

**FINTECHWERX INTERNATIONAL SOFTWARE SERVICES INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE COMPANY'S FINANCIAL**  
**CONDITION AND RESULTS OF OPERATIONS**  
**FOR THE NINE MONTHS ENDED JANUARY 31, 2025**

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**DATE AND SUBJECT OF REPORT**

The following Management Discussion & Analysis ("MD&A") is intended to assist in the understanding of the trends and significant changes in the financial condition and results of operations of Fintechwerx International Software Services Inc. (hereinafter "Fintechwerx" or the "Company") for the nine months ended January 31, 2025. The MD&A should be read in conjunction with the unaudited condensed interim consolidated financial statements of the Company for the nine months ended January 31, 2025, and the audited consolidated financial statements for the year ended April 30, 2024 which are available on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com). This report is dated March 28, 2025. The Company's head office is located at 1275 W 6th Avenue, Suite 315, Vancouver, BC, V6H 1A6.

Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars.

**FORWARD LOOKING STATEMENTS**

The information set forth in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are preceded by, followed by, or include the words 'believes,' 'expects,' 'anticipates,' 'estimates,' 'intends,' 'plans,' 'forecasts,' or similar expressions. Forward-looking statements are not guarantees of future performance. These forward-looking statements are based on current expectations that involve numerous risks and uncertainties, including, but not limited to, those identified in the Risks and Uncertainties section. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. The Company may not provide updates or revise any forward-looking statements, except those otherwise required under paragraph 5.8(2) of NI 51-102, whether written or oral that may be made by or on the Company's behalf.

## **BUSINESS CHRONOLOGY**

On September 14, 2022, Fintechwerx International Software Services Inc. (the “Company”) was incorporated under the laws of British Columbia, Canada. On December 8, 2022, the Company incorporated its wholly owned subsidiary, Smartwerx Solutions Inc. together referred to as “the Company”.

On May 4, 2023, the Company changed the name of its subsidiary from 1390503 BC Ltd. to Smartwerx Solutions Inc.

On December 8, 2023, the Company began trading on the Canadian Stock Exchange (“CSE”) under the stock symbol “WERX”.

On August 20, 2024, the Company effected a 10-for-1 share consolidation. All share and per share amounts have been retrospectively presented to reflect the share consolidation.

On February 20, 2025, the Company entered into a License and Services Agreement, whereby the Company agreed to grant a non-exclusive and non-transferable license to market, distribute and sublicense its Gateway technology within Canada for an initial term of 1 year. The initial term will automatically renew for an additional 1 year period, unless one party provides the other party with a notice of non-renewal at least 30 days prior to the commencement of the next renewal term. In consideration for the license, the licensor agreed to pay the Company \$6,000 to complete the installation of the Gateway technology. In addition, the licensor agreed to pay per-call fees for use of the Gateway technology ranging from \$2,500 for 5,000 calls to \$7,000 for 20,000 calls, which will be invoice by the Company on a monthly basis.

### Acquisition of 1396015 B.C. Ltd.

On July 31, 2024, the Company closed the transactions contemplated in an amalgamation agreement dated July 9, 2024, as amended by an amendment agreement dated July 18, 2024, with 1396015 B.C. Ltd. (“NumberCo”), a private non-arm’s length company, Smartwerx Solutions Inc., a wholly-owned subsidiary of the Company, and Looking Glass Media Limited (“LGM”), the parent company of NumberCo, pursuant to which the Company acquired all of the issued and outstanding shares of NumberCo from LGM by way of a “three-cornered” amalgamation (the “Transaction”). Pursuant to the Transaction, Smartwerx and NumberCo amalgamated to form a new entity (“AmalCo”), and AmalCo became a wholly-owned subsidiary of the Company upon the closing. AmalCo will continue under the business name of Smartwerx Solutions Inc. In consideration for such NumberCo Shares, the Company issued 560,000 common shares with a fair value \$392,000. At the time of closing the Transaction, LGM was controlled by the Chief Financial Officer and director of the Company.

