

CLARA TECHNOLOGIES CORP.
CONSOLIDATED FINANCIAL STATEMENTS
(AUDITED)

(Expressed in Canadian dollars)

For the Years Ended May 31, 2025, and 2024



INDEPENDENT AUDITORS' REPORT

To the Shareholders of Clara Technologies Corp. (formerly Clara Capital Corp.):

Opinion

We have audited the financial statements of Clara Technologies Corp. (the “Company”), formerly Clara Capital Corp., which comprise the statements of financial position as at May 31, 2025 and 2024, and the statements of loss and comprehensive loss, statements of shareholders’ equity, and cash flows for the years ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at May 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

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

Emphasis of Matter - Material Uncertainty Related to Going Concern

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

Key Audit Matter – Acquisition of Sales Buddi Intellectual Property

Description of the Key Audit Matter

On February 24, 2025, the Company acquired Hunter Sales Co Pty Ltd, whose principal asset was the Sales Buddi software IP. The transaction was accounted for as an asset acquisition under IFRS 3, with most of the consideration allocated to the software IP. Significant judgment was required in determining whether the acquisition was a business or asset acquisition, in measuring the fair value of the shares and warrants issued, in allocating the purchase price to identifiable assets, and in performing the year-end impairment test given that the IP was not yet available for use.

How the Matter Was Addressed in the Audit

We evaluated management’s classification analysis under IFRS 3 and inspected the agreement for the share and warrant consideration. We recalculated the warrant valuation using a Black-Scholes model and assessed the inputs applied. We reviewed the valuation report prepared by management’s external expert, challenged the key assumptions used, and assessed the credentials and qualifications of the expert to ensure they were suitably experienced for this engagement.

For the impairment test, we noted that management applied a market approach rather than a discounted cash flow model, given the early development stage of the Sales Buddi software. We assessed the benchmarks and comparables used in management's analysis, and considered subsequent events such as the soft launch and market capitalization) for additional context.

Other Information

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, 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.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

CAN Partners LLP

Markham, Ontario
September 29, 2025

**Chartered Professional Accountants
Licensed Public Accountants**

CLARA TECHNOLOGIES CORP.

Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

		May 31, 2025	May 31, 2024
ASSETS			
Current Assets			
Cash		\$31,606	\$14,909
Prepaid expense		-	70,124
Non-Current Assets			
Intangible assets, Net	Note 10	3,717,774	104,000
Total Assets		\$3,749,380	\$189,033
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities		\$94,286	\$18,000
Deferred revenue		-	10,180
Loan Payable	Note 5	60,000	-
Due to related party	Note 11	-	1,800
Loans from related parties	Note 11	889	140,000
Total Liabilities		\$155,175	\$169,980
SHAREHOLDER'S EQUITY			
Share capital	Note 6	3,053,595	352,595
Subscriptions receivable		(46,000)	-
Warrants	Note 7	1,060,000	-
Deficit		(473,390)	(333,542)
Total Shareholders' Equity		3,594,205	19,053
Total Liabilities and Shareholders' Equity		\$3,749,380	\$189,033

Nature of operations and going concern (Note 1)

Approved by the Board of Director and authorized on September 29th, 2025

"Gerald Tritt"

Director

"Peter Field"

Director

Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

		For the Year ended May 31, 2024	For the Year ended May 31, 2024
Income			
Consulting services		\$22,792	\$19,874
Subscriptions		\$2,245	14,660
Total income		\$25,037	\$34,534
Expenses			
Amortization	Note 10	39,000	39,000
Bank charges		1,039	673
Director fees		13,053	12,000
General and administrative		10,002	-
Marketing		-	18,294
Project consulting		137,606	155,941
Professional fees		109,249	49,698
Subscriptions		1,141	-
		\$311,090	\$275,606
Other income			
Gain on forgiveness of debt	Note 11	140,000	-
Currency translation adjustment	Note 2	6,205	-
Net loss		\$(139,848)	\$(241,072)
Loss per share – basic and diluted			
		\$(0.01)	\$(0.03)
Weighted average common shares outstanding – basic and diluted			
		16,985,181	9,522,984

