, the Company recorded interest of \$27,636 (December 31, 2024 - \$33,922) on the loan (Note 14). The balance of the loan at September 30, 2025 is \$343,471 (December 31, 2024 - \$315,835).

On October 9, 2019, the Company received a loan in the amount of \$128,797 from a company jointly controlled by a director. The loan is unsecured and bears an annual interest rate of 10%. The Company agreed to repay the amount borrowed in 60 equal monthly installments on the first business day of each month commencing January 2021 and ending December 2025. The loan was recorded at face value of \$128,797 less the value of the equity component of the loan of \$7,744, determined by discounting the loan at an appropriate market rate of interest of 12%. The lender has waived the installment payments for the next 12 months. As of September 30, 2025, the Company has not made any repayment installments. During the nine month period ending September 30, 2025, the Company recorded interest of \$19,153 (December 31, 2024 - \$23,546) on the loan (Note 14).

The balance of the loan at September 30, 2025 is \$238,375 (December 31, 2024 - \$219,222).

On March 24, 2022, the Company received a loan in the amount of US\$75,000 from a company jointly controlled by a director. The loan is unsecured, bears interest at 10%, and is due on demand. The lender has waived the installment payments for the next 12 months. As of September 30, 2025, the Company has not made any repayment. During the nine month period ending September 30, 2025, the Company recorded interest of \$10,358 (December 31, 2024 - \$12,996) on the loan (Note 14). The balance of the loan at September 30, 2025 is \$148,343 (December 31, 2024 - \$142,339).

On February 29, 2024, the Company received a loan in the amount of US\$300,000 (CAD\$407,100) from a company jointly controlled by a director. The loan is unsecured and bears an annual interest rate of 12%. The Company agreed to repay principal and interest in two equal instalments on August 15, 2024 and September 30, 2024. Upon initial recognition the Company recognized an equity component of \$4,678 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 14%. During the nine month period ending September 30, 2025, the Company recorded interest and accretion of \$Nil (December 31, 2024 - \$33,366) on the loan (Note 14). The loan was repaid in full on October 4, 2024.

On February 27, 2025, the Company received a loan in the amount of US\$130,696 (CAD\$188,489) from a company jointly controlled by a director. The loan is due on demand, unsecured and bears an annual interest rate of 12%. During the nine month period ending September 30, 2025, the Company recorded interest of \$4,288 (December 31, 2024 - \$Nil) on the loan (Note 14). The balance of the loan was repaid in full on May 9, 2025 for cash amount of US\$133,738 (CAD\$186,257).

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(Expressed in Canadian Dollars)

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**11. RELATED PARTY LOANS (CONT'D)**

A summary of the related party loans is as follows:

<b>Balance December 31, 2023</b>	<b>\$</b>	<b>2,118,999</b>
Additions		407,100
Repayment		(436,930)
Equity portion of debt		(4,678)
Interest		287,092
Effect of foreign exchange		12,076
<b>Balance December 31, 2024</b>		<b>2,383,659</b>
Additions		188,489
Interest		210,756
Repayment		(186,257)
Effect of foreign exchange		(10,843)
<b>Balance September 30, 2025</b>	<b>\$</b>	<b>2,585,804</b>
Current portion	\$	148,343
Non-current portion		2,437,461
	<b>\$</b>	<b>2,585,804</b>

**12. FINANCING LIABILITY**

On August 23, 2022, MCSB entered into a financing arrangement for the purchase of a truck. The total value of the loan was \$121,155 (US\$93,397) to be repaid in 60 consecutive monthly installments at an annual interest rate of 7.25%. The loan will be fully repaid on August 25, 2027. YMM LLC and the Company are acting as guarantors on the loan. During the nine month period ended September 30, 2025, MCSB recorded interest of \$3,642 (December 31, 2024 – \$6,340). The balance of the loan at September 30, 2025 is \$55,575 (December 31, 2024 - \$77,534).

On September 8, 2022, YMM Phoenix entered into a financing arrangement for the purchase of a truck. The total value of the loan was \$135,865 (US\$103,587) to be repaid in 72 consecutive monthly installments at an annual interest rate of 7.70%. The loan will be fully repaid on September 13, 2028. YMM LLC and the Company are acting as guarantors on the loan. During the nine month period ended September 30, 2025, YMM Phoenix recorded interest of \$5,244 (December 31, 2024 – \$8,329). The balance of the loan at September 30, 2025 is \$80,279 (December 31, 2024 - \$100,866).

