

**CARRIER CONNECT DATA SOLUTIONS INC.
BUSINESS ACQUISITION REPORT
FORM 51-102F4**

Item 1 Identity of Company

1.1 Name and Address of Company

Carrier Connect Data Solutions Inc. (the “**Company**”)
Street Suite 2200-885 West Georgia Street
VANCOUVER V6C 3E8

1.2 Executive Officer

An executive officer who is knowledgeable about this significant acquisition and this Report is as follows:

Mark Binns
Chief Executive Officer
Email: mark@carrierconnectds.com
Phone: (778) 628-7427

Item 2 Details of Acquisition

2.1 Nature of Business Acquired

On December 4, 2025, the Company completed the acquisition (the “**Acquisition**”) of all the issued and outstanding shares of PureColo Inc (“**PureColo**”) (the “**Transaction**”) pursuant to a share purchase agreement dated November 27, 2025 between the Company, PureColo and each of the shareholders of PureColo (the “**Vendors**”).

As a result of the Acquisition, PureColo became a wholly-owned subsidiary of the Company and the Company acquired carrier-neutral data centers in the Ottawa, Canada. PureColo owns and operates two 2 Megawatt Carrier Neutral data centers. The centers each feature the full range of Enterprise-Grade systems such as fully redundant power systems with both UPS and Gensets. They have redundant cooling, environmental controls, fire suppression, security and a host of other features. These data centers currently host Enterprise and Fortune 500 companies.

2.2 Acquisition Date

The Transaction was completed on December 4, 2025.

2.3 Consideration

In consideration of the acquisition of PureColo, the Company (a) issued an aggregate of 4,606,704 common shares (the “**Consideration Shares**”) (b) paid an aggregate of \$2,326,000 (the “**Cash Consideration**”) to the PureColo Securityholders, on a pro rata basis, in connection with the Acquisition. The Consideration Shares are subject to escrow conditions releasable as to 1/3 on each of the dates that are four-, eight- and twelve-months following December 4, 2025. The Cash Consideration is payable over a nine-month period and is subject to adjustment based on the debt covenants of PureColo.

2.4 Effect on Financial Position

Upon completion of the Acquisition, PureColo became a wholly-owned subsidiary of the Company. The business and operations of PureColo have been combined with those of the Company and are managed concurrently. The Company does not have any current plans or proposals for material changes in its business affairs or the affairs of PureColo. The Company continues to be in the business of the offering colocation and server hosting for internet connectivity, geographical redundancy and disaster recovery.

2.5 Prior Valuations

To the knowledge of the Company, there has not been any valuation opinion obtained within the 12 months immediately preceding the closing of the Acquisition by the Company or PureColo required by securities legislation or a Canadian exchange or market to support the consideration paid by the Company in connection with the Acquisition.

2.6 Parties to Transaction

The Transaction was not with an informed person, associate or affiliate of the Company, as those terms are defined under applicable securities legislation.

2.7 Date of Report

February 13, 2026

Item 3 Financial Statements and Other Information

As required by Part 8 of NI 51-102, the following financial statements are attached to this business acquisition report (the “**Report**”):

- the audited financial statements of PureColo for the years ended December 31, 2024 and 2023, a copy of which is attached hereto as Schedule “A”;
- the interim financial statements of PureColo for the nine-month period ended September 30, 2025, a copy of which is attached hereto as Schedule “B”.

Schedule A

PURECOLO INC.
Financial Statements
December 31, 2024
Expressed in Canadian Dollars

Audit. Tax. Advisory.

Independent Auditor's Report

To the Directors of Purecolo Inc.

Opinion

We have audited the financial statements of Purecolo Inc. (the "Company"), which comprise the statement of financial position as at December 31, 2024, and the statement of loss and deficit, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises ("ASPE").

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. 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.

Other matter

The financial statements for the year ended December 31, 2023 were not audited or reviewed. Accordingly, we do not express an opinion on the comparative information as at and for the year ended December 31, 2023.

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 ASPE, 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 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks 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.

McGovern Hurley

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.

McGovern Hurley LLP

McGovern Hurley LLP

**Chartered Professional Accountants
Licensed Public Accountants**

Toronto, Ontario
February 13, 2026

PURECOLO INC.
Statement of Financial Position
As at December 31, 2024

	2024	2023
	(Unaudited, Note 14)	
Assets		
Current		
Cash	\$ 38,353	\$ 150,726
Accounts receivable	186,272	147,904
Prepaid expenses	41,085	86,809
Total current assets	265,710	385,439
Property, plant and equipment (Note 3)	2,597,642	2,008,057
Total assets	\$ 2,863,352	\$ 2,393,496
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 4)	\$ 381,020	\$ 234,563
Due to shareholders (Note 9)	95,000	95,000
Current portion of long-term debt (Note 6)	251,444	531,253
Total current liabilities	727,464	860,816
Long term debt (Note 6)	988,643	792,080
Lease inducement (Note 10)	297,332	41,377
Decommissioning obligation (Note 14)	1,077,104	473,345
Total liabilities	3,090,543	2,167,618
Shareholders' equity		
Common shares (Note 5)	62,529	62,529
Preferred shares (Note 5)	300,000	300,000
Contributed surplus	11,000	-
Deficit	(600,720)	(136,651)
Total capital deficiency	(227,191)	225,878
Total liabilities and capital deficiency	\$ 2,863,352	\$ 2,393,496

Subsequent events (Note 15)

Approved on behalf of the Board of Directors:

signed "Rainer Paduch"

Rainer Paduch

See accompanying notes to the financial statements.