Consolidated Statement of Shareholders' Equity

(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Warrants	Subscription Receivable	Deficit	Total
Balance, May 31, 2022	3,900,000	39,000	315,595	-	\$(13,423)	\$(341,172)
Loss for the year	-	-	-	-	(79,047)	(70,047)
Balance, May 31, 2023	3,900,000	39,000	315,595	-	\$(92,470)	\$(262,125)
Return of warrants	-	-	(2,000)	-	-	(2,000)
Common shares issued for warrants	11,433,400	313,595	(313,595)	-	-	-
Loss for the year	-	-	-	-	(241,072)	(241,072)
Balance May 31, 2024	15,333,400	\$352,595	\$ -	\$ -	\$(333,542)	\$19,053
Common shares and warrants issued (Note 4)	6,000,000	2,400,000	1,200,000	-	-	3,600,000
Conversion of share warrants to common shares (Note 7)	700,000	301,000	(140,000)	(46,000)	-	115,000
Loss for the year	-	-	-	-	(139,848)	(139,848)
Balance May 31, 2025	22,033,400	\$3,053,595	\$1,060,000	\$(46,000)	\$(473,390)	\$3,594,205

Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars)

	For the year ended May 31, 2025	For the year ended May 31, 2024
Cash and cash equivalents (used in) provided by:		
OPERATING ACTIVITIES		
Net Loss for the period	\$(139,848)	\$(241,072)
Amortization	39,000	39,000
Effect of Foreign Exchange	(45)	-
Forgiven Loans from Related Parties	(140,000)	-
Change in Prepaid Expenses	70,124	(70,124)
Change in Deferred Revenue	(10,180)	(1,056)
Change in Accounts Payable	23,557	12,000
Total Operating Activities	(157,392)	(261,252)
FINANCING ACTIVITIES		
Short-term Loans	60,000	-
Due from Related Party	(1,800)	-
Loans from Related Parties	889	-
Exercise of warrants	115,000	-
Total Financing Activities	174,089	(2,000)
Change in cash during the period	16,697	(263,252)
Cash, beginning of the year	14,909	278,161
Cash, end of the year	\$31,606	\$14,909

Non-cash items:

As part of the acquisition (Note 4), the Company assumed liabilities of \$52,729. This transaction did not involve cash and is therefore excluded from the consolidated statement of cash flows.

1. NATURE OF OPERATIONS AND GOING CONCERN

Clara Technologies Corp. (formerly Clara Capital Corp.) (“the Company”) was incorporated on April 15, 2021, pursuant to the Business Corporations Act under the name of Clara Capital Corp. The Company’s head office is located at 666 Burrard Street, Suite 630, Vancouver, BC, V6C 3P6, Canada.

The Company is a startup company providing the software platform through the Corporation’s website at <https://zonpages.ca/> for Amazon sellers to manage, launch and promote their products on their landing pages, to control their sales and purchases, to create and increase customer’s email lists, to bring traffic through Facebook.

On February 24, 2025, the Company acquired all of the issued and outstanding shares (the “Acquisition”) of Hunter Sales Co Pty Ltd. (“Hunter Sales”). As a result of the Hunter Sales acquisition, Hunter Sales became a wholly-owned subsidiary of the Company (Note 4).

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. At present, the Company has limited operating income. The Company has an accumulated deficit of \$473,390 and \$333,542 as of May 31, 2025, and 2024, respectively.

Without additional financing, the Company may not be able to fund its ongoing operations and complete development activities. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms. These uncertainties may cast significant doubt on the Company’s ability to continue as a going concern. The Company will need to raise sufficient working capital to maintain operations. These consolidated financial statements do not include any adjustments related to the recoverability of assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PRESENTATION

(a) Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

These financial statements were approved by the Board of Director on September 29th, 2025.

(b) Basis of Presentation

These consolidated financial statements have been prepared on the historical cost basis, except for financial instruments designated at fair value, as explained in the material accounting policies (Note 3). In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

2. BASIS OF PRESENTATION (Continued)

(b) Basis of consolidation (Continued)

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries: Hunter Sales. All intercompany balances and transactions are eliminated upon consolidation. The legal subsidiaries of the Company are as follows:

Name of Subsidiary	Place of Incorporation	Beneficial Ownership Interest	
		May 31, 2025	May 31, 2024
Hunter Sales Co Pty Ltd.*	Australia	100%	-

The Company acquired control on February 24th, 2025 (Note 4).

(c) Reclassification of prior period figures

In order to maintain consistency with current period expense classification, comparative information on consolidated statements of loss and comprehensive loss were reclassified.