NumberCo has developed consumer enrollment technology provided through a portal which brings together identity verification functions and merchant payment account opening capabilities in one platform (the “Technology”). Prior to the closing, the Technology was being licensed to Smartwerx pursuant to a license and services agreement dated February 22, 2023, as amended and restated on August 1, 2023 (the “Enrollment License Agreement”). Following the closing, the Company, through its subsidiary, now owns the Technology, subject to the Minimum Investment Requirement.

Pursuant to the Transaction, the Company has committed to invest, or cause AmalCo to invest, a minimum of \$200,000 in the Technology on or before the date that is two years from the Closing Date, with eligible investments related to the integration and development of: (i) generative artificial

intelligence interfaces and software; (ii) machine learning workflows and software; (iii) smart contracts; (iv) blockchain; and (v) open banking solutions (the “Minimum Investment Requirement”). If the Company fails, or fails to cause AmalCo, to satisfy the Minimum Investment Requirement, AmalCo will grant a perpetual, exclusive, transferable, and royalty free license to the Technology to LGM.

#### Acquisition of 1378871 B.C. Ltd.

On November 14, 2024, the Company completed the acquisition of 1378871 B.C. Ltd. (“TargetCo”), a private non-arm’s length company, pursuant to the terms of an amalgamation agreement among SmartWerx Solutions Inc., a wholly-owned subsidiary of the Company, and TargetCo, dated October 30, 2024. Pursuant to the amalgamation agreement, the Company has acquired all of the issued and outstanding shares of TargetCo from the shareholders of TargetCo by way of a “three-cornered” amalgamation (the “Transaction”). Pursuant to the transaction, Smartwerx and TargetCo amalgamated to form a new entity (“AmalCo”), and AmalCo became a wholly-owned subsidiary of the Company upon the closing. Amalco will continue under the business name of Smartwerx Solutions Inc. In consideration for such TargetCo shares, the Company issued 20,000,000 units with a fair value of \$1,297,434. Each unit consists of one common share, one-half of one warrant to purchase a common share at \$0.10 per share for a period of 2 years from the closing date, and one-half of one warrant to purchase a common share at \$0.15 per share for a period of 2 years from the closing date.

TargetCo has developed a tool for the automated reconciliation of email money transfer records that is designed for business that rely on certain content management systems such as WordPress and WooCommerce (the “EMT Plug-in Technology”). Prior to the closing, the TargetCo Technology was being licensed to Smartwerx pursuant to a license and services agreement dated January 20, 2023, as amended and restated on August 1, 2023 (the “EMT License Agreement”). Pursuant to the amalgamation agreement, the Company, SmartWerx and TargetCo agreed that any present and future obligations under the EMT License Agreement will be of no further force or effect as of the completion of the transaction. Following the closing, the Company, through its subsidiary, now owns the EMT Plug-in Technology.

#### **CHANGES IN MANAGEMENT**

On January 12, 2024, Mehmet Pasa resigned from the board of directors.

On March 13, 2024, the Company announced the resignation of Sandeep Lalwani from the board of directors effective immediately. Also, the Company appointed Vikesh Reddy as Chief Technical Officer of Smartwerx Solutions Inc.

On March 14, 2024, the Company announced the appointment of Sheri Rempel as a director of the Company.

On May 30, 2024, the Company announced the appointment of Claudio Lai as the Chief Technology Officer of the Company’s subsidiary, SmartWerx Solutions Inc.

On June 3, 2024, the Company announced the appointment of Jon Lee as an independent board member and the resignation of Sheri Rempel as a director and Braydon Hobbs, as CFO and Corporate Secretary. Kent Carasquero will serve as interim CFO and Corporate Secretary.

## **DESCRIPTION OF THE BUSINESS**

Fintechwerx is an e-commerce technology company that delivers enrollment, automated identify verification, payment solutions, and data management services to SMEs through the Fintechwerx Platform. The Fintechwerx Platform is a collection of licensed and acquired software (the “Licensed Software”), including the EMT Services, Enrollment Services, and Gateway, combined with a proprietary data model developed by SWS (the “Data Model”). The Company is rebranding and integrating the Licensed Software into the FintechWerx Platform as (i) EMT-Werx; (ii) IDV-Werx; and (iii) Payment-Werx (together, the “FintechWerx Services”). Bringing the FintechWerx Services under one platform adds value and convenience to Independent Sales Organisations (“ISOs”) and merchants because they do not need to rely on separate service providers to access the various payment services.