PURECOLO INC.**Statement of Loss and Deficit**

Year ended December 31, 2024

	2024	2023
		(Unaudited, Note 14)
Data center revenue	\$ 1,891,554	\$ 1,713,464
Cost of sales	802,268	621,331
Gross profit	1,089,286	1,092,133
Expenses		
Advertising and promotion	3,979	4,168
Amortization	238,707	162,357
Bad debts	-	19,200
Bank charges and interest	20,433	15,712
Insurance	33,469	15,337
Office and administration	5,610	6,324
Professional fees	40,746	19,597
Rent	585,699	327,255
Salaries and benefits	441,098	409,628
Subcontracts	100	-
Travel	1,717	2,633
Total expenses	1,371,558	982,211
Earnings (loss) before the undernoted	(282,272)	109,922
Stock based compensation	11,000	-
Interest expense on provision	24,598	15,801
Interest on long term debt	149,910	75,624
	(467,780)	18,497
Other income (expense)		
Commissions	12,103	14,857
Net (loss) income for the year	(455,677)	33,354
Deficit, beginning of year	(136,651)	(153,221)
Dividends	(8,392)	(16,784)
Deficit, end of year	\$ (600,720)	\$ (136,651)

PURECOLO INC.**Statement of Changes in Equity**

Year ended December 31, 2024

	Number of shares	Share capital	Number of Preferred shares	Preferred shares	Contributed Surplus	Deficit	Total equity
Balance, December 31, 2022 (Unaudited, Note 14)	1,408,436	\$ 62,529	270,000	\$ 300,000	\$ -	\$ (153,221)	\$ 209,308
Net loss for the period	-	-	-	-	-	33,354	33,354
Dividends	-	-	-	-	-	(16,784)	(16,784)
					-		
Balance, December 31, 2023 (Unaudited, Note 14)	1,408,436	\$ 62,529	270,000	\$ 300,000	\$ -	\$ (136,651)	\$ 225,878
Net loss for the period	-	-	-	-	-	(455,677)	(455,677)
Dividends	-	-	-	-	-	(8,392)	(8,392)
Stock options granted	-	-	-	-	11,000	-	11,000
Balance, December 31, 2024	1,408,436	\$ 62,529	270,000	\$ 300,000	\$ 11,000	\$ (600,720)	\$ (227,191)

PURECOLO INC.**Statement of Cash Flows**

Year ended December 31, 2024

	2024	2023
		(Unaudited, Note 14)
Operating activities		
Net (loss) income	\$ (455,677)	\$ 33,354
Items not affecting cash		
Amortization	238,707	162,357
Stock based compensation	11,000	-
Interest expense on provision	24,598	15,801
Changes in working capital (Note 7)	409,768	(103,546)
Cash provided (used) by operating activities	228,396	107,966
Investing activities		
Purchase of equipment and leasehold improvements	(249,131)	(1,061,494)
Cash used in investing activities	(249,131)	(1,061,494)
Financing activities		
Proceeds from long-term debt	560,000	1,025,883
Repayment of long-term debt	(643,246)	(87,600)
Payment of dividends	(8,392)	(16,784)
Cash (used) provided by financing activities	(91,638)	921,499
Decrease in cash	(112,373)	(32,029)
Cash, beginning of the year	\$ 150,726	\$ 182,755
Cash, end of the year	\$ 38,353	\$ 150,726

PURECOLO INC.

Notes to Financial Statements

Year ended December 31, 2024

1. Nature of operations and going concern

The Company was incorporated on October 24, 2014 under the laws of the province of Canada. The Company is engaged in the business of providing data centers.

The Company's continuance as a going concern is dependent upon its ability to reach profitable levels of operation and/or to obtain adequate financing. It is not possible to predict if the Company will attain profitable levels of operation or whether financing efforts will be successful. These financial statements have been prepared using accounting policies applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of operations. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying consolidated financial statements. Such adjustments could be material.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian GAAP applicable to private enterprises, which are Canadian accounting standards for private enterprises in Part II of the Handbook. The recognition, measurement and disclosure requirements of Canadian GAAP applicable to private enterprises differ from those of Canadian GAAP applicable to publicly accountable enterprises, which are International Financial Reporting Standards incorporated into the Handbook.