(d) Functional and presentation currency

IFRS requires that the functional currency of each entity in the consolidated group be determined separately in accordance with the indicators as per IAS 21 – Foreign exchange should be measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The parent and subsidiaries’ functional currency is the Canadian dollar for operations in both Australia and Canada. Although Hunter Sales is incorporated in Australia, substantially all of the Company’s costs and financing activities are denominated in Canadian dollars, and strategic and operating decisions are made in Canada. The Australian entity is retained primarily for legal and administrative purposes. All future revenues will also be denominated in Canadian dollars.

The consolidated financial statements are presented in Canadian dollars, which is the same as the parent and subsidiaries’ functional currency. Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at period-end exchange rate. Non-monetary items are measured at historical cost and continue to be carried at the exchange rate of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined. Resulting foreign exchange gains and losses are recognized in profit or loss.

(e) Significant judgements, estimates and assumptions

The preparation of these consolidated financial statements requires management to make judgement, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual outcomes could differ from these estimates.

2. BASIS OF PRESENTATION (Continued)

(e) Significant judgements, estimates and assumptions (Continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current future periods. The preparation of these consolidated financial statements requires management to make judgement, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual outcomes could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current future periods.

Critical accounting judgements

The critical judgements that the Company's management has made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognized in these consolidated financial statements are as follows:

Going concern: The preparation of the consolidated financial statements requires management to make judgements and estimates regarding the ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon, but not limited to, its ability to generate sufficient cash and working capital to fund its operations and discharge its liabilities as they become due for the next twelve months (Note 1).

Acquisition: The acquisition of Hunter Sales involved significant judgment in the following areas:

- Business vs. asset acquisition: Management applied the concentration test under IFRS 3 and concluded the transaction was an asset acquisition, with no goodwill recognized. Judgment was required as the acquired set included software IP under development and only a small cash balance.
- Valuation of consideration: The fair value of the consideration was based on Clara's share price at the acquisition date and the fair value of warrants, estimated using the Black-Scholes model. This required assumptions about risk-free rate, expected volatility, option life, and dividend yield.

Identification of assets acquired: Management assessed whether other intangible assets (e.g., customer lists, workforce, contracts) should be recognized. Based on available information, only the Sales Buddi software IP and minor cash were recorded, reflecting significant judgment given the early stage of development and uncertainty around other intangibles.

2. BASIS OF PRESENTATION (Continued)

(e) Significant judgements, estimates and assumptions (Continued)

These assessments involved significant judgment, estimates, and assumptions. Results could vary materially if different judgments were made or if underlying assumptions change. Business combination costs, including advisory, legal, regulatory, due diligence, and other professional fees were expensed in the statements of operations for the year ending May 31, 2025.

Determination of functional currency of the Company: The Company's functional currency must be determined through an analysis of several indicators, in accordance with IFRS. Judgment is required in determining an entity's functional currency based on individual facts and circumstances. Management considers the primary and secondary indicators as a hierarchy to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

Income taxes: Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the outcome of these tax related matter is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination was made.

Impairment and useful life: Judgment is used to estimate each component of a tangible and intangible asset's useful life and is based on an analysis of all pertinent factors including, but not limited to, the expected use of the asset and, in the case of an intangible asset, contractual life without substantial cost. If the estimated useful lives change, this could result in an increase or decrease in the annual amortization and depreciation expense, and future impairment charges. The impairment assessment of the Sales Buddi software and the CGU, which is still under development, involved significant judgment. Management applied a market approach based on benchmarks for comparable early-stage SaaS companies to estimate recoverable amount. This required judgment in selecting appropriate comparables and assumptions. Management concluded that the recoverable amount exceeded the carrying value as at May 31, 2025. Results may vary significantly if different assumptions or benchmarks were applied.

3. MATERIAL ACCOUNTING POLICIES

(a) Cash

Cash includes cash held at financial institutions. As at May 31, 2025, the Company had cash of \$31,606 (2024: \$14,909).

3. MATERIAL ACCOUNTING POLICIES (Continued)

(b) Financial Instruments

Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive loss (“FVTOCI”) or at amortized cost. The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL; for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI.

The Company’s accounting policy for each of the categories is as follows:

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets held at FVTPL are included in profit or loss.

Financial assets at FVTOCI: Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive (loss) income in which they arise.

Derecognition of financial assets

A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Company no longer retains substantially all the risks and rewards of ownership.