On November 3, 2022, MCSB entered into a financing arrangement for the purchase of a truck. The total value of the loan was \$123,712 (US\$89,979) to be repaid in 60 consecutive monthly installments at an annual interest rate of 7.30%. The loan will be fully repaid on November 3, 2027. YMM LLC and the Company are acting as guarantors on the loan. During the nine month period ended September 30, 2025, MCSB recorded interest of \$3,870 (December 31, 2024 – \$6,559). The balance of the loan at September 30, 2025 is \$59,755 (December 31, 2024 - \$81,177).

On November 15, 2024, YMM Reno entered into a financing arrangement for the purchase of a truck. The total value of the loan was \$50,362 (\$35,000 USD) to be repaid in 36 consecutive monthly installments at an annual interest rate of 7%. The loan will be fully repaid on November 15, 2027. The loan is unsecured. During the nine month period ended September 30, 2025, YMM Reno recorded interest of \$2,174 (December 31, 2024 – \$271). The balance of the loan at September 30, 2025 is \$36,215 (December 31, 2024 – \$50,647).

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**12. FINANCING LIABILITY (CONT'D)**

A summary of the financing liability is as follows:

<b>Balance December 31, 2023</b>	<b>\$</b>	<b>304,856</b>
Additions		50,362
Interest		21,499
Repayment		(94,384)
Effect of foreign exchange		27,891
<b>Balance December 31, 2024</b>		<b>310,224</b>
Interest		14,928
Repayment		(83,596)
Effect of foreign exchange		(9,732)
<b>Balance September 30, 2025</b>	<b>\$</b>	<b>231,824</b>
Current portion	\$	95,525
Non-current portion		136,299
	<b>\$</b>	<b>231,824</b>

**13. SHARE CAPITAL****Authorized:**

- Unlimited number of common shares without par value.
- Unlimited number of preferred shares without par value, non-voting and entitled to such dividends as may be set by the Board of Directors of the Company.

**Issued**

As at September 30, 2025, the Company had 108,855,746 common shares issued and outstanding (December 31, 2024 – 47,500,000)

The summary below describes share issuance activities in connection with RTO transaction (Note 4):

	<b>Number</b>	<b>Value</b>
<b>Common shares</b>		
TMI shares prior to the RTO	50,000,000	\$ (16,609,140)
Mobio shares issued as a result of the RTO	42,583,260	26,941,574
Mobio shares issued in connection with private placement	9,000,000	1,800,000
Mobio shares issued in connection with debt conversion	7,272,486	1,454,497
Common shares issued and outstanding at September 30, 2025	108,855,746	13,586,931
<b>Options:</b>		
Mobio options issued in connection with stock options plan	75,000	-
<b>Fully diluted shares at September 30, 2025</b>	<b>108,930,746</b>	<b>\$ 13,586,931</b>

As at September 30, 2025, the Company had 88,907,253 common shares in escrow which will be released over a period of 3 years from April 24, 2025.

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(Expressed in Canadian Dollars)

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**13. SHARE CAPITAL (CONT'D)****Stock Options**

Under Mobio's stock option plan, options may be granted to directors, officers, employees and consultants of the Company. Options expire between two and five years after being issued or thirty days after an optionee ceases to be engaged in a bona fide manner with the Company. The Board of Directors has the discretion to extend the expiration period on cessation of engagement. The maximum number of common shares authorized for issuance by the Board of Directors under the plan is limited to 10% of the total issued and outstanding common shares of the Company and the aggregate number of common shares to be delivered upon exercise of the options to any one individual granted under the plan may not exceed 5% of the common shares issued and outstanding.

As at September 30, 2025 the following stock options were issued and exercisable:

	Number of Options	\$	Weighted Average Exercise Price
Balance, September 30, 2025	75,000	\$	0.22

Outstanding (#)	Exercisable (#)	Exercise Price (\$)	Expiry Date
75,000	75,000	0.22	January 19, 2028

The weighted average life of the remaining options is 2.30 years.