Use of estimate

The preparation of these financial statements in conformity with Canadian accounting standards for private enterprises requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the amounts of revenues and expenses during the period. In the opinion of management, these financial statements reflect all adjustments necessary to present fairly the results of the periods presented. Actual results could differ from these reported estimates.

Property, plant and equipment

Property, plant and equipment are recorded at cost. The Company provides for amortization using the declining balance method at rates designed to amortize the cost of the property, plant and equipment over their estimated useful lives. One half of the year's amortization is recorded in the year of acquisition. No amortization is recorded in the year of disposal.

The annual amortization rates are as follows:

Asset	Basis	Rate
Equipment	Declining balance	20%
Leasehold improvement	Straight line	Term of lease

PURECOLO INC.

Notes to Financial Statements

Year ended December 31, 2024

2. Significant accounting policies (continued)

Financial instruments

The Company initially measures its financial assets and liabilities at fair value. The Company subsequently measures its financial assets and liabilities at amortized cost. Financial assets measured at amortized costs include cash and accounts receivable. Financial liabilities measured at amortized costs include accounts payable and accrued liabilities, due to shareholders and long-term debt.

Income taxes

The Company accounts for income taxes using the taxes payable method under which the Company reports as an expense of the year only the costs of current income taxes for that year determined in accordance with rules established by taxation authorities.

Impairment of Long-Lived Assets

A long-lived asset is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

Impairment of Financial Assets

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of loss. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of loss.

Revenue recognition

Revenue is recognized when title to goods has passed to the customer or services have been rendered, there is persuasive evidence of an arrangement, the sales price is fixed or determinable, collectability is reasonably assured and the Company has no further obligations under the sales agreement. Payments received in advance of recognition are recorded as deferred revenue.

PURECOLO INC.

Notes to Financial Statements

Year ended December 31, 2024

2. Significant accounting policies (continued)

Share-based compensation

The Company grants stock options to purchase common shares to its employees and management under its stock option plan. Share-based compensation plans are accounted for based on the fair value of the options. The fair value of each option is estimated on the date of grant using the Black-Scholes option pricing model. The Company takes account of the volatility of share prices of comparable publicly traded companies whose share or option pricing information is published to estimate the expected volatility in the price of its own shares. Share-based compensation costs, measured at the grant date based on the fair value of all options granted and recognized over the service period involved, are recorded as expenses and added to contributed surplus. The consideration paid by the employees and management upon exercise of the options and the share-based compensation costs previously recognized for the options exercised and included in contributed surplus are added to share capital. When the options issued do not vest to the employees or management, the effect of forfeitures gives rise to an adjustment to the compensation costs and previously recognized contributed surplus, and the effect is recognized as the forfeitures occur.

Leases

Leases are classified as capital or operating leases. A lease that transfers substantially all of the benefits and risks incidental to the ownership of property is classified as a capital lease. At the inception of a capital lease, an asset and an obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair value at the beginning of the lease. Lease rentals under an operating lease are included in the determination of net income over the lease term on a straight line-basis when it is more representative of the time pattern in which the user derives benefit from the leased property.

Decommissioning obligation

The Company records the present value of estimated costs of legal and constructive obligations required to restore its leased sites to their original condition in the period in which the obligation is incurred. When the liability is initially recognized, the present value of the estimated cost is capitalized by increasing the carrying amount of the related asset. Over time, the discounted liability is increased for the change in the present value based on the discount rates that reflect current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognized in the statement of operations as an interest cost. Additional changes in decommissioning obligations will be recognized as additions or changes to the corresponding assets and decommissioning obligation when they occur.

3. Property, plant and equipment

	Cost	Accumulated Amortization	Net Value, 2024	Net Value, 2023
Equipment	\$ 1,715,930	\$ 268,074	\$ 1,447,856	\$ 1,403,459
Leasehold improvements	1,451,551	301,765	1,149,786	604,598
Balance, December 31, 2024	\$ 3,167,481	\$ 569,839	\$ 2,597,642	\$ 2,008,057

PURECOLO INC.

Notes to Financial Statements

Year ended December 31, 2024

4. Accounts receivable and payable and accrued charges

Included in accounts payable and accrued charges are government remittances payable of \$21,037 (2023 - (\$53,207)).

5. Share capital

Authorized

An unlimited number of Common shares

An unlimited number of Preferred shares, non-participating, redeemable for common shares, discretionary dividends

Issued

	2024	2023
1,408,436 (2023 – 1,408,436)	\$ 62,529	\$ 62,529
270,000 preferred, non voting	300,000	300,000
	\$ 362,529	\$ 362,529

The Company's Preferred shares were issued for cash. These were not issued as part of a tax planning arrangement.

Stock options

Pursuant to the Company's Stock Option Plan, the Company may grant up to 15% of the issued and outstanding common shares in the Company. A summary of the changes in stock options for the year ended December 31, 2024 is as follows:

Balance, December 31, 2022 and 2023	-
Granted	60,000
Balance, December 31, 2024	60,000

The stock options granted in 2024 vest 1/36 monthly over a three-year period from the grant date.