Impairment of financial assets

The Company uses a simplified approach, as per IFRS 9, to assess impairment, which requires the expected lifetime loss to be recognized at the time of initial recognition of the financial assets. An impairment loss is reversed in subsequent periods if the amount of the expected loss decreases and the decrease can be tied to an event occurring after the initial impairment was recognized.

Financial liabilities

Financial liabilities are designed as either: FVTPL or amortized costs. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires with any gain or loss recognized in other income or expense in the statement of loss.

3. MATERIAL ACCOUNTING POLICIES (Continued)

(b) Financial Instruments (Continued)

Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

The Company has classified its financial instruments as follows:

- Cash: FVTPL
- Accounts payable and accrued liabilities; loan payable, loans from related parties: Amortized cost

(c) Impairment of non-financial assets

Impairment tests on intangible assets with indefinite useful economic lives are undertaken annually at every reporting period. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable and at least annually. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit, which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets. The Company has one cash-generating unit for which impairment testing is performed.

An impairment loss is charged to profit or loss, except to the extent they reverse gains previously recognized in accumulated other comprehensive income or loss.

(d) Revenue Recognition and Deferred Revenue

The Company generates revenue through the sale of a monthly or yearly subscription fee for its Amazon store management software. Additionally, the Company offers consulting services to help Amazon sellers optimize their store using the software. These consulting services can be offered on a per-project or hourly basis. The Company adopted IFRS 15, Revenues from contracts with Customers. Revenue is measured based on the consideration specified in a contract with a customer. The Company recognizes revenue when it transfers control over a product or service to a customer.

3. MATERIAL ACCOUNTING POLICIES (Continued)

(d) Revenue Recognition and Deferred Revenue (Continued)

Clara Technologies Corp. follows the five-step model in IFRS 15 to recognize revenues:

1. Identify the contract with customers
2. Identify the performance obligation in the contract
3. Determine the transaction price
4. Allocate the transaction price to performance obligations in the contract
5. Recognize revenue when the Company satisfies a performance obligation

Subscription Arrangements: Subscription revenue arrangements are derived through the Company's website. Subscription payment refers to revenue that a client pays in advance for a certain period of time. Revenues associated with the sale of subscriptions are deferred until the subscription service is recognized ratably over the subscription period as the performance obligations are satisfied.

Consulting Services: Revenues from consulting services are recognized when the services are provided.

(e) Income Taxes

Income tax expense consists of current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case the income tax is recognized in equity or other comprehensive income.

Current income tax

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year-end, and any adjustment to tax payable with regard to previous years. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to offset the amounts, and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred income tax

Deferred tax assets and liabilities and the related deferred income tax expense or recovery are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in profit or loss in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3. MATERIAL ACCOUNTING POLICIES (Continued)

(f) Finite-lived Intangible Assets

Certain costs incurred in connection with the acquisition and development of software are capitalized to intangible assets. Intangible assets are recorded at cost, which consists of directly attributable costs necessary to create such intangible assets, less accumulated amortization and accumulated impairment losses, if any. The costs mainly include the salaries paid to the software developers and consulting fees. These costs are recognized as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product;
- It can be demonstrated how the software product will generate future economic benefits;
- Adequate technical, financial, and other resources to complete the development and to use or sell the software products are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

Intangible assets include marketing related, technology based intangible assets acquired through acquisitions and internally generated intangibles. Intangible assets with finite useful lives are amortized over their estimated useful lives using straight-line amortization methods. The intangible assets are amortized over five years.

(g) Impairment of Long-Lived Assets

Long-lived assets, including property and equipment and intangible assets are reviewed for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds its recoverable amount. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the cash-generating unit, or "CGU"). The recoverable amount of an asset or a CGU is the higher of its fair value, less costs of disposal, and its value in use. If the carrying amount of an asset exceeds its recoverable amount, an impairment charge is recognized immediately in consolidated statements of loss and comprehensive loss equal to the amount by which the carrying amount exceeds the recoverable amount. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the lesser of the revised estimate of recoverable amount, and the carrying amount that would have been recorded had no impairment loss been recognized previously.

(h) Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

The Company may issue units consisting of common shares and common share purchase warrants. The Company estimates the fair value of the common shares based on their market price on the share issuance date. The residual difference, if any, between the unit price and the fair value of each common share represents the fair value attributable to each warrant.