**Pioneer Stock Options of TMI prior to RTO**

During the year ended December 31, 2020, TMI established a pioneer stock option plan (the "Plan"). The purpose of the Plan is to enhance the value of the franchise system and to align the interests of the franchisor and franchisees in the system by having the Company offer opportunities to early franchisees and other contributors to the system to participate in the Company's growth and success by acquiring and maintaining stock ownership in the Company. The aggregate number of shares that may be issued pursuant to the exercise of options awarded under the pioneer stock option plan is 500,000 Class A TMI shares.

On the grant date of August 6, 2021, the value of the options was measured at \$143,286 using a Black Scholes Option Pricing Model with the following assumptions: volatility of 23.81%, expected life of 4.41 years, risk-free interest rate of 0.27% and expected dividends of Nil. The Company considers pioneer stock options granted to be consideration payable to its customers, in this case franchisees, in exchange for their continuous participation within franchise system. Value of the options granted is being recognized over period of time as it is related to the revenue generated by the Company and is recorded as a reduction in royalty fees generated.

On February 14, 2025, all of the 2,500,000 outstanding options were exercised and as a result 2,500,000 of the Class A Shares of TMI were issued at an exercise price of \$0.002 per share.

During the nine month period ended September 30, 2025, the Company recognized \$85,272 in reduction to its royalty fees (September 30, 2024 – \$Nil) related to pioneer stock options.

## MOBIO TECHNOLOGIES INC.

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

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#### 13. SHARE CAPITAL (CONT'D)

##### Unit subscriptions in MCSB Moving Services LLC and YMM Phoenix LLC

On March 1, 2022 the Company received a \$150,000 USD (\$191,880 CAD) promissory note from a related party in exchange for 15,000 non-voting Class C units of MCSB. The promissory note is due on demand, has interest at the rate of 5% per year compounded annually, accruing only after demand.

On April 1, 2022 the Company received \$10,000 USD (\$12,513 CAD) in promissory notes from related parties in exchange for 5,000 non-voting Class B units and 15,000 non-voting Class C units of YMM Phoenix. The promissory notes are due on demand, have interest at the rate of 5% per year compounded annually, accruing only after demand.

On June 15, 2022 the Company received \$50,000 USD (\$64,740 CAD) in promissory notes from related parties in exchange for 5,000 non-voting Class B units of MCSB. The promissory notes are due on demand, have interest at the rate of 5% per year compounded annually, accruing only after demand.

On each anniversary of the promissory notes described above, the Company will forgive 20% of the original amount of the promissory note, such that the entire principal amount of the promissory notes will be forgiven on the fifth anniversary of them being received.

As the promissory notes have no recourse, the Company considers the issuance of these units to meet the criteria of a share-based payment and have recorded them in accordance with IFRS 2 – “share-based payments”. The units were valued as the number of units issued times the per unit price as determined by the most recent valuation. The expense is being recognized using a graded vesting schedule of 5 years which is the period over which the loans are forgiven. During the nine month period ended September 30, 2025, the Company recognized \$23,531 in share-based payment expense (December 31, 2024 – \$59,196) related to unit subscriptions in MCSB and YMM Phoenix.

#### 14. RELATED PARTY TRANSACTIONS

Interest recorded on related party loans were as follows:

Nine Months Period/ Year ended	September 30, 2025	December 31, 2024
Interest on related party loans	\$ 210,756	\$ 287,092

##### Key Management include the CEO, CFO and Directors

Codix Management Ltd (“Codix”) is a private company which performs financial reporting, consulting, and management services for the Company. Codix is jointly controlled by Mr. Laurie Baggio (CEO, director) and Mr. Lance Tracey (director). The Company pays Codix monthly fees as follows:

- a) a monthly retainer of \$24,000 for accounting, CFO, and related administrative services of the franchisor and Mobio Brands businesses recorded within management and consulting expenses; and
- b) a monthly retainer of US\$3,500 (CAD\$4,933) for bookkeeping and administrative services related to USA franchisee operations recorded within management and consulting expenses; and
- c) monthly office rent and storage fees of \$1,950 recognized as a capital lease.

**MOBIO TECHNOLOGIES INC.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

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**14. RELATED PARTY TRANSACTIONS (CONT'D)**

Payments to companies controlled by key management and directors during the nine month period ended September 30, 2025 and year ended December 31, 2024 were as follows:

Nine Month Period/ Year ended	September 30, 2025	December 31, 2024
Fees to a company controlled by a significant shareholder and CEO	\$ 239,911	\$ 285,532
Lease payments made to a company controlled by a significant shareholder and CEO	17,550	23,400
Interest accrued to a company controlled by a significant shareholder and CEO	4,274	8,002
<b>Total</b>	<b>\$ 261,735</b>	<b>\$ 316,934</b>

Payments made to companies controlled by key management and directors were included in management and consulting on the consolidated statements of loss and comprehensive loss.