Stock options outstanding as at December 31, 2024 are as follows:

Grant date	Number outstanding	Number exercisable	Exercise price
April 29, 2024	60,000	13,336	\$ 3.00

Stock options expire three years after the vesting date.

PURECOLO INC.

Notes to Financial Statements

Year ended December 31, 2024

6. Long-term debt

	2024	2023
Loan payable, authorized up to \$250,000, bearing interest at the bank's floating base rate plus a variance of 2.00% per year, secured by general security agreement and personal guarantee by the shareholder up to 80% of the loan, repayable with monthly principal payments of \$5,200 plus interest, maturing May 31, 2024	\$ -	\$ 62,400
Loan payable, bearing interest at the bank's floating base rate plus a variance of 1.45% per year, general security agreement and personal guarantee by the shareholder up to 80% of the loan, repayable in monthly installments of \$2,080 principal plus interest, maturing December 15, 2028	\$ -	124,800
Loan payable, authorized up to \$500,000, bearing interest at the bank's floating base rate plus a variance of 1.49% per year, general security agreement and personal guarantee by the shareholder up to 50% of the loan, repayable in monthly installments of \$6,940 principal plus interest, maturing October 15, 2030	\$ 485,800	\$ 500,000
Loan payable, authorized up to \$250,000, bearing interest at the bank's floating base rate plus a variance of 1.71% per year, general security agreement and personal guarantee by the shareholder up to 50% of the loan, repayable in monthly installments of \$3,470 principal plus interest, maturing September 15, 2029	\$ 208,200	\$ 250,000
Loan payable, authorized up to \$500,000, bearing interest at the bank's floating base rate plus a variance of 1.29% per year, general security agreement and personal guarantee by the shareholder up to 50% of the loan, repayable in monthly installments of \$2,080 up to July 31, 2025 and \$10,113 thereafter, principal plus interest, maturing July 15, 2029	\$ 489,584	\$ -
Loan payable, authorized up to \$150,000, bearing interest at 32.51%, repayable in weekly installments of \$1,247.24 principal and interest secured by guarantee from shareholder	\$ 56,503	\$ -
Loan payable, bearing interest at 10.50% per year, general security agreement, repayable in monthly installments of \$42,668 principal plus interest, maturing October 1, 2024	\$ -	\$ 389,133
	1,240,087	1,323,333
Less amounts due within one year	251,444	531,253
	\$ 988,643	\$ 792,080

PURECOLO INC.

Notes to Financial Statements

Year ended December 31, 2024

6. Long-term debt (continued)

Principal repayments required in the next five years are as follows:

2025	\$	251,444
2026		246,276
2027		246,276
2028		246,276
2029		185,311
After		64,504
	\$	1,240,087

7. Changes in working capital balances

Changes in working capital balances have provided (used) cash as follows:

	December 31, 2024	December 31, 2023
Accounts receivable	\$ (38,368)	\$ (56,396)
Prepaid expenses	4,379	(73,138)
Accounts payable and accrued liabilities	146,457	34,611
Lease inducement	255,955	41,377
Due to shareholder	-	(50,000)
	\$ 368,423	\$ (103,546)

8. Financial instruments

Risk and concentrations

The Company is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The following analysis provides a measure of the Company's risk exposure as at December 31, 2024.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's main credit risk relates to its cash and accounts receivable.

The Company's cash is maintained at major financial institutions; therefore, the Company considers the risk of non-performance of these instruments to be remote.

The Company provides credit to its clients in the normal course of its operation. Management regularly reviews all outstanding receivables and creates an allowance for bad debt when applicable.

PURECOLO INC.

Notes to Financial Statements

Year ended December 31, 2024

8. Financial instruments (continued)

At December 31, 2024, three customers comprise 81% of the accounts receivable balance (2023 – three customers comprise 77%).

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company is exposed to this risk mainly in respect to its accounts payable, government remittances and long-term debt. Management manages this risk by monitoring the cash flow of the Company.

The Company's long-term debt is structured with regular monthly payments, secured by assets.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Company is mainly exposed to interest rate risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its floating rate borrowing, as the required cash flows to service the debt will fluctuate as a result of changes in market rates.

Economic dependence

During the year ended December 31, 2024 two customers represent 47% of revenue (2023 – 44%).

9. Due to shareholders

Amounts due to shareholders are unsecured, non-interest bearing and have no fixed terms of repayment. These amounts are measured at the exchange amount which is the amount established and agreed to by the related parties.

10. Lease inducement

The Company was given a rent-free period of 20 months which has been space as a lease inducement. The lease inducement liability will be amortized over the term of the lease. The Company has also received finding from its landlord for leasehold improvements. Such amounts will also be amortized over the term of the lease.

PURECOLO INC.

