November 25, 2025

Audited Annual Consolidated Financial Statements

For the year ended September 30, 2025

CALIAN®

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Calian Group Ltd.

Opinion

We have audited the consolidated financial statements of Calian Group Ltd. (the "Entity"), which comprise:

- the consolidated statements of financial position as at September 30, 2025 and September 30, 2024
- the consolidated statements of net profit for the years then ended
- the consolidated statements of comprehensive income for the years then ended
- the consolidated statements of changes in equity for the years then ended
- the consolidated statements of cash flows for the years then ended
- and notes to the consolidated financial statements, including a summary of material accounting policy information

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at September 30, 2025 and September 30, 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended 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 auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended September 30, 2025.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our auditor's report.

Evaluation of the estimated costs to complete for the Advanced Technologies fixed price contracts

Description of the matter

We draw attention to Notes 2(a), 3, and 21 to the financial statements. The Entity enters into fixed-price contracts which can extend over more than one reporting period. Revenue from these fixed-price projects is recognized over time using the input method based on management's best estimate of the costs and related risks associated with completing the projects. Specifically for the Advanced Technologies fixed-price contracts with customers, there is significant judgment in determining the estimated costs to complete, including materials, labour and subcontractor costs. The service revenue in Advanced Technologies is $85,479 thousand, the majority of which is composed of fixed price contracts.

Why the matter is a key audit matter

We identified the evaluation of the estimated costs to complete for the Advanced Technologies fixed price contracts as a key audit matter. This matter represents a significant risk of material misstatement due to the magnitude of the balance and the high degree of judgment in determining the estimated costs to complete. Significant auditor judgment was required in evaluating the results of our audit procedures over the estimated costs to complete.

How the matter was addressed in the audit

The primary procedures we performed to address this key audit matter included the following:

We evaluated the design and tested the operating effectiveness of certain controls over the Entity's revenue recognition process. This included a control related to the evaluation of estimated costs to complete fixed price contracts with customers.

We evaluated the Entity's ability to estimate costs to complete fixed price contracts by comparing actual costs incurred for a selection of fixed price contracts completed in the current year against the total contract costs estimated in the prior year.

For a selection of fixed price contracts:

- We evaluated the estimated costs to complete by inspecting the executed contracts, including any significant amendments, inquiring with the project manager, and obtaining supporting documentation, such as project planning documents.
- We evaluated the materials, labour, and subcontractor costs included in the estimated costs to complete through inquiring with the project manager and inspecting corroborative evidence, such as correspondence between the Entity and the customer, suppliers, and subcontractors.

Evaluation of goodwill impairment analysis for the IT and Cyber Security ("ITCS") group of cash generating units ("CGUs")

Description of the matter

We draw attention to notes 2 and 3 to the financial statements. The Entity has recorded goodwill of $224,483 thousand. For impairment testing purposes, goodwill is allocated to the cash-generating units ("CGUs") or groups of CGUs that are expected to benefit from the synergies of the related acquisition. For impairment testing purposes of goodwill, CGUs are grouped in accordance with the Company's reporting segments, and $115,398 thousand of the goodwill balance relates to the ITCS reporting segment. CGUs or groups of CGUs to which goodwill has been allocated are tested for impairment annually, or earlier if events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the ITCS segment, the Company used a fair value less costs of disposal approach. In estimating fair value, the Company applied a market multiple to estimated earnings less an estimate of the costs of disposal. Key assumptions used in determining the fair value less costs of disposal of ITCS include estimated earnings and the market multiple.

Why the matter is a key audit matter

We identified the evaluation of the goodwill impairment analysis for the ITCS group of CGUs as a key audit matter. This matter represented an area of significant risk of material misstatement due to the magnitude of the balance and the high degree of estimation uncertainty in determining the recoverable amount. Further, professionals with specialized skills and knowledge were required in performing and evaluating the results of our procedures due to the sensitivity of the recoverable amount to changes in key assumptions.

How the matter was addressed in the audit

The primary procedures we performed to address this key audit matter included the following:

We assessed the reasonableness of the Entity's key assumption of estimated earnings by comparing the revenues to historical performance, costs by comparing them to historical performance and agreeing certain cost adjustments to supporting documentation.

We considered changes in conditions and events affecting the ITCS group of CGUs and assessed how they have been factored into the Entity's estimated earnings.

We involved valuation professionals with specialized skills and knowledge, who assisted in evaluating the appropriateness of the approach and the market multiple assumption, which was developed using publicly available information for recent transactions involving comparable companies and considering risks specific to the ITCS segment.

Other Information

Management is responsible for the other information. Other information comprises:

- the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions.
- the information, other than the financial statements and the auditor's report thereon, included in a document likely to be entitled "Annual Report 2025".

Our opinion on the financial statements does not cover the other information and we do not and will 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 and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

The information, other than the financial statements and the auditor's report thereon, included in a document likely to be entitled "Annual Report 2025" is expected to be made available to us after the date of this auditor's report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 the 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 Entity'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 Entity'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 Entity 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.

- 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.

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

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

- Determine, from the matters communicated with those charged with governance, 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 auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

The engagement partner on the audit resulting in this auditor's report is Stephen John Hills.

Vaughan, Canada

November 25, 2025

CALIAN GROUP LTD.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at September 30, 2025 and September 30, 2024
(Canadian dollars in thousands, except per share data)

	NOTES	September 30, 2025	September 30, 2024
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	$ 46,101	$ 51,788
Accounts receivable	6	171,150	157,376
Work in process	9	25,028	20,437
Inventory	7	27,709	23,199
Prepaid expenses	8	22,977	23,978
Derivative assets	25	44	32
Total current assets		293,009	276,810
NON-CURRENT ASSETS			
Property, plant and equipment	10	45,508	40,962
Right of use assets	11	39,786	36,383
Prepaid expenses	8	6,015	7,820
Deferred tax asset	23	1,614	3,425
Investments	12	4,252	3,875
Acquired intangible assets	13	106,833	128,253
Goodwill	15	224,483	210,392
Total non-current assets		428,491	431,110
TOTAL ASSETS		$ 721,500	$ 707,920
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	16	$ 133,096	$ 124,884
Provisions	17	3,458	3,075
Unearned contract revenue	9	39,646	41,723
Lease obligations	11	5,819	5,645
Contingent earn-out	28	16,147	39,136
Derivative liabilities	25	53	92
Total current liabilities		198,219	214,555
NON-CURRENT LIABILITIES			
Debt facility	18	130,750	89,750
Lease obligations	11	37,634	33,798
Unearned contract revenue	9	14,704	14,503
Contingent earn-out	28	—	2,697
Deferred tax liabilities	23	18,912	25,862
Total non-current liabilities		202,000	166,610
TOTAL LIABILITIES		400,219	381,165
SHAREHOLDERS' EQUITY			
Issued capital	19	220,345	225,747
Contributed surplus		7,312	6,019
Retained earnings		84,360	91,268
Accumulated other comprehensive income		9,264	3,721
TOTAL SHAREHOLDERS' EQUITY		321,281	326,755
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		$ 721,500	$ 707,920
Number of common shares issued and outstanding		11,350,168	11,802,364

The accompanying notes are an integral part of the audited annual consolidated financial statements. Refer to notes 19, 28 and 31 for events that occurred subsequent to September 30, 2025.

CALIAN GROUP LTD.
CONSOLIDATED STATEMENTS OF NET PROFIT
For the years ended September 30, 2025 and 2024
(Canadian dollars in thousands, except per share data)

	NOTES		Year ended September 30, 2025		Year ended September 30, 2024 (Note 29)
Revenue	21	$	774,111	$	746,611
Cost of revenues			514,824		492,597
Gross profit			**259,287**		**254,014**
Selling, general and administrative			169,073		149,891
Research and development			11,794		11,967
Share-based compensation	20		4,511		4,372
Profit before under noted items			**73,909**		**87,784**
Restructuring expense			3,638		1,864
Depreciation and amortization	14		46,696		41,829
Mergers and acquisition costs	27		(10,143)		15,338
Other changes in fair value	12		(377)		(202)
Profit before interest and income tax expense			**34,095**		**28,955**
Interest expense			8,598		6,635
Income tax expense - current	23		11,963		15,442
Income tax recovery - deferred	23		(7,023)		(4,302)
NET PROFIT		**$**	**20,557**	**$**	**11,180**
Net profit per share:					
Basic	22	$	1.78	$	0.95
Diluted	22	$	1.76	$	0.93

The accompanying notes are an integral part of the audited annual consolidated financial statements.

CALIAN GROUP LTD.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the years ended September 30, 2025 and 2024
(Canadian dollars in thousands)

	Year ended September 30, 2025	Year ended September 30, 2024
NET PROFIT	$ 20,557	$ 11,180
Cumulative translation adjustment	5,744	2,213
Change in deferred gain (loss) on derivatives designated as cash flow hedges net of tax of $52 and $141 for the years ended September 30, 2025 and 2024, respectively.	(201)	391
Other comprehensive income, net of tax	5,543	2,604
COMPREHENSIVE INCOME	**$ 26,100**	**$ 13,784**

The accompanying notes are an integral part of the audited annual consolidated financial statements.

CALIAN GROUP LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended September 30, 2025 and 2024
(Canadian dollars in thousands)

	NOTES	Year ended September 30, 2025	2024
CASH FLOWS GENERATED FROM (USED IN) OPERATING ACTIVITIES			
Net profit		$ 20,557	$ 11,180
Items not affecting cash:			
Interest expense		6,486	4,826
Changes in fair value related to contingent earn-out	27	(16,377)	8,767
Lease obligations interest expense	11	2,112	1,809
Income tax expense		4,940	11,140
Employee share purchase plan expense	20	536	549
Share-based compensation expense	20	3,976	3,824
Depreciation and amortization	14	46,696	41,829
Deemed compensation	26, 27, 28	4,645	4,322
Other changes in fair value	12	(377)	(202)
		73,194	88,044
Change in non-cash working capital			
Accounts receivable		(7,399)	17,625
Work in process		(4,591)	(2,509)
Prepaid expenses and other		3,955	337
Inventory		(4,018)	2,795
Accounts payable and accrued liabilities		8,706	(1,064)
Unearned contract revenue		(1,876)	(6)
		67,971	105,222
Interest paid		(8,598)	(6,635)
Income tax paid		(13,939)	(11,366)
		45,434	87,221
CASH FLOWS GENERATED FROM (USED IN) FINANCING ACTIVITIES			
Issuance of common shares net of costs	19, 20	2,452	2,786
Repurchase of common shares	19	(25,508)	(5,648)
Dividends		(12,969)	(13,351)
Net draw on debt facility	18	41,000	52,000
Payment of lease obligations	11	(6,409)	(5,289)
		(1,434)	30,498
CASH FLOWS USED IN INVESTING ACTIVITIES			
Business acquisitions	26, 27, 29	(39,089)	(87,862)
Property, plant and equipment	10	(10,598)	(11,803)
		(49,687)	(99,665)
NET CASH INFLOW (OUTFLOW)		$ (5,687)	$ 18,054
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD		51,788	33,734
CASH AND CASH EQUIVALENTS, END OF PERIOD		$ 46,101	$ 51,788

The accompanying notes are an integral part of the audited annual consolidated financial statements.