**15. NON-CONTROLLING INTEREST**

<b>Balance December 31, 2023</b>	<b>\$ (24,995)</b>
Share of net income of a subsidiary	35,988
Effect of foreign exchange	(3,488)
<b>Balance December 31, 2024</b>	<b>7,505</b>
Share of net income of a subsidiary	44,318
Effect of foreign exchange	(978)
<b>Balance September 30, 2025</b>	<b>\$ 50,845</b>

**MCSB Moving Services LLC**

The Company has an 80% ownership percentage in MCSB. As a result, the Company recognized an amount for non-controlling interest on its consolidated financial statements.

The following is a summarized statement of financial position of MCSB at September 30, 2025 and December 31, 2024:

	September 30, 2025	December 31, 2024
Current:		
Assets	\$ 196,069	\$ 99,015
Liabilities	(171,074)	(117,790)
<b>Total current net assets (liabilities)</b>	<b>24,995</b>	<b>(18,775)</b>
Non current:		
Assets	144,640	266,706
Liabilities	(191,733)	(105,336)
<b>Total non-current net assets (liabilities)</b>	<b>(47,093)</b>	<b>161,370</b>
<b>Total net assets (liabilities)</b>	<b>\$ (22,098)</b>	<b>\$ 142,595</b>

**MOBIO TECHNOLOGIES INC.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

Nine Month Period Ended September 30, 2025 and Year Ended December 31, 2024

**15. NON-CONTROLLING INTEREST (CONT'D)**

The following is a summarized statement of loss and comprehensive loss of MCSB for the nine month period ending September 30, 2025 and year ending December 31, 2024:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>
Revenue	\$ 1,295,365	\$ 1,364,382
Net loss and comprehensive loss	\$ (184,037)	\$ (252,536)

**YMM Phoenix LLC**

The Company has a 94% ownership percentage in YMM Phoenix. As a result, the Company recognized an amount for non-controlling interest on its consolidated financial statements.

The following is a summarized statement of financial position of YMM Phoenix at September 30, 2025 and December 31, 2024:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>
Current:		
Assets	\$ 26,865	\$ 55,851
Liabilities	(73,292)	(71,948)
Total current net liabilities	(46,427)	(16,097)
Non current:		
Assets	76,083	101,333
Liabilities	(1,168,880)	(1,003,899)
Total non-current net liabilities	(1,092,797)	(902,566)
Total net liabilities	\$ (1,139,224)	\$ (918,663)

The following is a summarized statement of loss and comprehensive loss of YMM Phoenix for the nine month period ending September 30, 2025 and year ending December 31, 2024:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>
Revenue	\$ 430,796	\$ 569,723
Net loss and comprehensive loss	\$ (250,382)	\$ (231,632)

**16. CAPITAL MANAGEMENT**

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can provide returns for shareholders and benefits for other stakeholders. The Company defines capital as an aggregate of its financing liability and equity. The Company manages its capital structure to ensure it has sufficient capital to meet its obligations as they come due and makes adjustments in light of changes in economic conditions. In order to facilitate the management of capital, the Company prepares yearly budgets which are updated as

## **MOBIO TECHNOLOGIES INC.**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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#### **17. FINANCIAL INSTRUMENTS**

necessary and are reviewed and approved by the Company's management. The Company is not subject to any externally imposed capital requirements.

The Company's financial instruments consist of cash, restricted cash, accounts and other receivables, customer deposits, trade and other payables, financing liability, and related party loans. The Company's financial instruments measured at fair value consist of cash and restricted cash measured using level 1 inputs. Accounts and other receivables, trade and other payables, customer deposits, related party loans and financing liabilities are measured at amortized cost. Upon recognition, the fair values of the related party loans are estimated by discounting cash flows using interest rates of debt instruments with similar terms, maturities, and risk profile. With the rise in interest rates in 2025 and 2024, the fair value of related party loans would result in a \$189,137 (December 31, 2024 - \$203,083) lower value than the current carrying value at an interest rate of 14%.