Notes to Financial Statements

Year ended December 31, 2024

11. Commitments

The Company has entered into two long-term lease agreements for space. Future minimum lease payments are as follows:

2025	\$	118,621
2026		300,255
2027		401,023
2028		401,023
2029		416,288
After		3,481,371
	\$	5,118,581

12. Income tax note

The Company has \$1,221,955 of non-capital losses carrying forward which expire between 2029 and 2044 years.

13. Comparative figures

The statement of financial position at December 31, 2023, and the statement of loss and deficit, changes in equity and cash flow for the year then ended and related disclosures were neither audited nor reviewed.

14. Decommissioning obligation

The Company's decommissioning obligation is related to the restoration of its leased spaces. At December 31, 2024, the Company's best estimate of the total undiscounted amount of cash flows required to settle its obligation is \$1,170,000 which is expected to be made in 2032 and 2039. An interest rate of 3.4% and an inflation rate of 2.7% was used to calculate the present value as at December 31, 2024.

	December 31, 2024	December 31, 2023
Balance, opening	\$ 473,345	\$ 457,544
Addition	579,161	-
Interest expense	24,598	15,801
Balance, ending	\$ 1,077,104	473,345

15. Subsequent Events

Subsequent to December 31, 2024 the Company underwent a corporate reorganization where 270,000 of preferred shares with paid up capital of \$300,000 were exchanged for a \$288,012 promissory note and 270,000 common shares worth. There was no change to the control of the company. The promissory is unsecured, non-interest bearing and is payable in monthly installments of \$9,640 over 30 months.

In February 2025, four long term loans (Note 6) were replaced by one RBC \$1,200,000 long term loan and a \$200,000 revolving line of credit. The long-term loan is at Royal Bank Prime rate plus 1.85%. The revolving line of credit is at the interest rate of Royal Bank Prime rate plus 2.10%.

PURECOLO INC.
Notes to Financial Statements
Year ended December 31, 2024

15. Subsequent Events (continued)

In December 2025 the Company was acquired by Carrier Connect Data Solutions Inc.

Schedule B

PURECOLO INC.

Interim Financial Statements

For the three and nine months ended September 30, 2025 and 2024
(Unaudited)

PURECOLO INC.

Notes to the Interim Financial Statements

For the three and nine months ended September 30, 2025 and 2024
(Unaudited, prepared by management)

Interim Financial Statements

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim financial statements of PureColo Inc. (the "Company") are the responsibility of management and the Board of Directors.

The unaudited interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited consolidated interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited interim financial statements have been prepared within acceptable limits of materiality appropriate in the circumstances.

Management has established processes, which are in place to provide it with sufficient knowledge to support management representations that it has exercised reasonable diligence in that (i) the unaudited interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the unaudited interim financial statements and (ii) the unaudited interim financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited interim financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities.

The Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

If an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor. The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada (CPA Canada) for a review of interim financial statements by an entity's auditor

PURECOLO INC.**Interim Statement of Financial Position**

(Unaudited – Prepared by Management)

	September 30, 2025	December 31, 2024
Assets		
Current		
Cash	\$ 1,295	\$ 38,353
Accounts receivable	142,120	186,272
Prepaid expenses	37,536	41,085
Total current assets	180,951	265,710
Property, plant and equipment (Note 3)	2,457,893	2,597,642
Total assets	\$ 2,638,844	\$ 2,863,352
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 4)	\$ 444,715	\$ 381,020
Due to shareholders (Note 9)	95,000	95,000
Current portion of long-term debt (Note 6)	210,889	251,444
	750,604	727,464
Long term debt (Note 6)	1,232,603	988,643
Lease inducement (Note 9)	562,357	297,332
Decommissioning obligation (Note 12)	1,077,104	1,077,104
	3,622,668	3,090,543
Shareholders' equity		
Common shares (Note 5)	74,517	62,529
Preferred shares (Note 5)	-	300,000
Contributed surplus	11,000	11,000
Deficit	(1,069,341)	(600,720)
Total capital deficiency	(983,824)	(227,191)
Total liabilities and capital deficiency	\$ 2,638,844	\$ 2,863,352

Subsequent events (Note 13)

Approved on behalf of the Board of Directors:

Rainer Paduch

Rainer Paduch

PURECOLO INC.**Interim Statement of Loss and Comprehensive Loss**

For the nine and three months ended September 30, 2025 and 2024

(Unaudited – Prepared by Management)