CALIAN GROUP LTD.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the years ended September 30, 2025 and 2024
(Canadian dollars in thousands, except per share data)

	NOTES	Issued capital	Contributed surplus	Retained earnings	Other comprehensive income	Total
Balance October 1, 2024		**$ 225,747**	**$ 6,019**	**$ 91,268**	**$ 3,721**	**$ 326,755**
Net profit and comprehensive income		—	—	20,557	5,543	26,100
Dividend paid ($1.12 per share)		—	—	(12,969)	—	(12,969)
Share repurchase	19	(11,012)	—	(14,496)	—	(25,508)
Shares issued under employee share plans	19	3,084	(2,683)	—	—	401
Shares issued under employee share purchase plan	20	2,587	—	—	—	2,587
Share-based compensation expense	20	—	3,976	—	—	3,976
Share buyback tax		(416)	—	—	—	(416)
Change in obligation related to share repurchase	19	355	—	—	—	355
Balance September 30, 2025		**$ 220,345**	**$ 7,312**	**$ 84,360**	**$ 9,264**	**$ 321,281**

	NOTES	Issued capital	Contributed surplus	Retained earnings	Other comprehensive income	Total
Balance October 1, 2023		**$ 225,540**	**$ 4,856**	**$ 96,859**	**$ 1,117**	**$ 328,372**
Net profit and comprehensive income		—	—	11,180	2,604	13,784
Dividend paid ($1.12 per share)		—	—	(13,351)	—	(13,351)
Share repurchase	19	(2,249)	—	(3,420)	—	(5,669)
Shares issued under employee share plans	19	2,684	(3,018)	—	—	(334)
Share issued through acquisition	26	77	—	—	—	77
Shares issued under employee share purchase plan	20	2,770	—	—	—	2,770
Share-based compensation expense	20	—	4,181	—	—	4,181
Change in obligation related to share repurchase	19	(3,075)	—	—	—	(3,075)
Balance September 30, 2024		**$ 225,747**	**$ 6,019**	**$ 91,268**	**$ 3,721**	**$ 326,755**

The accompanying notes are an integral part of the audited annual consolidated financial statements.

1. Basis of Preparation

Calian Group Ltd. ("the Company") is incorporated under the Canada Business Corporations Act. The address of its registered office and principal place of business is 770 Palladium Drive, Ottawa, Ontario K2V 1C8. The Company's capabilities are diverse with services and solutions delivered through four segments: Advanced Technologies, Health, Learning and IT and Cyber Solutions (“ITCS”). Headquartered in Ottawa, Calian provides business services and solutions to both industry and government customers in the areas of defence, aerospace, satellite communications (satcom), health, learning, security, engineering, AgTech, and IT.

Statement of compliance

These consolidated financial statements are expressed in Canadian dollars and have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and in place for September 30, 2025. These consolidated financial statements were prepared using the accounting policies as described in note 2 - Material Accounting Policies.

These consolidated financial statements were approved by the Board of Directors on November 25, 2025.

2. Material Accounting Policies

Basis of consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries Calian Ltd., located in Ottawa, Ontario, Primacy Management Inc. (“Primacy”), located in Burlington, Ontario, Calian Agriculture Ltd., located in Regina, Saskatchewan, SatService Gesellschaft für Kommunikationssysteme mbH (“SatService”), located in Steisslingen, Germany, Calian Contract Research Organization Ltd., located in Ottawa, Ontario, Calian Patient Support Programs Ltd., located in Ottawa, Ontario, Calian Europe AS, located in Stavanger, Norway, Calian Global Navigation Satellite System Inc. ("GNSS"), located in Ottawa, Ontario, Calian Antenna Solutions Inc., located in Vaudreuil-Dorion, Quebec, Calian Digital Solutions Ltd., located in Toronto, Ontario, Calian Operational and Training Technologies Solutions Ltd. (“COTTS”), located in Ottawa, Ontario, Calian Corp., located in Houston, Texas, Calian Pacific Teleport Ltd. (“CPT”), located in Kapolei, Hawaii, Decisive Technologies Inc. (“Decisive”), located in Ottawa, Ontario, Calian UK Ltd., located in Fareham, England, and Advanced Medical Solutions Inc. ("AMS"), located in Yellowknife, North West Territories. All transactions and balances between these companies have been eliminated on consolidation.

Basis of presentation

The consolidated financial statements are presented at historical cost unless otherwise noted. Historical cost is generally based on the fair value of the consideration given in exchange for the asset or liability.

Revenue recognition

The Company recognizes revenue from the following sources, although this list is not exhaustive:

2. Material Accounting Policies (continued)

Service revenue

- Advanced Technologies support services across a number of industries, and product development
- Healthcare services including clinic management, healthcare practitioner support, rapid response healthcare support, clinical research, psychological assessments, air and ground ambulance.
- Learning services including Custom Training for the military, emergency preparedness and simulation training
- IT services including IT support, systems implementation services, cyber security consulting and cyber security monitoring

Product revenue

- Sale of internally developed hardware and software products used in many applications across multiple industries
- Licensing of internally developed Healthcare software products
- Resale of IT product which can include hardware and software
- Manufacturing and installation of large satellite antennae ground systems
- Licensing of cyber product solutions

(a) Revenue recognition:

Revenue is recognized in profit or loss in accordance with the pattern of satisfying the Company's performance obligations under a contract. This satisfaction occurs when control of a good or service transfers to the customer. In the majority of the Company's fixed price contracts, the customer controls the work in process as evidenced by the right to payment for work performed to date plus a reasonable profit to deliver products or services that do not have an alternative use to the Company. Based on the nature of these contractual arrangements, control is transferred over time and revenue is recognized over time.

For the majority of fixed price revenue for the Company, for each performance obligation satisfied over time, the Company will recognize revenue by measuring progress toward complete satisfaction of that performance obligation using the input method. In this way, the Company recognizes revenue in a pattern that reflects the transfer of control of the promised goods or services to the customer. Fixed price contracts are recognized using the input method with reference to costs incurred. For a select few projects, the Company will recognize revenue by measuring progress toward complete satisfaction of that performance obligation using the output method. Revenue from cost plus arrangements is recognized as services are performed and costs are incurred.

Revenue from generic product sales, or product that does not meet criteria for over time recognition is measured at a point in time following the transfer of control of such products to the customer, which typically occurs upon shipment or delivery depending on the terms of the underlying contracts. For certain contracts, the Company does not have control of the product prior to delivery to the customer. In this case, the Company is the agent in the arrangement and revenue is recognized net of cost of sales.

Revenue from change orders or purchase orders issued on contracts, will be recognized to the extent that they have been approved by the customer and the amount can be measured reliably.

2. Material Accounting Policies (continued)

For a portion of customer arrangements, the customer contracts with the Company to provide a significant service of integrating a complex set of tasks and components into a single project or capability (even if that single project results in the delivery of multiple units). The Company therefore considers that the entire contract results in the delivery of a single performance obligation. For other customer arrangements across the portfolio contracts, the Company may promise to provide distinct goods or services within a contract in which case the contract is separated into the associated performance obligations as assessed from the customer's perspective. If a contract contains multiple performance obligations, the Company allocates the total transaction price to each performance obligation in an amount based on the estimated relative standalone selling prices of the promised goods or services underlying each performance obligation. When the Company is contracted to construct customer specific projects, the budgets and overall transaction prices are built up using the Company's best estimate of costs associated to complete the customized project using the appropriate overhead and subcontractor rates for a given project and location. This approach to estimate the overall costs and associated revenues is considered the most appropriate assessment of the standalone selling price for the associated performance obligations.

In certain contracts for products, the Company may agree to provide warranty and maintenance services for periods that can extend up to 5 years. Warranty and maintenance are often included in the transaction price and is an after–sales service. Upon expiration, the warranty period may be extended at the customer's option. Regardless of whether a renewal option exists in a contract, the Company does not account for a renewal option until this option is agreed upon. This is subsequently accounted for at the agreed upon price on renewal. Consequently, the option to extend the renewal period does not provide customers with any advantage when they enter into the initial contract and therefore no revenue has been deferred relating to this renewal option.

The maintenance or warranty service is considered to be a distinct service when it is both regularly supplied by the Company to other customers on a stand-alone basis and is available for customers from other providers in the market. When these criteria are met, the warranty is considered a service type warranty where a portion of the transaction price is allocated to the maintenance services based on the stand-alone selling price of those services. Revenue relating to the maintenance services is recognized over time as the service is provided and incurs warranty costs over the satisfaction of the performance obligation. Assurance type warranties are those that promise to the customer that the delivered product will function as intended and will comply with agreed-upon specifications. Assurance type warranty costs are recognized as a provision in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets, based on the progress of the other performance obligations in the contract, and the provision recognized is reduced as costs are incurred or reversed if no longer required.

If estimated total costs on any contract, including any inefficient costs, are greater than the net contract revenues, IFRS15, Revenue from Contracts with Customers indicates IAS37, Provisions, Contingent Liabilities and Contingent Assets, is applied as the contract is considered onerous. IAS37 however contains no further requirements as to the measurement of onerous contracts. All loss provisions for contracts with customers follow the same policy for the definition of unavoidable costs to fulfilling the contract. The Company defines unavoidable costs as the costs that the Company cannot avoid because it has the contract (for example, this would include an allocation of overhead costs if those costs are incurred for activities required to complete the contract).

2. Material Accounting Policies (continued)

(b) Contract assets and liabilities

Any excess of costs and estimated earnings over progress billings on contracts is carried as a contract asset in the financial statements. Any excess of progress billings over earned revenue on construction contracts is carried as a contract liability in the financial statements. Contract assets and liabilities (or “work in process” and “unearned contract revenue”, respectively) are reported in a net position on a contract-by-contract basis at the end of each reporting period.

(c) Provisions:

Provisions are recognized when, at the financial statement date, the Company has a present obligation as a result of a past event, and it is more likely than not that the Company will be required to settle that obligation and the cash outflow can be estimated reliably. The amount recognized for provisions is the best estimate of the expenditure to be incurred. Provisions are measured at their present value.

Provisions include:

i. Provisions for potential warranty claims relating to construction projects. These claims are usually settled during the project’s warranty period. A provision is recognized when it is more likely than not that a warranty claim will arise. The amount recognized is the best estimate of the amount required to settle the warranty issue.

ii. Provisions for loss contracts are recorded when costs are determined to be greater than total revenues for the contract. Losses from any construction contracts are recognized in full in the period the loss becomes apparent. The loss provision will be net of management’s estimate of probable expected recoveries, which differs from the criterion used for revenue recognition.

iii. Provisions for legal claims arising from normal course of business. A provision is recognized for legal disputes when it is more likely than not that a payment will arise. The amount recognized is the best estimate of the amount required to settle the claim.

Share-based compensation

The Company has a stock option plan for executives and other key employees. The Company measures and recognizes compensation expense based on the grant date fair-value of the stock options issued using the Black-Scholes pricing model. The offsetting credit is recorded in contributed surplus. Each tranche of an award is considered a separate award with its own vesting period and grant date fair value. Compensation expense for each tranche is recorded on a straight-line basis over the vesting period based on the Company’s estimate of share options that will ultimately vest. At each reporting period, the Company revises its estimate of the stock options expected to vest. The impact on the change in estimate, if any, is recognized over the remaining vesting period. Consideration paid by employees on the exercise of options and related amounts of contributed surplus are recorded as issued capital when the shares are issued.