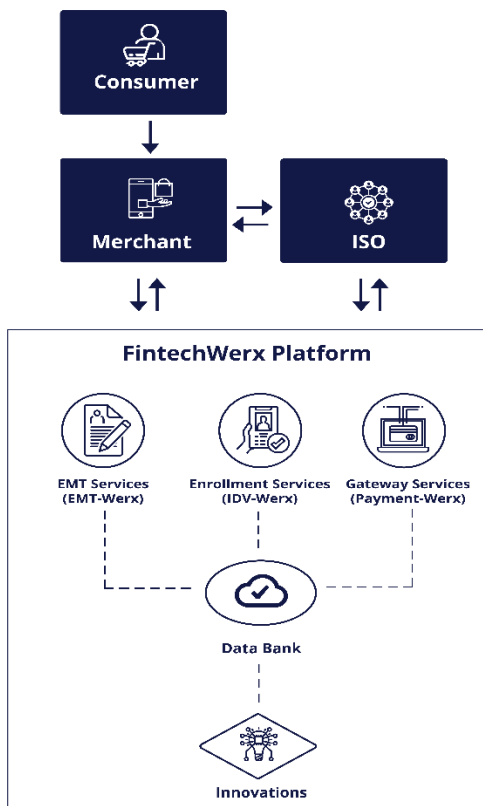
The FintechWerx Services are offered to merchants and ISOs through paid online subscriptions, while the Data Model collects and analyzes the data generated by the use of the FintechWerx Services. The data that is collected and analyzed is then used to guide ISO’, merchants and Fintechwerx. As such, the Data Model is a foundational piece of the FintechWerx Platform because it provides valuable analytics to merchants, ISOs and Fintechwerx by bringing together all of the information generated by the use of the different FintechWerx Services. The Software Partners are responsible for developing, updating, and integrating their respective Licensed Software into the FintechWerx Platform, while SWS is responsible distributing the FintechWerx Services and operating the Data Model.

As the Company and Software Partners continue to work on the development and integration of the Licensed Software and Data Model into the Fintechwerx Platform the Company has already started to sell the EMT Services and Enrollment Services as stand-alone subscriptions.

### **FintechWerx Platform**

The FintechWerx Platform is a software-as-a-service (“SaaS”) e-commerce platform. SaaS platforms involve software only and do not contain hardware elements. As such, the FintechWerx Platform will be accessible on desktop or mobile through a web portal on [www.fintechwerx.com](http://www.fintechwerx.com).

The Company has taken delivery of the Licensed Software and plans to commercialize the combined software as the FintechWerx Platform. The Company will sell subscriptions for the FintechWerx Services through the FintechWerx Platform web portal. Underpinning the FintechWerx Platform will be the Company’s scalable proprietary Data Model. By implementing a common data model across the FintechWerx Services, ISOs, merchants, and the Company will benefit from having a secure unified collection of information and data analytics from the FintechWerx Services being used. Users will benefit from economies of scale since the FintechWerx Services can all be accessed through one web portal instead of needing to rely on different companies to provide each of the enrollment (account opening) services, automated identify verification services, automated reconciliation of EMT, and payment gateway solutions independently.



## **Enrollment Services**

Merchants rely on payment networks, acquiring banks, payment gateways, payment processors, and payment services providers (together, the “Payment Programs”) to receive payments through credit cards. In order to access Payment Programs, merchants need to complete an onboarding process (the “Merchant Onboarding Process”) in which the providers of the Payment Programs must gather adequate information about the merchants to conduct a comprehensive risk assessment of the merchants to ensure that the merchant has complied with all legal requirements and to ensure that the merchant’s system will seamlessly integrate with the applicable Payment Programs. The Merchant Onboarding Process typically consists of:

1. pre-Screening;
2. identity checks and related due diligence;
3. corporate history check of the merchant’s company;
4. analysis of the merchant’s business model;
5. web content evaluation;
6. assessment of the merchant’s conformity with proper information security protocols; and
7. credit risk analysis.