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Data center revenue	\$ 482,022	\$ 472,889	\$ 1,728,910	\$ 1,418,666
Cost of sales	349,293	200,567	1,049,389	601,701
Gross profit	132,729	272,322	679,521	816,965
Expenses				
Advertising and promotion	700	995	5,472	2,984
Amortization	68,498	62,854	205,492	167,656
Bad debts				
Bank charges and interest	3,321	5,108	10,969	15,323
Insurance	14,429	8,367	46,842	25,102
Office and administration	594	1,403	5,069	4,208
Professional fees	8,275	10,187	52,397	30,560
Rent	61,909	146,425	378,427	439,274
Salaries and benefits	107,681	110,275	361,253	330,824
Subcontracts	-	25	-	75
Travel	4,608	429	16,175	1,288
Total expenses	270,015	346,068	1,082,096	1,017,294
(Loss) before interest, taxes and amortization	(137,286)	(73,746)	(402,575)	(200,329)
Stock based compensation	-	(2,750)	-	(8,250)
Interest expense on provision	(5,868)	(6,150)	(17,603)	(18,449)
Interest on long term debt	(9,482)	(37,478)	(43,084)	(112,433)
	(152,636)	(120,124)	(463,262)	(339,461)
Other income (expense)				
Commissions	27,403	3,026	36,995	9,078
Amortization on leasehold improvement	(14,118)	(15,461)	(42,354)	(46,382)
Net (loss) for the period	\$ (139,351)	\$ (132,559)	\$ (468,621)	\$ (376,765)

PURECOLO INC.**Interim Statement of Changes in Equity**

For the nine and three months ended September 30, 2025 and 2024

(Unaudited – Prepared by Management)

	Share capital	Share capital	Number of preferred shares	Preferred shares	Contributed surplus	Deficit	Total equity
Balance, December 31, 2023	1,408,436	\$62,529	270,000	\$ 300,000	\$ -	\$ (136,651)	\$ 225,878
Net loss for the period	-	-	-	-	-	(376,765)	(376,765)
Balance, September 30, 2024	1,408,436	\$62,529	270,000	\$ 300,000	\$ -	\$ (513,416)	\$ (150,887)
Balance, December 31, 2024	1,408,436	62,529	270,000	\$ 300,000	\$ 11,000	\$ (600,720)	\$ (227,191)
Net loss for the period	-	-	-	-	-	(468,621)	(468,621)
Converted (Note 5)	270,000	11,988	(270,000)	(300,000)	-	-	(288,012)
Balance, September 30, 2025	1,678,436	\$74,517	-	\$ -	\$ 11,000	\$ (1,069,341)	\$ (983,824)

PURECOLO INC.

Interim Statements of Cash Flows

For the three and nine months ended September 30, 2025 and 2024
(Unaudited, prepared by management)

	2025	2024
Operating activities		
Net (loss) income	\$ (468,621)	(376,765)
Items not affecting cash		
Amortization	205,492	214,038
Interest on provision	17,603	18,449
Stock based compensation	-	8,250
Changes in working capital	358,818	523,235
Cash provided by operating activities	113,292	387,207
Investing activities		
Purchase of equipment and leasehold improvement	(65,743)	(388,743)
Cash used in investing activities	(65,743)	(388,743)
Financing activities		
Proceeds from long-term debt	1,232,577	-
Repayment of long-term debt	(1,317,184)	(93,246)
Cash (used) provided by financing activities	(84,607)	(93,246)
Decrease in cash	\$ (37,058)	(111,566)
Cash, beginning of the period	\$ 38,353	150,726
Cash, end of the period	\$ 1,295	39,160

PURECOLO INC.

Notes to the Interim Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited, prepared by management)

1. Nature of operations and going concern

The Company was incorporated on October 24, 2014 under the laws of the province of Canada. The Company is engaged in the business of providing data centers.

The Company's continuance as a going concern is dependent upon its ability to reach profitable levels of operation and/or to obtain adequate financing. It is not possible to predict if the Company will attain profitable levels of operation or whether financing efforts will be successful. These financial statements have been prepared using accounting policies applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of operations. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying consolidated financial statements. Such adjustments could be material.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian GAAP applicable to private enterprises, which are Canadian accounting standards for private enterprises in Part II of the Handbook. The recognition, measurement and disclosure requirements of Canadian GAAP applicable to private enterprises differ from those of Canadian GAAP applicable to publicly accountable enterprises, which are International Financial Reporting Standards incorporated into the Handbook.

Use of estimate

The preparation of these financial statements in conformity with Canadian accounting standards for private enterprises requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the amounts of revenues and expenses during the period. In the opinion of management, these financial statements reflect all adjustments necessary to present fairly the results of the periods presented. Actual results could differ from these reported estimates.

Property, plant and equipment

Property, plant and equipment are recorded at cost. The Company provides for amortization using the declining balance method at rates designed to amortize the cost of the property, plant and equipment over their estimated useful lives. One half of the year's amortization is recorded in the year of acquisition. No amortization is recorded in the year of disposal.

PURECOLO INC.

Notes to the Interim Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited, prepared by management)

2. Significant accounting policies (continued)

The annual amortization rates are as follows:

Asset	Basis	Rate
Equipment	Declining balance	20%
Leasehold improvement	Straight line	Term of lease

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Financial instruments

The Company initially measures its financial assets and liabilities at fair value. The Company subsequently measures its financial assets and liabilities at amortized cost. Financial assets measured at amortized costs include cash and accounts receivable. Financial liabilities measured at amortized costs include accounts payable and accrued liabilities, due to shareholders and long-term debt.