The Company has a restricted share unit plan for executives and other key employees. The Company measures and recognizes compensation expense based on the grant date fair-value of the units issued using the market value based on the price at the date preceding the grant. The offsetting credit is recorded in contributed surplus. Each tranche of an award is considered a separate award with its own vesting period and grant date fair value. Compensation expense for each tranche is recorded on a straight-line basis over the vesting period based on the Company’s estimate of units that will ultimately vest. At each reporting period, the Company revises its estimate of the units expected to vest. The impact on the change in estimate, if any, is recognized over the remaining vesting period.

2. Material Accounting Policies (continued)

The Company has an employee stock purchase plan available to all employees of the Company. The plan provides for a discount to the fair market value at the date the shares are issued. Compensation expense representing the discount is recorded as expense with an offsetting amount to issued capital.

The Company has compensation units that are to be settled in cash but are tied to the value of the share price of the Company. At each reporting period end the Company values the fair market value of the units outstanding through use of the Black-Scholes method.

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company has elected to apply the practical expedient to account for each lease component and any non-lease components as a single lease component. 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 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 to the earlier of the end of the useful life of the right-of-use asset, or the lease term using the straight-line method as this most closely reflects the expected pattern of consumption of the future economic benefits. The lease term includes periods covered by an option to extend if the Company is reasonably certain to exercise that option.

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 Company’s incremental borrowing rate. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability. The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company’s estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company has elected to apply the practical expedient not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in net profit, except when it relates to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Current tax

The tax currently payable is based on taxable income for the period using tax rates enacted or substantively enacted as at each reporting period and any adjustments to tax payable related to previous years. Taxable profit differs from profit as reported in the consolidated statement of net profit because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

2. Material Accounting Policies (continued)

Deferred tax

Deferred tax is recognized using the balance sheet method, providing for differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases used for taxation purposes calculated using the tax rates in effect when the differences are expected to reverse.

Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences, and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting period and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted at each reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Inventory

Inventory is recorded at the lower of cost or net realizable value. GNSS inventory is calculated using the FIFO method. All remaining inventory is calculated using the weighted average cost method. Write-downs are taken for excess and obsolete inventory and for a reduction in the carrying value of inventory through the cost of revenues line in the statement of net profit to reflect realizable value based on current cost, production and sales estimates. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Capitalized Research and Development (“R&D”)

Research costs are expensed as incurred. Internally developed internal-use asset costs are capitalized once a project has progressed beyond a conceptual, preliminary stage to that of development. Development costs that are directly attributable to the design and testing of identifiable assets controlled by the Company are recognized as assets when the following criteria are met:

- it is technically feasible to complete the asset so that it will be available for use or sale;
- there is an ability and management intends to complete the asset for use;
- it can be demonstrated how the asset will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the asset are available; and
- the expenditure attributable to the asset during its development can be reliably measured.

2. Material Accounting Policies (continued)

Costs that qualify for capitalization include both internal and external costs, but are limited to those that are directly related to the specific project. Capitalized development expenditure is measured at cost less accumulated amortization. Amortization is recognized in net profit over the estimated useful life of the underlying assets.

Capitalized R&D is measured at cost and depreciated over the useful life of the assets which is determined to be five years. Costs include expenditures that are directly attributable to its construction.

Equipment

Equipment, comprising furniture, computer equipment, along with leasehold improvements, and buildings, are stated at cost less accumulated depreciation and impairment losses, if any. The carrying value is net of any related government assistance and investment tax credits, if applicable. Depreciation is recognized in net profit on a straight-line basis over the estimated useful lives of the assets. Leasehold improvements are amortized on a straight-line basis over the term of the leases. The estimated useful lives are as follows:

- Equipment: 3 to 13 years
- Building: 20 to 25 years

The estimated useful lives, residual values and depreciation methods are reviewed annually, with the effect of any changes in estimate accounted for on a prospective basis.

Application software

Application software is measured at cost less accumulated depreciation and is amortized on a straight-line basis over its estimated useful life not exceeding ten years. The amortization method and estimate of useful lives are reviewed annually.

Acquired intangible assets

Acquired intangible assets are measured at cost less accumulated amortization. Amortization is recognized in net profit over the estimated useful lives of the underlying assets. The estimated useful lives are as follows:

- Customer relationships: 3 to 14 years
- Contracts with customers: 3 to 5 years
- Non-competition agreements: 2 to 5 years
- Technology and Trademarks: 2 to 9 years

The estimated useful lives, residual values and depreciation methods are reviewed annually, with the effect of any changes in estimate accounted for on a prospective basis.

Impairment of equipment, application software and intangible assets

At each reporting period, management reviews the carrying amounts of its equipment, application software and acquired intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, management estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units.

The recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

Impairment of goodwill

Goodwill arising on the acquisition of a business represents the excess of the purchase consideration over the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired business at the acquisition date. Goodwill is initially recognized at cost and subsequently measured at cost less accumulated impairment losses.

For impairment testing purposes, goodwill is allocated to the cash-generating units ("CGUs") or groups of CGUs that are expected to benefit from the synergies of the related acquisition. These CGUs or groups of CGUs are tested for impairment annually, or earlier if events or changes in circumstances indicate that their carrying amounts may not be recoverable.

If the recoverable amount of a CGU or group of CGUs is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of goodwill. Any remaining impairment loss is then allocated on a pro-rata basis to the other assets of the CGU. Impairment losses recognized for goodwill cannot be reversed in future periods.

The Company determines recoverable amounts as the higher of fair value less costs of disposal and value in use. The annual impairment test is performed each year as at September 30.

For impairment testing purposes, CGUs are grouped in accordance with the Company's reporting segments, as disclosed in note 24. The goodwill allocated to each segment as at September 30, 2025 is as follows:

	Advanced Technologies	Health	Learning	ITCS
Goodwill	$ 52,567	$ 24,118	$ 32,400	$ 115,398

For the year ended September 30, 2025, the Company applied a value-in-use methodology for the Advanced Technologies, Health, and Learning segments. Key assumptions used in estimating recoverable amounts included discount rates of 10.5%, mid term growth rates of 10%, terminal growth rates of 3%, after tax cash flows and forecast capital expenditures.

For the ITCS segment, the Company used a fair value less costs of disposal approach. In estimating fair value, the Company applied a market multiple to estimated earnings less an estimate of the costs of disposal. Market multiples, which are Level 3 inputs, reflected current market conditions and were based on recent transactions involving comparable companies in terms of nature, size, geography, profit margins and historical growth. Observed market multiples for recent transactions ranged from 10x to 11x of estimated earnings.

2. Material Accounting Policies (continued)

As at September 30, 2025, management concluded that the recoverable amounts of all CGUs exceeded their carrying values, and no impairment of goodwill was required. Management believes that reasonably possible changes in key assumptions would not result in the carrying amounts exceeding recoverable amounts for the Advanced Technologies, Health and Learning segments. However, deterioration in market multiples (from the lower end of the market multiple range) or estimated earnings for the ITCS segment of greater than 9% would result in a future impairment charge.

Business acquisition

Business acquisitions are accounted for using the acquisition method. The consideration transferred in a business combination is measured at estimated fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Company, and liabilities incurred by the Company to the former owners of the acquiree in exchange for control of the acquiree. Acquisition-related costs are expensed in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognized at their estimated fair value, except that deferred tax assets or liabilities are recognized and measured in accordance with IAS 12 Income Taxes.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the estimated fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date fair values of the identifiable assets acquired and the liabilities assumed. If the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the estimated fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Company in a business combination includes a payment subject to the retention of the principal shareholders or employees, the amount is deemed to represent deferred compensation payable to such individuals and therefore is excluded from the total consideration of the purchase, and is expensed on a straight-line basis over the retention period in the Company's consolidated statement of net profit as deemed compensation related to acquisitions.

When the consideration transferred by the Company in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date estimated fair value and included as part of the consideration transferred in a business combination. Changes in the estimated fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date. Changes in the estimated fair value of the contingent consideration outside of the measurement period are adjusted prospectively against changes in fair value in the statement of net profit.

2. Material Accounting Policies (continued)

Foreign currency translation

Transactions in currencies other than the Company’s functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. At each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at each reporting period. Non-monetary items which are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognized in net profit in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currencies (see "Hedge accounting" material accounting policy below).

The functional currency of the parent company and its subsidiaries is the Canadian dollar, except for Calian Corp. and Calian Pacific Teleport which are in USD, SatService which is in Euro, Calian Europe which is in Norwegian Krone, and Calian UK which is in Pound Sterling.

Financial instruments

All financial assets are recognized and de-recognized on trade date. The classification of financial assets depends on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company’s financial assets are classified as follows:

Cash	Amortized cost
Accounts receivable	Amortized cost
Investments	Fair value through profit and loss
Derivative assets	Fair value through other comprehensive income (“OCI”)

Amortized cost

Subsequent to initial recognition, financial assets at amortized cost are measured using the effective interest method, less any impairment. Interest income is recognized by applying the effective interest rate except for accounts receivable, where the interest income would be immaterial. Interest income, foreign exchange gains and losses, and impairment and any gain or loss on de-recognition are recognized in profit and loss.

Impairment of financial assets

The company measures a loss allowance based on the lifetime expected credit losses. Lifetime expected credit losses are estimated based on factors such as the Company’s past experience of collecting payments, observable changes in national or local economic conditions that correlate with default on receivables, financial difficulties of the borrower, and it becoming probable that the borrower will enter bankruptcy or financial re-organization. Financial assets are written off when there is no reasonable expectation of recovery.

2. Material Accounting Policies (continued)

Financial liabilities

The Company determines the classification of its financial liabilities at initial recognition. The Company's financial liabilities are as follows:

Debt facility	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Contingent earn-out	Fair value through profit and loss
Provisions	Amortized cost
Lease obligations	Amortized cost
Derivative liabilities	Fair value through OCI

Fair value hierarchy

The Company's fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy are:

Level 1 values are based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2 values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3 values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

When the inputs used to measure fair value fall within more than one level of the hierarchy, the level within which the fair value measurement is categorized is based on the Company's assessment of the lowest level input that is the most significant to the fair value measurement.

Derivative financial instruments and risk management

The Company enters into derivative financial instruments, mainly foreign exchange forward contracts to manage its foreign exchange rate risk. The Company's policy does not allow management to enter into derivative financial instruments for trading or speculative purposes. Foreign exchange forward contracts are entered into to manage the foreign exchange rate risk on foreign denominated financial assets and liabilities and foreign denominated forecasted transactions.

Derivatives are initially recognized at fair value at the date a derivative contract is entered into with transaction costs recognized in profit and loss. Derivatives are subsequently re-measured to their fair value at each reporting period. The resulting gain or loss is recognized in net profit immediately unless the derivative is designated and effective as a hedging instrument, in which event the effective portion of changes in the fair value of the derivative is recorded in other comprehensive income and is recognized in net profit when the hedged item affects net profit. The Company expenses transaction costs related to its foreign exchange contracts. Fair value of the forward exchange contracts reflects the cash flows due to or from the Company if settlement had taken place at the end of the period. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realized or settled within 12 months.