##### **Fair Value**

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy based on the degree to which the inputs used to determine the fair value are observable.

The three levels of the fair value hierarchy are:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Board of Directors approves and monitors the risk management processes. The Company has exposure to the following risks from its use of financial instruments:

- Interest rate risk
- Credit risk
- Liquidity risk
- Currency risk

##### **Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. All of the Company's related party loans payable and financing liabilities have a fixed interest rate therefore the Company is not currently exposed to interest rate risk.

##### **Credit Risk**

Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. The Company holds its cash balances in reputable financial institutions in both Canada and USA and considers their credit risk to be low. The Company's receivables consist of trade receivables and receivables from a related party. Based on the evaluation of receivables at September 30, 2025 and December 31, 2024, the Company believes that its receivables are collectable, and has determined credit risk to be low. For the nine month period ended September 30, 2025, the Company recognized \$49,071 (December 31, 2024 - \$134,900) in bad debt expense.

##### **Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining sufficient cash to

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**17. FINANCIAL INSTRUMENTS (CONT'D)**

enable settlement of transactions on the due date. Management monitors the Company's contractual obligations and other expenses to ensure adequate liquidity is maintained.

**Currency Risk**

Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is exposed to foreign currency exchange risk as it has cash, receivables, payables, and related party loans denominated in currencies other than the functional currency of the Company.

The Company's reporting currency is the Canadian dollar and as such the Company is exposed to foreign currency fluctuations on its US dollar denominated financial instruments. As at September 30, 2025, the Company had US dollar denominated cash of US\$5,758 (December 31, 2024 – US\$145), US dollar denominated trade payables of US\$1,628 (December 31, 2024 – US\$6,821), and loan payable of US\$106,415 (December 31, 2024 – US\$99,010). As at September 30, 2025, a 10% change in exchange rates between US dollars and Canadian dollars would impact the Company's net income by approximately \$11,463 (December 31, 2024 – \$15,207).

**18. SEGMENT INFORMATION**

During the nine month period ended September 30, 2025 and year ended December 31, 2024, the Company had two types of segments: geographical (Canada and United States of America) and operational (franchisor and corporate locations). Revenue and assets by geography and operational type are presented below:

As at and for the nine month period ended September 30, 2025:

	Canada	USA	Total
Revenue	\$ 526,989	\$ 9,910,155	\$ 10,437,144
Cost of revenue	-	4,833,395	4,833,395
Operating expenses	1,007,814	4,721,989	5,729,803
Interest expense	210,773	22,591	233,364
Depreciation	28,277	85,329	113,606
Net income (loss)	(10,984,008)	436,007	(10,548,001)
Current assets	1,478,400	2,204,578	3,682,978
Non-current assets	203,896	275,059	478,955
Current liabilities	598,801	1,961,202	2,560,003
Non-current liabilities	2,473,525	267,301	2,740,826
Non-controlling interest	-	50,845	50,845

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**18. SEGMENT INFORMATION (CONT'D)**

	Franchisor	Corporate locations	Total
Revenue	\$ 8,679,027	\$ 1,758,117	\$ 10,437,144
Cost of revenue	4,010,052	823,343	4,833,395
Operating expenses	4,298,605	1,431,198	5,729,803
Interest expense	215,028	18,336	233,364
Depreciation	28,277	85,329	113,606
Net income (loss)	(10,031,837)	(516,164)	(10,548,001)
Current assets	3,441,260	241,718	3,682,978
Non-current assets	203,896	275,059	478,955
Current liabilities	2,298,038	261,965	2,560,003
Non-current liabilities	2,473,525	267,301	2,740,826
Non-controlling interest	-	50,845	50,845

As at and for the year ended December 31, 2024:

	Canada	USA	Total
Revenue	\$ 709,198	\$ 10,496,917	\$ 11,206,115
Cost of revenue	-	4,985,480	4,985,480
Operating expenses	1,038,439	5,454,403	6,492,842
Interest expense	261,921	54,952	316,873
Depreciation	38,831	131,488	170,319
Net income (loss)	(775,886)	62,006	(713,880)
Current assets	212,821	1,215,140	1,427,961
Non-current assets	81,945	366,347	448,292
Current liabilities	449,660	1,497,767	1,947,427
Non-current liabilities	2,300,903	215,310	2,516,213
Non-controlling interest	-	7,505	7,505

