KNAV

PARTNERS BEYOND BOUNDARIES

INDEPENDENT AUDITOR'S REPORT

To the shareholders of BKT Tires (Canada) Inc.

Opinion

We have audited the financial statements of BKT Tires (Canada) Inc. (the Company), which comprise the balance sheet as at March 31, 2026, and the statements of income, retained earnings, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company are prepared, in all material respects, in accordance with Canadian accounting standards for private enterprises.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements section* of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other 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.

Responsibilities of Management and those charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with Canadian accounting standards for private enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KNAV Professional Corporation

KNAV Professional Corporation
Chartered Professional Accountants

Authorized to practice public accounting by the
Chartered Professional Accountants of Ontario

Toronto, Ontario
April 21, 2026

BKT TIRES (CANADA) INC.

BALANCE SHEET

AS AT MARCH 31, 2026

	2026	2025
ASSETS		
CURRENT		
Cash and cash equivalents (note 2)	**$ 281,601**	$ 133,062
Accounts receivable (note 3)	**188,475**	216,759
Sales tax recoverable	**64,894**	67,692
Income tax recoverable (note 4)	**-**	6,030
	$ 534,970	$ 423,543
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	**$ 100,018**	$ 63,254
Income tax payable (note 4)	**320**	-
	100,338	63,254
SHAREHOLDER'S EQUITY		
CAPITAL STOCK (NOTE 5)	**5,000**	5,000
RETAINED EARNINGS	**429,632**	355,289
	434,632	360,289
	$ 534,970	$ 423,543

See accompanying notes.

ON BEHALF OF THE BOARD:

______________________________ Director

BKT TIRES (CANADA) INC.

STATEMENT OF RETAINED EARNINGS

FOR THE PERIOD ENDED MARCH 31, 2026

	2026	2025
RETAINED EARNINGS, beginning of year	**$ 355,289**	$ 285,259
NET INCOME FOR THE YEAR	**74,343**	70,030
RETAINED EARNINGS, end of year	**$ 429,632**	$ 355,289

See accompanying notes.

BKT TIRES (CANADA) INC.

STATEMENT OF INCOME

FOR THE PERIOD ENDED MARCH 31, 2026

	Jan 1 to Mar 31, 2026	Jan 1 to Mar 31, 2025	**Apr 1 to Mar 31, 2026**	Apr 1 to Mar 31, 2025
REVENUE				
Sales (note 3)	**$ 704,368**	$ 671,637	**$ 2,219,575**	$ 2,101,318
EXPENSES				
Advertising and promotions	**373,125**	320,465	**1,182,270**	1,156,184
Auto	**6,207**	6,953	**27,381**	24,486
Bank charges	**335**	425	**1,381**	1,212
Salaries and wages	**255,103**	227,900	**753,800**	618,449
Office and general	**1,538**	3,820	**4,440**	9,244
Professional fees	**12,250**	14,750	**50,335**	50,350
Telephone	**1,555**	1,891	**5,528**	4,992
Travel	**20,714**	63,450	**88,747**	136,339
	670,827	639,654	**2,113,882**	2,001,257
INCOME BEFORE INCOME TAX	**33,541**	31,983	**105,693**	100,061
INCOME TAX (note 5)	**9,800**	9,271	**31,350**	30,031
NET INCOME	**$ 23,741**	$ 22,712	**$ 74,343**	$ 70,030

See accompanying notes.