2. Material Accounting Policies (continued)

Hedge accounting

Management designates its foreign exchange forward contracts as either hedges of the fair value of recognized assets or liabilities (fair value hedges) or hedges of highly probable forecast transactions and firm commitments (cash flow hedges).

At the inception of the hedge relationship, the Company documents the relationship between the hedging instruments and the hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. Furthermore, both at the hedge's inception and on an on-going basis, the Company also assesses whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items. Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in net profit immediately, together with any changes in the fair value of the hedged item that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognized in the line of the income statement relating to the hedged item.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are deferred in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognized immediately in net profit, and is included in other gains and losses, if any. Amounts deferred in other comprehensive income are recycled in net profit in the periods when the hedged item is recognized in net profit, in the same line of the consolidated statement of net profit as the recognized hedged item.

Hedge accounting is discontinued when management revokes the hedging relationship; the hedging instrument is terminated or no longer qualifies for hedge accounting. For fair value hedges, the adjustment to the carrying amount of the hedged item arising from the hedged risk is amortized to net profit from that date. For cash flow hedges, any cumulative gain or loss deferred in other comprehensive income at that time remains in other comprehensive income and is recognized when the forecast transaction is ultimately recognized in net profit. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in other comprehensive income is recognized immediately in net profit.

Note 25 sets out details of the fair values of the derivative instruments used for hedging purposes. Movements in the hedging reserve in equity are also detailed in the consolidated statement of changes in equity.

3. Critical Accounting Judgments and Key Sources of Estimation Uncertainty

Estimates:

The preparation of financial statements in conformity with IFRS requires the Company's management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, disclosure of contingent liabilities and provisions including warranty claims, loss contracts and legal claims as at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods presented. Actual results could differ from those estimates.

Project completion for revenue

The Company enters into fixed-price contracts which can extend over more than one reporting period. Revenue from these fixed-price projects is recognized over time using the input method using management's best estimate of the costs and related risks associated with completing the projects. Management's approach to revenue recognition is tightly linked to detailed project management processes and controls. The information provided by the project managers combined with a knowledgeable assessment of technical complexities and risks are used in estimating the percentage complete. Specifically for the Advanced Technologies fixed-price contracts, there is significant judgement and estimation uncertainty in determining the estimated costs to complete, including materials, labour and subcontractor costs.

Impairment of goodwill and intangible assets

Determining whether goodwill or acquired intangible assets are impaired requires an estimation of the recoverable amount of the cash-generating units of groups of cash-generating units. This was assessed through the higher of the value in use calculation and fair value less cost of disposal. The value in use calculation requires management to estimate the future cash flows expected to arise from the cash-generating unit or groups of cash-generating units, and a suitable discount rate in order to calculate the present value. The fair value less cost of disposal calculation requires estimates on earnings and market multiples.

Income taxes

The Company records deferred income tax assets and liabilities related to deductible or taxable temporary differences. The Company assesses the value of these assets and liabilities based on the likelihood of the realization as well as the timing of reversal given management assessments of future taxable income.

Intangible asset useful life

Determining the useful life of acquired intangible assets requires management to estimate the period in which the intangible assets are expected to generate future cash flows for the Company.

Judgments:

Business combinations

The consideration transferred for an acquired business is assigned to the identifiable tangible and intangible assets purchased, along with liabilities assumed on the basis of their acquisition date estimated fair values. The identification of assets purchased and liabilities assumed and the valuation thereof can require specialized skills and knowledge. Where appropriate, the Company engages external business valuators to assist in the valuation of tangible and intangible assets acquired.

When a business combination involves contingent consideration, an amount equal to the estimated fair value of the contingent consideration is recorded as a liability at the time of acquisition and is measured at the estimated fair value at each reporting period. The key assumptions utilized in determining estimated fair value of contingent consideration may include probabilities associated with the occurrence of specified future events, financial projections of the acquired business including forecasted revenue and EBITDA, the timing of future cash flows, cash flow volatility and the appropriate discount rate.

3. Critical Accounting Judgments and Key Sources of Estimation Uncertainty (continued)

As at September 30, 2025, the Company had significant estimates relating to the earn-out liability for the acquisition of Hawaii Pacific Teleport ($7,343) and Mabway ($3,116) and AMS ($4,847). See notes 26 and 28 for further information.

Deferred income taxes

The Company's accounting policy with regards to income taxes is described in note 2. In applying this policy, judgments are made in determining the probability of whether deductions or tax credits can be utilized and related timing of such items.

Provisions

Provisions are recognized when, at the financial statement date, the Company has a present obligation as a result of a past event, and it is more likely than not that the Company will be required to settle that obligation and the cash outflow can be estimated reliably. Using best judgment, the amount recognized for provisions is an estimate of the expenditure to be incurred. Provisions are measured at their present value.

Non-current assets held for sale

The Company uses judgment in determining whether long term assets meet the criteria to be considered held for sale. This includes whether an asset is available for immediate sale in its present condition and that a sale is highly probable.

4. Seasonality

The results of operations for the interim periods are not necessarily indicative of the results of operations for the full year. The Company's revenues and earnings have historically been subject to quarterly seasonality due to the timing of vacation periods, statutory holidays, industry specific seasonal cycles and the timing and delivery of milestones for significant projects.

5. Cash and Cash Equivalents

The following table presents cash and cash equivalents by currency including the Canadian dollar ("CAD"), US Dollar (“USD”), Pound sterling (“GBP”), European Euro (“EUR”) and Norwegian Krone (“NOK”):

		Local Currency	Foreign Exchange		Presentation Currency
CAD	$	11,819	1.00	$	11,819
USD		11,478	1.39		15,979
GBP		4,964	1.87		9,284
EUR		3,782	1.63		6,176
NOK		20,365	0.14		2,843
Total cash and cash equivalents September 30, 2025				$	46,101
CAD	$	1,193	1.00	$	1,193
USD		25,691	1.39		35,652
GBP		4,660	1.81		8,432
EUR		2,233	1.52		3,391
NOK		24,000	0.13		3,120
Total cash and cash equivalents September 30, 2024				$	51,788

6. Accounts Receivable

The following table presents the trade and other receivables as at:

		September 30, 2025		September 30, 2024
Trade and accounts receivable	$	159,861	$	151,023
Tax and Scientific Research and Development receivable		11,777		6,064
Other		270		1,353
		171,908		158,440
Loss Allowance		(758)		(1,064)
	$	171,150	$	157,376

Bad debt expense recognized in selling, general and administrative expenses in the year ended September 30, 2025 (2024) is $764 ($890).

7. Inventory

The following table presents inventories as at:

	September 30, 2025	September 30, 2024
Raw materials	$ 18,306	$ 16,111
Work in process inventory	3,436	3,253
Finished goods	5,967	3,835
	$ 27,709	$ 23,199

Inventory recognized as cost of revenues in the year ended September 30, 2025 (2024) is $45,452 ($49,746). Inventory provisions recognized in cost of revenues in the year ended September 30, 2025 (2024) is $1,026 ($494).

8. Prepaid Expenses

The following table presents prepaid expenses as at:

	September 30, 2025	September 30, 2024
Prepaid maintenance	$ 10,429	$ 18,690
Prepaid commissions	6,572	5,524
Other prepaid expenses	11,991	7,584
	$ 28,992	$ 31,798
Current	$ 22,977	$ 23,978
Non-current	6,015	7,820
	$ 28,992	$ 31,798

9. Contract Assets and Liabilities

The following table presents net contract liabilities as at:

	Net Contract Liabilities	
	September 30, 2025	September 30, 2024
Work in process	$ 25,028	$ 20,437
Unearned contract revenue (current)	(39,646)	(41,723)
Unearned contract revenue (non-current)	(14,704)	(14,503)
Net contract liabilities	$ (29,322)	$ (35,789)

9. Contract Assets and Liabilities (continued)

The following table presents changes in net contract liabilities for year ended September 30, 2025, and year ended September 30, 2024:

	Changes in Net Contract Liabilities	
	September 30, 2025	September 30, 2024
Opening balance, October 1	$ (35,789)	$ (31,435)
Revenue recognized for net contract liabilities	146,345	126,970
Billings	(139,878)	(125,088)
Acquisitions (Note 26)	—	(6,236)
Ending balance	$ (29,322)	$ (35,789)

10. Property, Plant and Equipment

A continuity of the main components included in property, plant and equipment for the year ended September 30, 2025 is as follows:

	Cost				Depreciation		Carrying Value	
	Cost	Additions/ Disposals	Acquisitions (Note 26)	Total	Depreciation	Accumulated Depreciation	September 30, 2025	September 30, 2024
Leasehold improvements	$ 5,075	$ 81	$ 100	$ 5,256	$ (252)	$ (3,272)	$ 1,984	$ 2,031
Land and Building	2,276	34	3,985	6,295	(51)	(79)	6,216	2,248
Equipment	62,681	8,132	893	71,706	(8,928)	(45,566)	26,140	26,156
Application software	15,838	1,045	45	16,928	(1,454)	(8,546)	8,382	8,775
Capitalized research and development	5,139	1,416	—	6,555	(84)	(4,905)	1,650	319
Intellectual property rights	1,482	—	—	1,482	(296)	(346)	1,136	1,433
Total	$ 92,491	$ 10,708	$ 5,023	$ 108,222	$ (11,065)	$ (62,714)	$ 45,508	$ 40,962

Additions in the table above are net of disposals in the amount of $88 ($108) for the year ended September 30, 2025 (2024). The Company recognized foreign exchange of $138 ($179) in the cost and $(149) ($(226)) in the accumulated depreciation of equipment in the year ended September 30, 2025 (2024).

11. Right of Use Assets and Lease Obligations

The following table presents the right of use assets for the Company:

	Year ended September 30, 2025	Year ended September 30, 2024
Balance at October 1	$ 36,383	$ 34,637
Additions	8,992	6,190
Disposals and foreign exchange adjustments	342	(695)
Depreciation	(7,016)	(6,043)
Acquisitions (Note 26)	1,085	2,294
	$ 39,786	$ 36,383

The Company's leases are for land, office, and manufacturing space. The Company has included renewal options in the measurement of lease obligations when it is reasonably certain to exercise the renewal option.

The following table presents lease obligations for the Company:

	Year ended September 30, 2025	Year ended September 30, 2024
Balance at October 1	$ 39,443	$ 37,006
Additions	8,954	6,116
Disposals and foreign exchange adjustments	380	(621)
Principal and interest payments	(8,521)	(7,098)
Lease interest expense	2,112	1,809
Acquisitions (Note 26)	1,085	2,231
	$ 43,453	$ 39,443
Current	$ 5,819	$ 5,645
Non-current	37,634	33,798
Total	$ 43,453	$ 39,443

The following table presents the contractual undiscounted cash flows for lease obligations as at September 30, 2025:

	Total Undiscounted Lease Obligations
Less than one year	$ 7,469
One to five years	22,949
More than five years	25,188
Total undiscounted lease obligations	$ 55,606

Total cash outflow for leases in the year ended September 30, 2025 (2024) is $8,521 ($7,098) , including principal payments relating to lease obligations of $6,409 ($5,289), interest expense on lease obligations is $2,112 ($1,809). Expenses relating to short-term leases recognized in general and administration expenses was $154 ($152) for the year ended September 30, 2025 (2024).