Income taxes

The Company accounts for income taxes using the taxes payable method under which the Company reports as an expense of the year only the costs of current income taxes for that year determined in accordance with rules established by taxation authorities.

Impairment of Long-Lived Assets

A long-lived asset is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

Impairment of Financial Assets

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of loss. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of loss.

PURECOLO INC.

Notes to the Interim Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited, prepared by management)

2. Significant accounting policies (continued)

Revenue recognition

Revenue is recognized when title to goods has passed to the customer or services have been rendered, there is persuasive evidence of an arrangement, the sales price is fixed or determinable, collectability is reasonably assured and the Company has no further obligations under the sales agreement. Payments received in advance of recognition are recorded as deferred revenue.

Share-based compensation

The Company grants stock options to purchase common shares to its employees and management under its stock option plan. Share-based compensation plans are accounted for based on the fair value of the options. The fair value of each option is estimated on the date of grant using the Black-Scholes option pricing model. The Company takes account of the volatility of share prices of comparable publicly traded companies whose share or option pricing information is published to estimate the expected volatility in the price of its own shares. Share-based compensation costs, measured at the grant date based on the fair value of all options granted and recognized over the service period involved, are recorded as expenses and added to contributed surplus. The consideration paid by the employees and management upon exercise of the options and the share-based compensation costs previously recognized for the options exercised and included in contributed surplus are added to share capital. When the options issued do not vest to the employees or management, the effect of forfeitures gives rise to an adjustment to the compensation costs and previously recognized contributed surplus, and the effect is recognized as the forfeitures occur.

Leases

Leases are classified as capital or operating leases. A lease that transfers substantially all of the benefits and risks incidental to the ownership of property is classified as a capital lease. At the inception of a capital lease, an asset and an obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair value at the beginning of the lease. Lease rentals under an operating lease are included in the determination of net income over the lease term on a straight line-basis when it is more representative of the time pattern in which the user derives benefit from the leased property.

PURECOLO INC.

Notes to the Interim Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited, prepared by management)

2. Significant accounting policies (continued)

Decommissioning obligation

The Company records the present value of estimated costs of legal and constructive obligations required to restore its leased sites to their original condition in the period in which the obligation is incurred. When the liability is initially recognized, the present value of the estimated cost is capitalized by increasing the carrying amount of the related asset. Over time, the discounted liability is increased for the change in the present value based on the discount rates that reflect current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognized in the statement of operations as an interest cost. Additional changes in decommissioning obligations will be recognized as additions or changes to the corresponding assets and decommissioning obligation when they occur.

3. Property, plant and equipment

	Cost	Accumulated Amortization	Net Value, September 30, 2025	Net Value, 2024
Equipment	\$ 1,732,615	\$ 460,357	\$ 1,272,258	\$ 1,447,856
Leasehold improvements	1,542,964	357,329	1,185,635	1,149,786
Balance, December 31, 2024	\$ 3,275,579	\$ 817,686	\$ 2,457,893	\$ 2,597,642

4. Accounts receivable and payable and accrued charges

Included in accounts payable and accrued charges are government remittances payable of \$5,533 (2024 - (\$21,037)).

5. Share capital

Authorized

An unlimited number of Common shares

An unlimited number of Preferred shares, non-participating, redeemable for common shares, discretionary dividends

Issued

	2025	2024
1,678,436 (2024 – 1,408,436)	\$ 74,517	\$ 62,529
Nil (2024 - 270,000) preferred, non voting	-	300,000
Total	\$ 74,517	\$ 362,529

PURECOLO INC.

Notes to the Interim Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited, prepared by management)

5. Share capital (continued)

The Company's Preferred shares were issued for cash. These were not issued as part of a tax planning arrangement. During the period ended September 30, 2025, 270,000 preferred shares with paid up capital of \$300,000 were exchanged for a \$288,012 promissory note and 270,000 common shares. There was no change to the control of the company. The promissory note is unsecured, non-interest bearing and is payable in monthly installments of \$9,640 over 30 months. This was a capital transaction with a shareholder and has been recorded at the exchange amount.

Stock options

Pursuant to the Company's Stock Option Plan, the Company may grant up to 15% of the issued and outstanding shares in the Company.

The stock options granted in 2024 vest 1/36 monthly over a three-year period from the grant date.

Stock options outstanding as at December 31, 2024 are as follows:

Grant date	Number outstanding	Number exercisable	Exercise price
April 29, 2024	60,000	13,336	\$ 3.00

Stock options expire three years after grant date. No options were granted, exercised or expired during the period ended September 30, 2025

6. Long-term debt

	September 30, 2025	December 31, 2024
Loan payable, authorized up to \$500,000, bearing interest at the bank's floating base rate plus a variance of 1.74% per year, general security agreement and personal guarantee by the shareholder up to 50% of the loan, repayable in monthly installments of \$6,940 principal plus interest, maturing October 15, 2030	\$ -	\$ 485,800
Loan payable, authorized up to \$250,000, bearing interest at the bank's floating base rate plus a variance of 1.71% per year, general security agreement and personal guarantee by the shareholder up to 50% of the loan, repayable in monthly installments of \$3,470 principal plus interest, maturing September 15, 2029	\$ -	\$ 208,200

PURECOLO INC.