	Franchisor	Corporate locations	Total
Revenue	\$ 9,272,010	\$ 1,934,105	\$ 11,206,115
Cost of revenue	4,098,809	886,671	4,985,480
Operating expenses	4,968,781	1,524,061	6,492,842
Interest expense	295,287	21,586	316,873
Depreciation	38,831	131,488	170,319
Net income (loss)	(217,225)	(496,655)	(713,880)
Current assets	1,258,706	169,255	1,427,961
Non-current assets	81,945	366,347	448,292
Current liabilities	1,740,385	207,042	1,947,427
Non-current liabilities	1,348,305	1,167,908	2,516,213
Non-controlling interest	-	7,505	7,505

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**19. INCOME TAXES**

A reconciliation of the calculated income taxes for the nine month period ended September 30, 2025 and year ended December 31 2024 are as follows:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>
Consolidated loss for the period/ year	\$ (10,546,423)	\$ (638,568)
Tax benefit at 27%	(2,847,534)	(172,413)
Permanent difference	2,754,233	21,526
Other tax differences	6,081,309	1,117,477
Change in unrecognized deferred tax asset	(5,986,430)	(891,278)
Income tax expense	\$ 1,578	\$ 75,312

The Company recognized the following deferred tax asset in 2025 and 2024 for the following deductible temporary differences:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>
Future income tax asset:		
Fixed assets	\$ (31,826)	\$ 7,933
Intangible	10,168	-
Right-of-use asset	(39,786)	(12,008)
Other temporary differences	-	(68,129)
Lease liability	41,362	13,033
Non-capital losses available for carry forwards	4,746,592	592,582
Capital assets	1,793,331	-
Total before valuation allowance	6,519,841	533,411
Unrecognized deferred tax asset	(6,519,841)	(533,411)
Net deferred income tax assets	\$ -	\$ -

As at September 30, 2025, the Company has \$18,972,839 in tax loss carry-forwards that it can apply against income in future years.

**20. SUBSEQUENT EVENTS**

On November 19, 2025, the Company announced that the TSX Venture Exchange ("TSXV") has accepted the Company's acquisition of 310,000 issued and outstanding common shares of Karve IT Ltd. ("Karve") from Plank Ventures Ltd. ("Plank"). The consideration for the acquisition was the issuance of 2,861,538 common shares in the capital of the Company to Plank (the "Acquisition") at \$0.08 per share for gross consideration of \$228,923 determined using the market price of Mobio common shares on the date of TSXV approval.

Karve is a British Columbia software development company operating under SaaS business model.

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Nine Month Period Ended September 30, 2025 and Year Ended December 31, 2024

**20. SUBSEQUENT EVENTS (CONT'D)**

TMI transferred its 200,000 shares in Karve to the Company by way of dividend in kind. As a result of the share exchange with Plank, the Company acquired control over Karve.

The Company's decision to acquire Karve allows it to vertically integrate an industry-specific CRM software into its operating ecosystem and creates a scalable SaaS revenue stream alongside Company's services business

No finder's fees were paid in connection with the Acquisition. The acquisition of Karve is considered to be a business combination under IFRS 3 that was completed through a step acquisition. On November 19, 2025, fair value of the 39.22% equity interest in Karve was \$147,962. The Company recognised a gain on investment in Karve of \$147,692 due to remeasuring the equity interest held before the business combination to fair value. The preliminary purchase price allocation is as follows:

*In Canadian Dollars:*

<b>Purchase Consideration</b>	
# of Mobio shares issued:	2,861,538
Price per share	\$ 0.080
Consideration of remaining interest in Karve from Plank	\$ 228,923
Acquisition date fair value of initial interest	147,692
<b>Preliminary total consideration:</b>	<b>\$ 376,615</b>
Preliminary identifiable assets acquired	
Cash	\$ 6,721
Accounts Receivable	11,270
Prepaid Expenses	11,349
Computer Hardware-Laptops	4,324
Intangible Assets	1,148,938
Security Deposits Asset	3,733
Accounts Payable	(62,879)
On Demand Loans	(937,467)
Deferred income tax liability	(297,928)
<b>Net assets acquired</b>	<b>(111,939)</b>
<b>Goodwill</b>	<b>\$ 488,554</b>