12. Investments

Cliniconex Inc., is an Ottawa-based patient outreach solutions vendor. During the years of 2017 to 2020, the Company invested a total $569 in common and preferred shares of the Company, representing a minority interest. The Company recognizes the investment at fair value and has adjusted its common and preferred shares to the most recent fair value, resulting in a gain of $101 recognized in fiscal 2020.

During the period ended September 30, 2023, the Company invested $2,000 USD ($2,689) to acquire a minority interest in preferred shares of Field Effect Software Inc. ("Field Effect"). Field Effect is Ottawa based and provides cyber security solutions. At September 30, 2024 the carrying value was $3,205. The Company recognizes this investment at fair value and has recognized a gain of $377 ($202) in the year ended September 30, 2025 (2024).

13. Acquired Intangible Assets

A continuity of the acquired intangible assets for the year ended September 30, 2025 is as follows:

	September 30, 2025				
	Opening Balance	Additions (Note 26)	Amortization	Foreign Exchange Revaluation	Closing Balance
Customer relationships	$ 118,482	$ 6,100	$ (23,549)	$ 1,095	$ 102,128
Discrete contracts with customers & non-competition agreements	1,862	—	(1,791)	—	71
Technology and trademarks	7,909	—	(3,275)	—	4,634
	$ 128,253	$ 6,100	$ (28,615)	$ 1,095	$ 106,833

In the year ended September 30, 2025 the Company recorded a foreign currency revaluation of intangible assets held in foreign subsidiaries which utilize different functional currencies than the Company's presentation currency. These foreign exchange revaluations are reflected in comprehensive income.

In the year ended September 30, 2025, the Company conducted a comprehensive review of its intangible assets and determined that the estimated useful life of certain assets required revision. Consequently, the amortization period for certain assets has been revised to reflect a revised assessment of their expected economical benefits. The adjustment is considered a change in accounting estimate, which is applied prospectively. The impact of the change on the amortization expense increased by $1,212 for the year ended September 30, 2025.

A continuity of the acquired intangible assets for the year ended September 30, 2024 is as follows:

	September 30, 2024				
	Opening Balance	Additions (Note 26)	Amortization	Foreign Exchange Revaluation	Closing Balance
Customer relationships	$ 60,624	$ 77,030	$ (20,117)	$ 945	$ 118,482
Discrete contracts with customers & non-competition agreements	4,016	—	(2,154)	—	1,862
Technology and trademarks	10,520	856	(3,467)	—	7,909
	$ 75,160	$ 77,886	$ (25,738)	$ 945	$ 128,253

14. Depreciation and Amortization

The following table presents the depreciation and amortization for the Company for the year ended September 30, 2025 (2024):

	NOTES	Year ended September 30, 2025	Year ended September 30, 2024
Depreciation of property, plant and equipment	10	$ 11,065	$ 10,048
Depreciation of right of use assets	11	7,016	6,043
Amortization of acquired intangible assets	13	28,615	25,738
		$ 46,696	$ 41,829

15. Goodwill

The following table presents the goodwill for the Company for the year ended September 30, 2025:

	September 30, 2025
Opening balance, October 1	$ 210,392
Additions:	
Acquisition of AMS	11,266
Adjustments:	
Foreign Exchange	2,825
	$ 224,483

In the year ended September 30, 2025 the Company recorded a foreign currency revaluation of goodwill held in foreign subsidiaries which utilize different functional currencies than the Company's presentation currency. These foreign exchange revaluations are reflected in comprehensive income.

There were no changes to the Company's identified cash generating units (CGUs) in the years ended September 30, 2025 or 2024.

The following table presents the goodwill for the Company for the year ended September 30, 2024:

	September 30, 2024
Opening balance, October 1	$ 159,133
Additions:	
Acquisition of Decisive	29,959
Acquisition of MDA Nuclear Division	1,039
Acquisition of Mabway	16,159
Adjustments:	
Acquisition of Hawaii Pacific Teleport	2,767
Foreign Exchange	1,335
	$ 210,392

16. Accounts Payable and Accrued Liabilities

The following table presents the accounts payable and accrued liabilities for the Company as at:

	September 30, 2025	September 30, 2024
Trade accounts payable	$ 98,208	$ 89,928
Payroll accruals	24,919	24,575
Income tax payable	1,592	4,982
Other accruals	8,377	5,399
	$ 133,096	$ 124,884

17. Provisions

Changes in provisions for the year ended September 30, 2025 were as follows:

	Product Warranties	Restructuring Expense	Other	Total
Balance as October 1, 2024	$ 1,370	$ 1,631	$ 74	$ 3,075
Additions	1,466	2,492	533	4,491
Utilization/Reversals	(978)	(3,130)	—	(4,108)
Balance at September 30, 2025	$ 1,858	$ 993	$ 607	$ 3,458

Changes in provisions for the year ended September 30, 2024 were as follows:

	Product Warranties	Restructuring Expense	Other	Total
Balance as October 1, 2023	$ 1,335	$ 1,395	$ 118	$ 2,848
Additions	1,449	2,360	—	3,809
Utilization/Reversals	(1,414)	(2,124)	(44)	(3,582)
Balance at September 30, 2024	$ 1,370	$ 1,631	$ 74	$ 3,075

18. Debt Agreement

On September 29, 2025, the Company signed an amended debt facility that provides the Company with the ability to draw up to $200,000 CAD and an accordion feature of up to $150,000 CAD. The agreement has a three year term, which will mature on September 29, 2028. At September 30, 2025 (September 30, 2024), the Company utilized $130,750 ($89,750) of the facility. The facility is secured against the Company's assets and is interest bearing at the Royal Bank of Canada's Prime Rate plus applicable margin. As at September 30, 2025 the Company is in compliance with all applicable covenants under the debt facility.

Changes in debt for the year ended September 30, 2025 (2024) were as follows:

	2025	2024
Balance October 1,	$ 89,750	$ 37,750
Draws	186,750	212,000
Repayments	(145,750)	(160,000)
Balance September 30,	$ 130,750	$ 89,750

19. Issued Capital and Reserves

Issued Capital

The Company is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares. The holders of Common Shares are entitled to dividends if, as and when declared by the Board, to one vote per share at the meetings of holders of Common Shares and, upon liquidation, to receive such assets of the Company as are distributable to the holders of the Common Shares. No Preferred Shares are outstanding as of September 30, 2025.

Common shares issued and outstanding:

	September 30, 2025		September 30, 2024	
	Shares	Amount	Shares	Amount
Balance October 1	11,802,364	$ 225,747	11,812,650	$ 225,540
Shares issued under employee share plans	55,561	3,084	53,264	2,684
Shares issued under employee share purchase plan	54,851	2,587	50,566	2,770
Shares issued through acquisition	—	—	1,132	77
Shares repurchased	(562,608)	(11,012)	(115,248)	(2,249)
Change in obligation related to share repurchase	—	355	—	(3,075)
Share buyback tax	—	(416)	—	—
Issued capital	11,350,168	$ 220,345	11,802,364	$ 225,747

On September 1, 2024, the Company entered into a normal course issuer bid ("NCIB") where the Company was approved to purchase up to 995,904 shares during the 12-month period commencing September 1, 2024 and ending August 31, 2025. On September 1, 2025, the Company renewed the NCIB plan, approving the Company to purchase up to 796,283 shares during the 12-month period commencing September 1, 2025 and ending August 31, 2026. During the year ended September 30, 2025 (2024), the Company repurchased and cancelled 562,608 (115,248) common shares for total cash consideration of $25,508 ($5,669) at an average purchase price per share of $45.34 ($49.01).

The Company has entered into an automatic share purchase plan (“ASPP”) to provide the option to instruct its broker to make purchases under the NCIB during any applicable blackout periods. As at September 30, 2025 (2024), an obligation for the repurchase of shares of $2,720 ($3,075) was recognized as an accrued liability.

Subsequent to the date of the statement of financial position, on November 25, 2025, the Company declared a dividend of $0.28 per common share payable on December 23, 2025 payable to shareholders on record as at December 9, 2025.

Contributed Surplus

Contributed surplus comprises the value of share-based compensation expense related to options granted that have not been exercised or have expired unexercised.

20. Share-Based Compensation

Employee Share Purchase Plan

Under the Company's Employee Share Purchase Plan, shares are issued monthly using the volume weighted average price for the last 5 days of the month for the contributions made by employees in that month. The Company provides matching shares at 25% for all employee contributions each month. Pursuant to the plan, 500,000 Common Shares are reserved for issuance, as of September 30, 2025 (2024), the Company can issue 260,635 (315,486) shares.

During the year ended September 30, 2025 (2024) under the 2020 Employee Share Purchase Plan, the Company issued 54,851 (50,566) shares at an average price of $47.16 ($54.79). The Company received $2,051 ($2,192) in proceeds and recorded an expense of $536 ($548).

Stock Options

The Company has an established stock option plan. Under the plan, eligible directors and employees are granted the right to purchase shares of common stock at a price established by the Board of Directors on the date the options are granted but in no circumstances below fair market value of the shares at the date of grant. Stock options are issued at market value based on the price at the date preceding the grant, and can have a contractual term of up to ten years and generally vest over 3 years. The maximum number of common shares reserved for issuance under the plan is equal to an aggregate 7% (794,512) of the Company's issued and outstanding shares from time to time less the aggregate number of shares reserved for issuance or issuable under any other security-based compensation arrangement for the Company.

As at September 30, 2025 (2024), the Company has 413,432 (410,371) stock options and restricted share units ("RSUs") outstanding. As a result, the Company could grant up to 381,080 (415,794) additional stock options or RSUs pursuant to the plan.

The weighted average fair value of options granted during the year ended September 30, 2025 (2024) was $9.75 ($11.05) per option calculated using the Black-Scholes option pricing model. Where relevant, the expected life of the options was based on historical data for similar issuances and adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioral considerations. Expected volatility is based on historical price volatility over the past 5 years. To allow for the effects of early exercise, it was assumed that options would be exercised on average 3 years after vesting.