3. MATERIAL ACCOUNTING POLICIES (Continued)

(i) Warrants

Proceeds from unit placements are allocated between shares and warrants issued according to their relative fair value. The relative fair value of the share component is credited to share capital and the relative fair value of the warrant component is credited to warrant reserve. Upon exercise of the warrants, consideration paid by the warrant holder together with the amount previously recognized in the warrant reserve account is recorded as an increase to share capital. For those warrants that expire unexercised, the recorded fair value is transferred from warrant reserve to deficit.

(j) Earnings (loss) per share

The Company presents basic and diluted earnings (loss) per share data for its common shares, computed by dividing the net earnings (loss) by the weighted average number of outstanding shares in issue during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss), except that the weighted average number of outstanding shares include additional shares for the assumed exercise of stock options and warrants, if dilutive.

The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. In a loss reporting period, potentially dilutive common shares are excluded from the loss per share calculation, as the effect would be anti-dilutive.

(k) Segmented reporting

An operating segment is a component of the Company that engages in business activities generating revenues and incurring expenses, including intercompany transactions. The operating results of each segment are reviewed regularly by the Company's Chief Executive Officer ("CEO"), who is the chief operating decision maker, to allocate resources and assess performance. Discrete financial information is available for each segment.

(l) Accounting pronouncements adopted

The following new standards, amendments and interpretations have been issued are effective for the fiscal year ending May 31, 2025, and, accordingly, have been applied in preparing these financial statements.

Lack of Exchangeability

In August 2023, the IASB issued amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates in relation to Lack of Exchangeability. The amendments require entities to apply a consistent approach in assessing whether a currency can be exchanged into another currency and in determining the exchange rate to use and the disclosures to provide when it cannot. These amendments are effective for annual reporting periods beginning on or after January 1, 2025, with early adoption permitted. The Company adopted these amendments in the current year and determined there to be no material impact on the financial statements.

3. MATERIAL ACCOUNTING POLICIES (Continued)

(m) Future accounting standards

Classification and Measurement of Financial Instruments

In May 2024, the IASB issued amendments to IFRS 9 – Financial Instruments and IFRS 7 – Financial Instruments: Disclosures. The amendments relate to settling financial liabilities using an electronic payment system and assessing contractual cash flow characteristics of financial assets, including those with Environmental, Social, and Governance (ESG)-linked features. The IASB also amended disclosure requirements relating to investments in equity instruments designated at FVOCI and added disclosure requirements for financial instruments with contingent features. The amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Company is assessing the impacts to the financial statements.

Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued the new standard IFRS 18 – Presentation and Disclosure in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard introduces newly defined subtotals on the income statement, requirements for aggregation and disaggregation of information, and disclosure of management performance measures in the financial statements. The new standard is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The Company is assessing the impacts to the financial statements.

Annual Improvements

In July 2024, the IASB issued IFRS Accounting Standards Annual Improvements – Volume 11, which clarifies wording, correcting minor consequences, oversights, or conflicts among requirements in the Standards. The amendments affect IFRS 1 - First-time Adoption of International Financial Reporting Standards, IFRS 7 - Financial Instruments: Disclosures, IFRS 9 - Financial Instruments, IFRS 10 - Consolidated Financial Statements, and IAS 7 - Statement of Cash Flows. These amendments will be effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The implementation of these amendments is not expected to have a significant impact on the Company.

Contracts Referencing Nature- dependent Electricity

In December 2024, the IASB issued amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature dependent Electricity. The amendments apply only to nature-dependent electricity contracts, which are those that generate variable levels based on uncontrollable factors such as weather conditions. These amendments will be effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. Implementation of these amendments is not expected to have an impact on the Company.

4. ACQUISITION

On February 10, 2025, the Company entered into a share exchange agreement (the “Agreement”) with Hunter Sales pursuant to which the Company acquires all of the issued and outstanding common shares of Hunter Sales. Pursuant to the terms of the Agreement, the Company issued an aggregate of 6,000,000 common shares and 6,000,000 common share purchase warrants (“Hunter Warrants”) to the existing shareholders of Hunter Sales. Each consideration warrant is exercisable at a price of \$0.23 for a period of twenty-four months following issuance. On February 24, 2025, the Company closed on the agreement.