Notes to the Interim Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited, prepared by management)

6. Long-term debt (continued)

	September 30, 2025	December 31, 2024
Loan payable, authorized up to \$500,000, bearing interest at the bank's floating base rate plus a variance of 1.29% per year, general security agreement and personal guarantee by the shareholder up to 50% of the loan, repayable in monthly installments of \$2,080 up to July 31, 2025 and \$10,113 thereafter, principal plus interest, maturing July 15, 2029	\$ -	\$ 489,584
Loan payable, authorized up to \$150,000, bearing interest at 32.51%, repayable in weekly installments of \$1,247.24 principal and interest secured by guarantee from shareholder	\$ -	\$ 56,503
	\$ -	\$ 1,240,087
Less amounts due within one year	-	251,444
	\$ -	\$ 988,643

During 2025, the above four long term loans were replaced by one RBC \$1,200,000 long term loan and a \$200,000 revolving line of credit. The long-term loan bears interest at Royal Bank Prime rate plus 1.85%. The revolving line of credit bears interest at the interest rate of Royal Bank Prime rate plus 2.10%.

As at September 31, 2025 the Company had \$1,112,577 on its RBC loan (December 31, 2024 - \$nil) and \$120,000 (December 31, 2024 - \$nil) in the revolving line of credit.

In addition, during 2025 a \$288,012 promissory note was issued which is unsecured, non-interest bearing and is payable in monthly installments of \$9,640 over 30 months.

The current portion of long-term debt as at September 30, 2025 is \$210,889.

PURECOLO INC.

Notes to the Interim Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Unaudited, prepared by management)

7. Changes in working capital balances

Changes in working capital balances have provided (used) cash as follows:

	September 30, 2025	September 30, 2024
Accounts receivable	\$ 44,152	\$ (72,333)
Prepaid expenses	3,549	67,850
Accounts payable and accrued liabilities	46,092	216,348
Lease inducement	265,025	311,370
	<u>\$ 358,818</u>	<u>\$ 523,235</u>

8. Financial instruments

Risk and concentrations

The Company is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The following analysis provides a measure of the Company's risk exposure as at September 30, 2025.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's main credit risk relates to its cash and accounts receivable.

The Company's cash and cash equivalents are maintained at major financial institutions; therefore, the Company considers the risk of non-performance of these instruments to be remote.

The Company provides credit to its clients in the normal course of its operation. Management regularly reviews all outstanding receivables and creates an allowance for bad debt when applicable.

PURECOLO INC.

Interim Statements of Cash Flows

For the three and nine months ended September 30, 2025 and 2024
(Unaudited, prepared by management)

8. Financial instruments (continued)

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company is exposed to this risk mainly in respect to its accounts payable, government remittances and loan payable. Management manages this risk by monitoring the cash flow of the Company.

The Company's long-term debt is structured with regular monthly payments, secured by assets.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Company is mainly exposed to interest rate risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its floating rate borrowing, as the required cash flows to service the debt will fluctuate as a result of changes in market rates.

Economic dependence

During the period ended September 30, 2025 two customers represent 41% of revenue (2024 – 43%).

9. Due to shareholders

Amounts due to shareholders are unsecured, non-interest bearing and have no fixed terms of repayment. These amounts are measured at the exchange amount which is the amount established and agreed to by the related parties.

10. Lease inducement

The Company was given a rent-free period of 20 months which has been space as a lease inducement. The lease inducement liability will be amortized over the term of the lease. The Company has also received finding from its landlord for leasehold improvements. Such amounts will also be amortized over the term of the lease.

PURECOLO INC.

Notes to the Interim Financial Statements

For the three and nine months ended September 30, 2025 and 2024
(Unaudited, prepared by management)

11. Commitments

The Company has entered into a long-term lease agreement for space. Future minimum lease payments are as follows:

2025	\$	29,655
2026		300,255
2027		401,023
2028		401,023
2029		416,288
After		3,481,371
	\$	5,029,615

12. Decommissioning obligation

The Company's decommissioning obligation is related to the restoration of its leased spaces. At December 31, 2024, the Company's best estimate of the total undiscounted amount of cash flows required to settle its obligation is \$1,170,000 which is expected to be made in 2032 and 2039. An interest rate of 3.4% and an inflation rate of 2.7% was used to calculate the present value as at December 31, 2024.

	December 31, 2024	September, 2024
Balance, opening	\$ 1,077,104	\$ 473,345
Addition	-	-
Interest expense	17,603	18,449
Balance, ending	\$ 1,094,707	491,794

13. Subsequent Events

In December 2025 the Company was acquired by Carrier Connect Data Solutions Inc.