The following assumptions were used to determine the fair value of the options granted in the year ended September 30, 2025:

	Weighted Average Options Granted			
	September 30, 2025		September 30, 2024	
Grant date share price	$	48.77	$	52.26
Exercise price	$	48.77	$	52.26
Expected price volatility	%	27.45	%	27.21
Expected option life	yrs	3.54	yrs	3.42
Expected dividend yield	%	2.3	%	2.14
Risk-free interest rate	%	3.22	%	4.23
Forfeiture rate	%	—	%	—

20. Share-Based Compensation (continued)

The following table summarizes information about the options for the year ended September 30, 2025 (2024):

	September 30, 2025			September 30, 2024		
	Number of Options	Weighted Avg. Exercise Price		Number of Options	Weighted Avg. Exercise Price	
Outstanding October 1	220,410	$	57.84	212,416	$	56.22
Exercised	(11,000)		36.49	(19,500)		30.97
Forfeited	(96,594)		60.09	(3,644)		59.85
Granted	51,675		48.77	31,138		52.26
Outstanding September 30	164,491	$	55.09	220,410	$	57.84

The following options are outstanding at September 30, 2025:

Option issuance:	Number of Options	Grant date	Expiry date	Exercise price		Fair value at grant date	
(1) Issued November 24, 2020	21,222	November 24, 2020	November 24, 2025	$	61.16	$	10.24
(2) Issued February 9, 2021	1,817	February 9, 2021	February 9, 2026	$	60.35	$	9.92
(3) Issued November 24, 2021	37,260	November 24, 2021	November 24, 2026	$	58.90	$	10.66
(4) Issued March 9, 2022	1,536	March 9, 2022	March 9, 2027	$	60.55	$	10.33
(5) Issued November 24, 2022	20,636	November 24, 2022	November 24, 2027	$	60.43	$	14.26
(6) Issued February 15, 2023	1,186	February 15, 2023	February 15, 2028	$	60.44	$	14.20
(7) Issued November 27, 2023	30,391	November 27, 2023	November 27, 2028	$	52.26	$	11.05
(8) Issued November 25, 2024	50,009	November 25, 2024	November 25, 2029	$	48.76	$	9.74
(9) Issued August 12, 2025	434	August 12, 2025	August 12, 2030	$	50.51	$	10.75

For the options issued on November 25, 2024, vesting occurs through to November 25, 2026. For options issued on August 12, 2025, vesting occurs through to August 12, 2027.

At September 30, 2025 (2024) the weighted average remaining contractual life of options outstanding is 2.44 (1.78) years of which 109,098 (198,192) options are exercisable at a weighted average price of $58.14 ($58.32). The Company has recorded $386 ($351) of share-based compensation expense in the year ended September 30, 2025 (2024) related to the options that have been granted. At September 30, 2025 (2024) the Company has total unrecognized compensation expense of $146 ($60) that will be recorded in the next two fiscal years.

20. Share-Based Compensation (continued)

Restricted Share Units:

Under the Company's restricted stock unit ("RSU") plan, share units may be awarded to any officer or employee of the Company. Each restricted share unit will vest on the date or dates designated for that unit, conditional on any vesting conditions being met. At the discretion of the Board, the Company may issue one common share to participants for each whole vested share unit or a cash payment. The cash amount is equal to the number of vested share units to be redeemed multiplied by the value of the common shares otherwise issuable on redemption of the share units. Under the above RSU plan, the Company issued performance share units ("PSUs") which will vest on the date or dates designated for that unit, conditional on any vesting conditions being met. Vesting conditions for performance share units are tied to the Company's performance over time.

The following table summarizes information about the RSUs for the year ended September 30, 2025:

	September 30, 2025		September 30, 2024	
	Number of RSUs	Weighted Avg. Grant Date Fair Value	Number of RSUs	Weighted Avg. Grant Date Fair Value
Balance at October 1	189,961	$ 58.92	191,413	$ 59.18
Exercised	(44,561)	58.93	(33,764)	59.15
Forfeited	(11,306)	49.67	(36,195)	59.16
Granted	114,847	42.00	68,507	58.45
Outstanding September 30	248,941	$ 51.53	189,961	$ 58.92

Of the units issued in the current year under the RSU plan, 174 units have vested as of September 30, 2025. The Company has recorded $3,589 ($3,474) of share-based compensation expense in the year ended September 30, 2025 (2024) related to the RSUs that have been granted. At September 30, 2025 (2024) the Company has total unrecognized compensation expense of $1,676 ($1,990) that will be recorded over the next three years. The following unvested share-based payment arrangements are outstanding:

20. Share-Based Compensation (continued)

RSU issuance:		Number of units	Grant date	Vest through	Fair value at grant date
(1) Issued November 24, 2022	RSU	7,872	November 24, 2022	November 15, 2025	$ 59.18
	PSU	92,582	November 24, 2022	November 15, 2025	$ 59.18
(2) Issued February 14, 2024	RSU	684	February 14, 2024	February 14, 2027	$ 58.68
(3) Issued February 23, 2024	RSU	2,537	February 23, 2024	February 28, 2026	$ 59.00
(4) Issued March 15, 2024	RSU	21,579	March 15, 2024	November 15, 2026	$ 59.00
	PSU	6,929	March 15, 2024	November 15, 2025	$ 59.00
(5) Issued May 14, 2024	RSU	1,081	May 14, 2024	May 14, 2027	$ 55.98
(6) Issued June 26, 2024	PSU	5,240	June 26, 2024	November 15, 2025	$ 56.00
(7) Issued August 14, 2024	RSU	99	August 7, 2024	May 14, 2027	$ 53.62
(8) Issued November 25, 2024	RSU	67,108	November 25, 2024	November 25, 2027	$ 48.76
	PSU	30,762	November 25, 2024	November 25, 2025	$ 24.44
(9) Issued February 12, 2025	RSU	2,751	February 12, 2025	February 12, 2027	$ 50.46
	PSU	7,432	February 12, 2025	November 15, 2027	$ 50.46
(10) Issued May 13, 2025	RSU	1,046	May 13, 2025	May 13, 2027	$ 50.40
	RSU	739	May 13, 2025	December 31, 2025	$ 50.40
(11) Issued August 12, 2025	RSU	500	August 12, 2025	August 12, 2028	$ 50.51

Deferred Share Unit Plan

At September 30, 2025 (2024) the Company has 21,256 (26,119) Deferred Share Units ("DSU") outstanding, of which 21,256 (25,139) have vested. The Company recorded a general and administrative expense of $269 ($685) related to the DSUs in the year ended September 30, 2025 (2024). Each DSU entitles the participant to receive the value of one Common Share at the time of vesting. Vesting of the share units are based on service intervals or held until termination of service. The fair value of the DSUs outstanding at September 30, 2025 (2024) was $44.37 ($40.65) per unit using the fair value of a Common Share at period end.

21. Revenue

The following table presents the revenue of the Company for the years ended September 30, 2025 and 2024:

	Year ended			
	September 30, 2025		September 30, 2024	
Product revenue				
Advanced Technologies	$	124,185	$	145,773
Health		1,845		1,191
Learning		7,668		8,011
ITCS		61,420		71,774
Total product revenue	$	195,118	$	226,749
Service revenue				
Advanced Technologies	$	85,479	$	62,169
Health		227,833		210,839
Learning		138,007		104,889
ITCS		127,674		141,965
Total service revenue	$	578,993	$	519,862
Total revenue	$	774,111	$	746,611

Remaining Performance Obligations

The following table presents the aggregate amount of the revenues expected to be realized in the future from partially or fully unsatisfied performance obligations as at September 30, 2025 for contracts recognized over time. The amounts disclosed below represent the value of the firm orders only. Such orders may be subject to future modifications that might impact the amount and/or timing of revenue recognition. The amounts disclosed below do not include unexercised options or letters of intent.

Revenues expected to be recognized in:

	September 30, 2025	
Less than 24 months	$	803,427
Thereafter		191,177
Total	$	994,604

22. Net Profit per Share

The diluted weighted average number of shares has been calculated as follows:

	Year ended September 30,	
	2025	2024
Weighted average number of common shares – basic	11,580,476	11,837,520
Additions to reflect the dilutive effect of employee stock options and RSUs	73,484	93,261
Weighted average number of common shares – diluted	11,653,960	11,930,781

Options that are anti-dilutive because the exercise price was greater than the average market price of the common shares are not included in the computation of diluted net profit per share. For the year ended September 30, 2025 (2024), 164,491 (209,410) options and 2,285 (3,209) RSUs were excluded from the above computation.

23. Income Tax

Rate Reconciliation

The following table reconciles the difference between the income taxes that would result solely by applying statutory tax rates to pre-tax income and the reported income tax expense:

		September 30, 2025		September 30, 2024
Profit before income taxes	$	25,497	$	22,320
Tax provision at the combined basic Canadian federal and provincial income tax rate of 26.5%		6,757		5,915
Increase (decrease) resulting from:				
Items not deductible (taxable) in determining taxable profits		(2,594)		4,908
Impact of rate reductions on recognition of deferred income tax assets		343		(362)
Tax expense relating to prior year		300		337
Impact of rate differences of foreign jurisdictions		134		342
Income tax expense	$	4,940	$	11,140

23. Income Tax (continued)

The components of current and deferred tax were as follows for the year ended September 30, 2025 (2024):

	Year ended September 30, 2025	2024
Current tax		
Current year	$ 11,516	$ 14,680
Adjustments for prior years	447	762
Total current tax expense	$ 11,963	$ 15,442
Deferred tax		
Origination and reversal of temporary differences	(7,219)	(3,515)
Effect of tax rate reductions	343	(362)
Adjustments for prior years	(147)	(425)
Total deferred tax recovery	$ (7,023)	$ (4,302)
Total tax expense	$ 4,940	$ 11,140

Deferred Income Taxes

Reconciliation of deferred tax assets and liabilities are shown below:

Net deferred tax assets (liabilities)	Equipment. application software, and right of use assets	Lease obligations	Acquired intangible assets	Bought deal costs	Cash Flow hedging reserve	Other	Total
Deferred tax liability at September 30, 2023	$ (14,936)	$ 9,806	$ (8,700)	$ 625	$ 99	$ 2,041	$ (11,065)
Current year acquisition	2,359	—	(18,541)	—	—	1,676	(14,506)
Recovery (expensed) to statement of net profit	367	(1,020)	5,411	(427)	—	(28)	4,303
Recovery (expensed) to other comprehensive income	—	—	(274)	—	(84)	—	(358)
Other	—	—	—	—	—	(811)	(811)
Deferred tax liability at September 30, 2024	(12,210)	8,786	(22,104)	198	15	2,878	(22,437)
Current year acquisition	(250)	—	(1,617)	—	—	—	(1,867)
Recovery (expensed) to statement of net profit	(339)	1,781	5,967	(198)	—	(188)	7,023
Recovery (expensed) to other comprehensive income	—	—	—	—	72	(83)	(11)
Other	—	—	—	—	—	(6)	(6)
Deferred tax liability at September 30, 2025	$ (12,799)	$ 10,567	$ (17,754)	$ —	$ 87	$ 2,601	$ (17,298)

23. Income Tax (continued)

The Company has tax non-capital losses of $2,748 (2024: $881) that are available for offsetting against future taxable profits of the companies in which the losses arose. These losses start to expire in 2043.

As at September 30, 2025 (2024), the aggregate amount of temporary differences associated with investments in subsidiaries for which the Company has not recognized deferred tax liabilities is $133,013 ($112,297) as the Company ultimately controls whether such liabilities will be incurred and it is satisfied that it will not be incurred in the foreseeable future. The temporary differences relate to undistributed earnings of subsidiaries.

24. Segmented Information

Operating segments are identified as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision maker, regarding how to allocate resources and assess performance. The Company's chief operating decision maker is the Chief Executive Officer. The Company's segments are categorized as follows: Advanced Technologies, Health, Learning, and ITCS. Shared Services are aggregated and incurred to support all segments. These include, but are not limited to, the Finance, Human Resources, IT support, Corporate development, Legal, Corporate marketing and administrative functions, facilities costs, costs of operating a public company, and other costs.

The chief operating decision maker reviews adjusted EBITDA as the key measure of profit for the purposes of evaluating performance and allocating resources. Operating costs are comprised of selling, general and administrative expenses and research and development expenses.