4. ACQUISITION (Continued)

The Company completed an analysis under IFRS 3 to determine whether the transaction constituted a business combination or an asset acquisition. Applying the concentration test, substantially all of the fair value of the gross assets acquired as concentrated in a single identifiable asset, being the Sales Buddi intellectual property. As a result, the Company concluded that the acquisition qualifies as a single asset acquisition and therefore is accounted for as an asset acquisition under IFRS 3. No goodwill was recognized as the transaction did not meet the definition of a business combination. Furthermore, no deferred tax liability was recognized, as the Company's intention is to retain the acquisition for use in its operations.

Consideration was paid in the form of common shares and warrants. The fair value of the common shares was \$0.40, based on a 5 day volume weighted average price of the Company's stock prior to the acquisition date. The fair value of the warrants was estimated using the Black-Scholes option pricing model with the following key assumptions: risk free rate of 2.65%, expected volatility of 48%, term of 2 years, and 0% dividend yield.

Fair value of Hunter Sale's net assets acquired

Software	3,652,729
Accounts payable and accrued liabilities	(52,729)
Total fair value of Hunter Sale's net assets acquired	\$3,600,000

5. SHORT-TERM LOANS

During the year ended May 31, 2025, the Company entered into one loan agreement with an arm's length party pursuant to which the lender agreed to lend a total amount of \$60,000. The loan has an interest rate of 10% per annum and a maturity date of March 11, 2026. On June 16th, 2025, the loan was repaid in full (Note 14).

6. SHARE CAPITAL

(a) Authorized

The Company is authorized to issue an unlimited number of common shares.

(b) Issued

As of May 31, 2025, and 2024, the Company had 22,033,400 and 15,333,400 common shares issued and outstanding, respectively.

On February 24th, 2025, in consideration for the acquisition of Hunter Sales, 6,000,000 shares were issued (Note 4). Between April to May 2025, 700,000 of the Hunter Warrants exercised for 700,000 common shares. The Company did not incur share issuance costs.

7. WARRANTS

The Company issued special warrants which entitle the holder to acquire, for no additional consideration, one common share unit from the date that the Company's shares commence trading on a recognized stock exchange. The special warrant is exercisable by the recognized holder at any time after the closing date of this offering for no additional consideration and are deemed to be exercised on the day following the closing and the third business day after a receipt is issued for a prospectus by the security regulatory authorities in each of the provinces of Canada where the special warrants are sold qualifying the common shares to be issued upon the exercise or deemed exercise of the special warrants. No terms of repurchase of the special warrants or refund of

proceeds were provided. On December 4, 2023, 11,433,400 of special warrants were converted to 11,433,400 common shares.

On February 24th, 2025, in consideration for the acquisition of Hunter Sales Co Pty Ltd., 6,000,000 warrants were issued with an exercise price of \$0.23 for a term of 24-months (Note 4). The share purchase warrants entitled holders to acquire an equivalent number of shares. Between April and May 2025, 700,000 warrants were exercised for gross proceeds of \$161,000.

For the year ended May 31, 2025

Opening Balance	During the year			Closing Balance	Expiration Date	Exercise Price
	Issued	Exercised	Returned			
-	6,000,000	700,000	-	5,300,000	February 24, 2027	\$0.23

For the year ended May 31, 2024

Opening Balance	During the year				Closing Balance	Expiration Date - See explanatory note above	Exercise Price - See explanatory note above
	Issued	Exercised	Returned	Converted to Common Shares			
9,950,000	-	-	-	9,950,000	-	N/A	-
714,900	-	-	40,000	674,900	-	N/A	-
808,500	-	-	-	808,500	-	N/A	-
11,473,400	-	-	40,000	11,433,400	-	N/A	-

8. FINANCIAL INSTRUMENTS

Fair values

The Company's non-derivative financial instruments include cash, accounts payables and accrued liabilities, due to related party, and loans from related parties. Non-derivative financial instruments are recognized initially at fair value. As at May 31, 2025, and 2024, the carrying value of cash is recorded at fair value. Accounts payable and accrued liabilities, due to related party and loans from related parties approximate their fair value due to their short-term nature.

8. FINANCIAL INSTRUMENTS (Continued)

The Company classifies its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value:

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

The Company's cash is measured as level 1 input.

9. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, market risk.

Risk management is carried out by the Company's management team with guidance from the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit Risk

Credit Risk is the risk of potential loss to the Company if the counterparty to a financial instrument fail to meet its contractual obligations. The Company's cash is held with reputable institution in Canada.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk to ensure that it will have sufficient liquidity to meet liabilities when due. The Company does not have significant liquidity risk. Accounts payable and accrued liabilities are due within the current period. The loan payable has been settled subsequent to the reporting date (Note 14).

Market Risks

The Company will be subject to normal market risks including fluctuations in foreign exchange rates and interest rates. While the Company manages its operations in order to minimize exposure to these risks, the Company has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure. The Company is not exposed to any significant market risk.

Capital Management

The Company's objectives when managing capital, defined as shareholders' equity, are to safeguard the Company's ability to continue as a going concern (Note 1) to maintain a flexible capital structure that optimizes the cost of capital at an acceptable risk.

The Company manages the capital structure and adjusts in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, or acquire or dispose of assets.

9. FINANCIAL RISK MANAGEMENT (Continued)

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The Board of Directors has not yet established quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

There have been no changes to the Company's approach to capital management during the year ended May 31, 2025. The Company is not subject to externally imposed capital requirements.

10. INTANGIBLE ASSET

Intangible assets include capitalized costs incurred in connection with the acquisition and development of software. The movements of the Company's intangibles are summarized as follows:

	May 31, 2025	May 31, 2024
Opening balance	104,000	143,000
Amortization for the year	(39,000)	(39,000)
Sales Buddi Intellectual Property (Note 4)	3,652,774	-
Total intangible assets	\$3,717,774	\$104,000

The Hunter Sales software acquired is not yet available for use and therefore is not amortized. In accordance with IAS 36, the Company performed an impairment test as at May 31, 2025 on the Sales Buddi software, which is still under development and represents a single cash-generating unit ("CGU").

Given the early stage of development and the absence of reliable cash flow forecasts, management applied a market approach using benchmarks for comparable early-stage SaaS companies. Based on this assessment, management concluded that the recoverable amount exceeded the carrying value and no impairment was recognized.

11. RELATED PARTY TRANSACTIONS

As of May 31, 2025, and 2024, the Company owed \$889 and \$1,800, respectively, to certain officers and directors of the Company. The amount owing is unsecured, non-interest bearing, and due on demand.

As of May 31, 2025, and 2024, the Company borrowed Nil and \$140,000, respectively, from the directors of the Company to support its daily operations. During the year ended May 31, 2025, loans of \$140,000 from directors were forgiven upon their resignation and has been recognized as a gain on forgiveness of debt.

During the year ended May 31, 2025, the Company incurred \$13,053 director fees (May 31, 2024 - \$12,000).

12. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2025	2024
Loss for the period	\$(139,848)	\$(241,072)
Expected income tax (recovery) (27%)	(37,759)	(65,089)
Change in unrecognized deductible temporary differences	37,759	65,089
Total income tax expense (recovery)	-	-

The significant components of the Company's deferred tax assets that have not been included on the statement of financial position are as follows:

	2025	2024
Deferred tax assets	27,229	54,559
Non-capital losses available for future period	65,486	10,927
	92,715	65,486
Unrecognized deferred tax assets	(92,715)	(65,486)
Net deferred tax assets	-	-

Tax attributes are subject to review, and potential adjustment, by tax authorities.

Non-capital losses carried forward

As at May 31, 2025, the Company has approximately \$343,310 of non-capital losses available to be carried forward against future taxable income. These non-capital income tax losses will expire between 2041 - \$34; 2042 - \$388; 2043 - \$40,048; 2044 - \$201,992; 2045 - \$100,848.

13. SEGMENT REPORTING

The Company operates in a single reportable segment focused on global software development. The Chief Operating Decision Maker reviews the business on a consolidated, global basis; therefore, no additional segment disclosures are required.

14. SUBSEQUENT EVENTS

On June 16th, 2025, the Company repaid the short-term loan for a total amount of \$60,000.

On June 24th, 2025, the Company announced the grant of an aggregate of 1,500,000 stock options to certain directors and officers of the Company at an exercise price of \$4.24 pursuant to its previously announced 10% rolling stock option plan (the "Options"). All Options will be vesting quarterly over a 12-month period.

On June 30th, 2025, the Hunter Sales software, Sales Buddi, was soft launched on mobile platforms; however, it remains under development, and any revenues generated during this stage will be considered peripheral.

Between June 1, 2025, and the date of this report, 5,100,000 warrants were exercised at a price of \$0.23 per share, resulting in proceeds of \$1,028,000 with the balance remaining receivable as at the reporting date.