For the year ended September 30, 2025:

For the year ended September 30, 2025	Advanced Technologies	Health	Learning	ITCS	Shared Services	Total
Revenue	$ 209,664	$ 229,678	$ 145,675	$ 189,094	$ —	$ 774,111
Cost of revenues	120,728	174,830	98,899	120,367	—	514,824
Operating costs	43,927	17,868	16,444	59,187	43,441	180,867
Adjusted EBITDA	$ 45,009	$ 36,980	$ 30,332	$ 9,540	$ (43,441)	$ 78,420
Share-based compensation						4,511
Restructuring expense						3,638
Depreciation and amortization						46,696
Mergers and acquisitions costs						(10,143)
Other changes in fair value						(377)
Profit before interest and income tax expense						34,095
Interest expense						8,598
Income tax expense - current						11,963
Income tax recovery - deferred						(7,023)
NET PROFIT FOR THE PERIOD						$ 20,557

24. Segmented Information (continued)

For the year ended September 30, 2024:

For the year ended September 30, 2024		Advanced Technologies		Health		Learning		ITCS		Shared Services		Total
Revenue	$	207,942	$	212,030	$	112,900	$	213,739	$	—	$	746,611
Cost of revenues		125,492		156,904		82,222		127,979		—		492,597
Operating costs		40,326		16,399		12,508		57,006		35,619		161,858
Adjusted EBITDA	$	42,124	$	38,727	$	18,170	$	28,754	$	(35,619)	$	92,156
Share-based compensation												4,372
Restructuring expense												1,864
Depreciation and amortization												41,829
Mergers and acquisitions costs												15,338
Other changes in fair value												(202)
Profit before interest and income tax expense												28,955
Interest expense												6,635
Income tax expense - current												15,442
Income tax recovery - deferred												(4,302)
NET PROFIT FOR THE PERIOD											$	11,180

The Company operates in Canada but provides services to customers in various countries. Revenues from external customers for the year ended September 30, 2025 (2024) are attributed as follows:

	September 30, 2025		September 30, 2024	
Canada	56	%	68	%
United States	25	%	22	%
Europe	17	%	9	%
Other	2	%	1	%

Revenues are attributed to foreign countries based on the location of the customer. Revenues from various government departments and agencies, including both domestic and foreign government bodies, for the year ended September 30, 2025 (2024) represented 52% (51%) of the Company's total revenues. All four operating segments conduct business with this category of customer.

25. Financial Instruments and Risk Management

<u>Capital Risk Management</u>

Foreign Currency Risk Related to Contracts

The Company is exposed to foreign currency exchange fluctuations on its cash balance, accounts receivable, accounts payable and accrued liabilities, contingent earn-out and future cash flows related to contracts denominated in a foreign currency. Future cash flows will be realized over the life of the contracts. The Company utilizes derivative financial instruments, principally in the form of forward exchange contracts, in the management of its foreign currency exposures within entities operating in currencies outside of their functional currencies. The Company's objective is to manage and control exposure and secure the Company's profitability on existing contracts and therefore, the Company's policy is to hedge its foreign currency exposure where it is most practical to do so. The Company applies hedge accounting when appropriate documentation and effectiveness criteria are met.

25. Financial Instruments and Risk Management (continued)

The Company formally documents all relationships between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. This process includes linking all derivatives to specific firm contractually related commitments on projects.

The Company also formally assesses, both at the hedge's inception and on an on-going basis, whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items. Hedge ineffectiveness has historically been insignificant. The forward foreign exchange contracts primarily require the Company to purchase or sell certain foreign currencies with or for Canadian dollars at contractual rates. The functional currency of each of the Company's entities is determined using the currency of the primary economic environment in which that entity operates. The Company's functional currency is the Canadian dollar while the functional currency of its US subsidiary is the US Dollar ("USD"), the functional currency of its German subsidiary is the European Euro ("EUR"), the functional currency of its Norwegian subsidiary is the Norwegian Krone ("NOK"), and the functional currency of its U.K. based subsidiary is the Pound sterling ("GBP"). The presentation currency of these financial statements is the Canadian dollar.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rate of exchange prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at rates prevailing at the reporting dates and are recognized in profit and loss in the period in which they arise. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

For the purpose of preparing consolidated financial statements, the assets and liabilities of the Company's US operations, German operations, Norwegian operations, and U.K. operations are first expressed in the Companies' USD, EUR, NOK and GBP functional currencies, respectively, using exchange rates prevailing at the reporting date which are then translated into the Company's reporting currency using prevailing rates at the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Translation differences are recognized in other comprehensive income and recorded in the "cumulative translation adjustment".

At September 30, 2025, the Company had the following forward foreign exchange contracts:

Type	Notional	Currency	Maturity	Equivalent Cdn. Dollars	Fair Value September 30, 2025
BUY	$ 15,281	USD	October 2025	$ 21,244	$ 27
BUY	2,510	EURO	October 2025	4,102	17
Derivative assets					$ 44
SELL	$ 6,447	USD	October 2025	$ 8,963	$ (41)
SELL	1,727	EURO	October 2025	2,822	(12)
Derivative liabilities					$ (53)

25. Financial Instruments and Risk Management (continued)

A 10% strengthening of the Canadian dollar against the following currencies at September 30, 2025 would have decreased other comprehensive income as related to the forward foreign exchange contracts or subsidiaries operating outside of the Company's presentation currency (a 10% weakening against the Canadian dollar would have had the opposite effect) by the amounts shown below.

		September 30, 2025
USD	$	1,609
EURO		1,237
GBP		1,058
NOK		377
Total	$	4,281

A 10% strengthening against the Canadian dollar of the currencies to which the Company had exposure that is not related to forward foreign exchange contracts or subsidiaries operating outside of the Company's presentation currency would have increased Net Profit (a 10% weakening against the Canadian dollar would have had the opposite effect) by the amounts shown below.

		September 30, 2025
USD	$	3,218
EURO		1,614
GBP		1,344
NOK		816
Total	$	6,991

Credit Risk

The Company's exposure to credit risk with its customers is influenced mainly by the individual characteristics of each customer. The Company's customers are diverse, however a significant portion of them are federal or provincial government agencies, or large private entities. A significant portion of the Company's accounts receivable is from long-time customers. At September 30, 2025 (2024), 34% (38%) of its accounts receivable were due from various departments and agencies of the Canadian federal government. Over the last five years the Company has not incurred any significant credit related losses.

The Company limits its exposure to credit risks from counterparties to derivative financial instruments by dealing only with major Canadian financial institutions. Management does not expect any counterparties to fail to meet their obligations.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

		September 30, 2025		September 30, 2024
Cash and cash equivalents	$	46,101	$	51,788
Accounts receivable		171,150		157,376
Derivative assets		44		32
Total	$	217,295	$	209,196

25. Financial Instruments and Risk Management (continued)

The aging of accounts receivable at the reporting date was:

	September 30, 2025	September 30, 2024
Current	$ 155,885	$ 145,855
Past due (61-120 days)	9,910	6,526
Past due (> 120 days)	5,355	4,995
Total	$ 171,150	$ 157,376

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. On September 29, 2025, the Company signed an amended debt facility that provides the Company with the ability to draw up to $200,000 CAD and an accordion feature of up to $150,000 CAD. The agreement has a three year term, which will mature on September 29, 2028. As at September 30, 2025, the Company had $46,101 cash on hand and $130,750 was drawn on the facility for current operations and for use in business acquisitions.

Fair Value

The carrying amount of accounts receivable, accounts payable and accrued liabilities are recorded at amortized cost and approximate fair value due to the short-term maturity of these investments. The debt facility is on a revolver and is recorded at amortized cost. Fair value of the forward exchange contracts reflects the cash flows due to or from the Company if settlement had taken place on September 30, 2025 and represents the difference between the hedge rate and the exchange rate at the end of the reporting period.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 of the fair value hierarchy based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Investments are made in companies that do not have directly an observable market. These are fair valued when market participant data becomes available or if financings for the investments are completed. The fair value of contingent earn-out amounts has been determined by applying a discounted cash flow technique on the expected future value of a settlement amount.

25. Financial Instruments and Risk Management (continued)

	September 30, 2025		
	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 46,101	$ —	$ —
Investments	—	—	4,252
Derivative assets	—	44	—
Debt facility	—	(130,750)	—
Contingent earn-out	—	—	(16,147)
Derivative liabilities	—	(53)	—
Total	$ 46,101	$ (130,759)	$ (11,895)

	September 30, 2024		
	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 51,788	$ —	$ —
Investments	—	—	3,875
Derivative assets	—	32	—
Debt facility	—	(89,750)	—
Contingent earn-out	—	—	(41,833)
Derivative liabilities	—	(92)	—
Total	$ 51,788	$ (89,810)	$ (37,958)

There were no transfers between Level 1, Level 2 and level 3 during the year ended September 30, 2025.

26. Acquisitions

Hawaiian Pacific Teleport ("HPT")

On August 1, 2023, the Company acquired the outstanding shares of HPT, for total cash consideration of up to $50,393 USD ($66,978 CAD) of which, $32,082 USD ($41,502 CAD) was paid in cash, $3,000 USD ($3,964 CAD) was paid through the issuance of common shares and $16,100 USD ($21,399 CAD) was payable contingently, of which $8,905 USD ($11,835 CAD) was included in the purchase price. The difference between the amount payable contingently that is included in the purchase price and the total potential liability is deemed compensation and an adjustment for the likelihood of achievement of earn out amounts. HPT operates as a US-based provider of independent teleport and satellite communications solutions. HPT has service locations across the Hawaiian Islands and Guam, and HPT provides connectivity through the Asia Pacific region. HPT is reported as part of the Advanced Technologies operating segment.

Under the contingent consideration arrangement, the Company was required to pay the former shareholders of HPT an additional $8,050 USD ($10,699 CAD) and $8,050 USD ($10,699 CAD) if HPT attains specific levels of EBITDA for the years ended July 31, 2024 and July 31, 2025, respectively. $3,816 USD ($5,072 CAD) of the first and second year earn out payable amounts is subject to the retention of the principal shareholders for a period of two years from the date of acquisition. This amount is deemed to represent deferred compensation payable to such shareholders and therefore is excluded from the total consideration of the purchase price and will be expensed in the Company's consolidated statement of net profit as deemed compensation related to acquisitions on a straight-line basis over the retention period. In the year ended September 30, 2025, a payment of $11,215 was paid to HPT for the attainment of EBITDA for the first year earn out.

26. Acquisitions (continued)

The Company recognized $608 in the year ended September 30, 2025 related to adjustments in the earn out payable amount based on achievement, along with changes in foreign exchange. The Company recognized deemed compensation expense of $1,978 for the same year ended.

Decisive Group Inc. (“Decisive”)

On December 1, 2023, the Company acquired all of the issued and outstanding shares of Decisive Technologies (“Decisive”) for total maximum consideration of $74,700. The purchase consideration consisted of cash of $50,887 and a potential contingent consideration with a maximum value of $24,725. Of this amount, $17,880 was included in the initial purchase price allocation.

Decisive, an Ottawa-based IT infrastructure and cybersecurity services firm, expands the Company’s capabilities, partnerships, and customer base within the IT and cybersecurity markets. The goodwill arising from the acquisition primarily reflects the value of the assembled workforce and the expected synergies with the Company’s existing operations in this sector. Decisive is reported within the ITCS operating segment. None of the goodwill recognized is expected to be deductible for income tax purposes.

Under the terms of the contingent consideration arrangement, the former shareholders of Decisive were eligible to receive up to $24,725 based on the achievement of specified EBITDA targets for the year ending December 1, 2024. The minimum EBITDA threshold required to trigger any contingent payment was not achieved. Accordingly, the contingent consideration of $17,597 has been derecognized and the resulting adjustment has been recorded in the consolidated statement of net profit for the year ended September 30, 2025. The former shareholders have filed a claim disputing the Company’s assessment of the earn-out. Management has reviewed the claim and considers it to be without merit. No provision has been recorded in respect of this matter.

Mabway Limited "Mabway"

On May 9, 2024, the Company acquired all outstanding shares of Mabway, for total maximum consideration of $47,037 (GBP 27,440). Of this amount, $37,798 (GBP 22,045) was paid in cash on closing, and $9,239 (GBP 5,395) as contingent consideration, of which $5,128 (GBP 2,994) was included in the purchase price. The difference between the contingent consideration that is included in the purchase price and the total potential liability is due to some amounts being considered deemed compensation and likelihood of achievement of EBITDA targets and fulfillment of other contingent conditions. Goodwill arising from the acquisition primarily reflects the value of expected synergies arising from the acquisition and assembled workforce, which is not separately recognized from the goodwill. None of the goodwill recognized is expected to be deductible for income tax purposes.

Mabway is a U.K.-based business that provides of large-scale defense role-playing environments that simulate real-world operational environments and provides technical engineering education for naval and maritime communities. The acquisition expands Calian’s existing presence in the U.K. and Europe, reinforcing the Company’s military training and simulation solutions portfolio in the region. Mabway’s position in the U.K. defense sector provides opportunities for the Company to introduce its immersive learning solutions to complement the solutions Mabway is delivering. Mabway is reported as part of the Learning operating segment.

Under the contingent consideration arrangement, the Company is required to pay the former shareholders of Mabway an additional $5,770 (3,334 GBP) if Mabway attains specific EBITDA targets for the year ended March 31, 2025, obtains certain key signings by October 1, 2027, and $2,855 (GBP 1,667) if certain integration and transition criteria are attained by May 8, 2025. Of this amount, $2,855 (GBP 1,667) was subject to the retention of principal employees for a period of one year from the date of acquisition. This amount was deemed to represent deferred compensation payable to such shareholders and therefore is excluded from the total consideration of the purchase price and was be expensed in the Company's consolidated statement of net profit as deemed compensation related to acquisitions on a straight-line basis over the retention period. In the year ended September 30, 2025, a payment of $6,233 was paid to Mabway for the attainment of EBITDA and the achievement of integration and transition criteria.

The Company recognized $859 in the year ended September 30, 2025 related to changes in fair value of contingent earn out and changes in foreign exchange and recorded deemed compensation expense of $2,142.

Advanced Medical Solutions Inc. "AMS"

On May 14, 2025, the Company acquired all outstanding shares of AMS for consideration of $27,424, which is inclusive of future contingent earn-out payments of $5,000, the extinguishment of AMS' outstanding indebtedness of $6,476 at closing as well as the settlement of transaction expenses and post-closing working capital adjustments of $1,024. Management has assessed the likelihood of the contingent consideration and recorded a liability of $4,840 which is discounted and included in the purchase price under IFRS 3. The difference between the contingent consideration that is included in the purchase price and the total potential liability is due to some amounts being considered deemed compensation.

AMS is a Canadian based business that specializes in the delivery of operational and medical support across Canada’s northern regions, including the Northwest Territories, Yukon, Nunavut and parts of Canada’s northern provinces. The acquisition enhances Calian’s ability to deliver integrated healthcare solutions across a broader geography, increase its service offerings and diversify Calian’s customer base. AMS also brings long-standing partnerships with Indigenous communities, an area where Calian remains committed to building deeper engagement, trust and culturally respectful care. AMS is reported as part of the Health operating segment.

Under the contingent consideration arrangement, the Company is required to pay the former shareholders of AMS an additional $5,000 if AMS attains specific EBITDA targets for the six-months ended November 30, 2025. Of this amount, $160 is subject to the retention of principal employees. This amount is deemed to represent deferred compensation payable to such employees and therefore is excluded from the total consideration of the purchase price and will be expensed in the Company's consolidated statement of net profit as deemed compensation related to acquisitions on a straight-line basis over the retention period. The valuation and allocation included in the table below is considered final.

The Company recognized $200 in the year ended September 30, 2025 related to changes in fair value of contingent earn out and recorded deemed compensation expense of $107.

26. Acquisitions (continued)

	Net Assets Acquired		Goodwill and Intangibles		Total Net Assets Acquired	
Cash and cash equivalents	$	108	$	—	$	108
Accounts receivable		8,181		—		8,181
Inventory		491		—		491
Prepaid expenses		700		—		700
	$	9,480	$	—	$	9,480
Property, plant and equipment	$	5,023	$	—	$	5,023
Right of use assets		1,085		—		1,085
Intangibles		—		6,100		6,100
Goodwill		—		11,266		11,266
	$	15,588	$	17,366	$	32,954
Accounts payable and accrued liabilities	$	3,128	$	—	$	3,128
Lease obligations		1,085		—		1,085
Deferred tax liability		—		1,617		1,617
	$	4,213	$	1,617	$	5,830
Net purchase price					$	27,124
Discount on contingent consideration						300
Total purchase price					$	27,424

The goodwill of $11,266 is comprised of the value of expected synergies arising from the acquisition and assembled workforce, which is not separately recognized from the goodwill. The assembled workforce does not meet the criteria for recognition as an intangible asset under IAS 38. None of the goodwill recognized is expected to be deductible for income tax purposes.

Cash consideration paid for the acquisition activity during the year ended September 30, 2025:

	AMS	
Consideration paid in cash	$	21,125
Less- cash balance acquired		(108)
Total	$	21,017

Total revenue and net profit recognized by the acquired entity from the date of acquisition to the year ended September 30, 2025 was a total of $17,082 and $2,082, respectively. Had the acquisitions been completed at October 1, 2024, the total revenue and net profit recognized would have been $43,054 and $3,350, respectively. Total revenue and net profit recognized by the acquired entities from the date of acquisition to the year ended September 30, 2024 was a total of $52,077 and $10,952, respectively. Had the acquisitions been completed at October 1, 2023, the total revenue and net profit recognized would have been $81,687 and $18,029, respectively. Management considers these "pro-forma" numbers to represent an approximate measure of the performance of the combined group for the year ended September 30, 2025. Future periods may be impacted by seasonality or other external factors.

27. Mergers and Acquisition Expenses

The following table presents the mergers and acquisition expenses for the Company for the year ended September 30, 2025 (2024):

	NOTES	Year ended September 30, 2025	September 30, 2024
Deemed compensation	26	$ 4,645	$ 4,322
Changes in fair value related to contingent earn-out	26, 28	(16,377)	8,767
Other acquisition related costs		1,589	2,249
		$ (10,143)	$ 15,338

28. Contingent Earn-Out

The following shows the contingent consideration activity for the year ended September 30, 2025:

Company Acquired	Balance October 1, 2024	Acquisition	Payments	Change in Fair Value	Adjustments	Balance September 30, 2025
Alio/Allphase	$ 841	$ —	$ —	$ —	$ —	$ 841
Hawaii Pacific Teleport	15,972	—	(11,215)	270	2,316	7,343
Decisive	18,672	—	—	—	(18,672)	—
Mabway	6,348	—	(6,233)	690	2,311	3,116
AMS	—	4,540	—	200	107	4,847
Total	$ 41,833	$ 4,540	$ (17,448)	$ 1,160	$ (13,938)	$ 16,147

As at September 30, 2025, the total gross value of all contingent consideration outstanding is $20,165. Included in the adjustments column in the table are deemed compensation, along with changes in estimated payment amounts to make under contingent earn out estimates and changes relating to foreign exchange. Contingent consideration estimates are based on the forecasted earnings before interest, tax, depreciation and amortization ("EBITDA") for the respective acquired entities included in the able above. There is significant judgement in the forecasted EBITDA for each respective entity. Payouts begin at agreed upon EBITDA targets, and the Company will increase the payout by multiples from $0.603 to $1.42384 for every dollar achieved above that target amount. Estimated payouts are then calculated and discounted using rates between 11% and 20%, depending on the acquired entity. Subsequent to the date of the financial statements, management finalized the earn-out achievement for Hawaii Pacific Teleport in the amount of $5,275 USD of which $4,523 USD was paid in November 2025.

The following shows the contingent consideration activity for the year ended September 30, 2024:

Company Acquired	Balance October 1, 2023	Acquisition	Payments	Change in Fair Value	Adjustments	Balance September 30, 2024
Alio/Allphase	$ 841	$ —	$ —	$ —	$ —	$ 841
SimFront	3,240	—	(3,240)	—	—	—
Hawaii Pacific Teleport	9,717	—	—	1,663	4,592	15,972
Decisive	—	14,172	—	3,090	1,410	18,672
Mabway	—	4,454	—	345	1,549	6,348
Total	$ 13,798	$ 18,626	$ (3,240)	$ 5,098	$ 7,551	$ 41,833

29. Comparative Figures

Certain comparative figures have been reclassified to align with the current year's presentation. The Company has combined the presentation of selling and marketing and general and administration expenses on the statement of net profit. For the year ended September 30, 2024, $2,249 of expense was reclassified from the selling, general and administration line to the mergers and acquisitions expense line to better reflect expenditures related to items outside of direct operations.

Furthermore, the Company reclassified $4,372 of share-based compensation expense for the year ended September 30, 2024 as a separate line in the statement of net profit from the selling, general and administration expense line. This change aims to present stock-based compensation as a distinct expense category for financial statement users.

Lastly, the Company has combined certain line items previously disclosed. Deemed compensation, changes in fair value associated with contingent earn-out and mergers and acquisitions costs previously presented in general and administration expense are now reported under the mergers and acquisitions expense line item. The combination of depreciation and amortization includes depreciation expense, depreciation of right of use asset expense, and amortization and impairment of intangibles expense.

For further details, please refer to notes 14, 20 and 27, which provide additional information on these reclassified expenses. These changes have been made to enhance the relevance of information presented to the users of these financial statements.

30. Related Party Transactions

The compensation for directors and other members of key management during the year was as follows. The compensation of directors and key executives is determined by the compensation committee having regards to corporate performance, the performance of the individuals, and market trends. This amount incorporated the named officers of the Company.

	September 30, 2025	September 30, 2024
Compensation and short-term benefits	$ 3,449	$ 3,350
Share-based payments	3,562	2,307
Total	$ 7,011	$ 5,657

31. Subsequent Events

On October 2, 2025, the Company acquired the outstanding shares of InField Scientific Inc. ("InField"), for total cash consideration of up to $14,036 of which, $11,836 was paid on closing, and $2,200 is payable contingently. InField expands the Company's defence capabilities and is an engineering company internationally recognized in electromagnetic environmental effects.