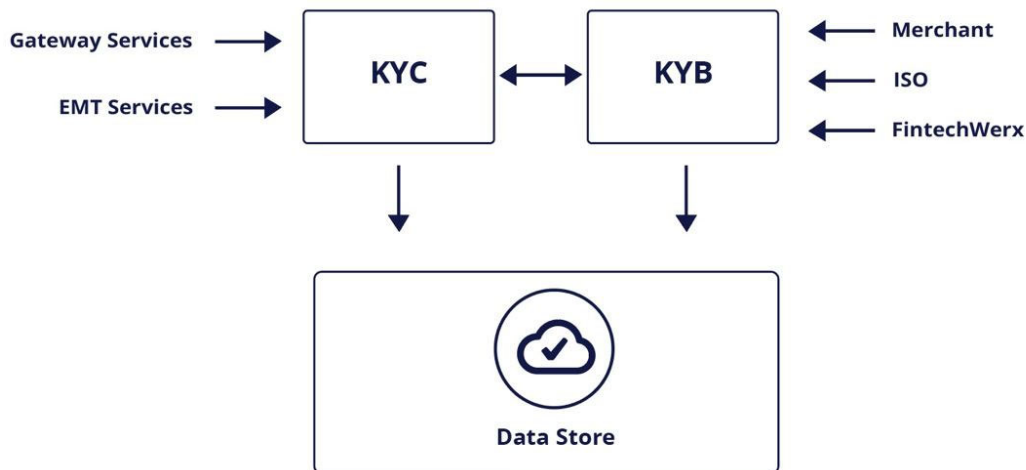
The Merchant Onboarding Process can be a long and arduous process, involving a great deal of manual labour such as data entry and document review, that slows down the onboarding process and increases the likelihood of human error tainting the onboarding process. The Enrollment Services provided by the

Company streamlines the Merchant Onboarding Process by digitizing and automating steps 1 through 4 listed above.

A central step of the Merchant Onboarding Process is identity verification. Identity verification refers to the important process of ensuring that a person is who they claim to be. In the context of Payment Programs, merchants must verify their identity to providers of Payment Programs for the purposes of Know Your Customer (“KYC”), Know your Business (“KYB”), and Anti-Money Laundering (“AML”) rules and regulations such as, for example, screening against terrorist and other sanctions lists. Digital identity verification helps providers of Payment Programs verify the identity of a person online when the person and the identification documents are not physically present.

The target users for the Enrollment Services can be divided into two categories. First, ISOs and the Company use the Enrollment Services to complete the Merchant Onboarding Process. An ISO is a company that resells payment services to merchants on behalf of providers of Payment Programs. ISOs recruit new merchants to use the Payment Programs and ISOs are usually responsible for handling customer service and support. In exchange for recruiting merchants and providing customer support for the Payment Programs, the provider of the Payment Programs shares a percentage of their commission with the ISO. Acquiring banks are mandated by law and industry rules to perform due diligence on new merchants, their owners and key officers. Acquiring banks delegate to ISOs some or all of the due diligence process for merchant onboarding. The Enrollment Services allow ISOs to complete the Merchant Onboarding Process in order to provide their merchants with access to the Payment Programs. Enrollment Services will also be used by merchants looking to access the Gateway Services and by the Company to complete the Merchant Onboarding Process for merchants looking to access the Gateway Services, as well as for ISOs looking to access the Enrollment Services.

The second category of users for the Enrollment Services are the merchants themselves. The same identity verification technology that is used in the Enrollment Services during the Merchant Onboarding Process can be used by merchants to comply with their identity verification requirements. For example, if a merchant is selling age-restricted products, the merchant can use the Enrollment Services to verify the identity of the merchant’s customer.



The Enrollment Services utilize the following technology to assist with digital identity verification:

1. ID Document Verification: Checks that the ID, be it a driver's license, passport, or other government ID, is legitimate;
2. Biometric Verification: Uses selfies to establish that the person presenting the ID is the same person whose portrait appears on the ID;
3. Liveness Detection: Determines whether a selfie is genuine by detecting spoofing attacks like face masks, or photos taken of other photos;
4. One-time Passcode Verification: Transmits a single-use passcode via SMS or email to the applicant during the Merchant Onboarding Process;
5. Database Method: Leverages data from social media, offline databases, and other sources to verify the information submitted by an applicant.

The Enrollment Technology consists of:

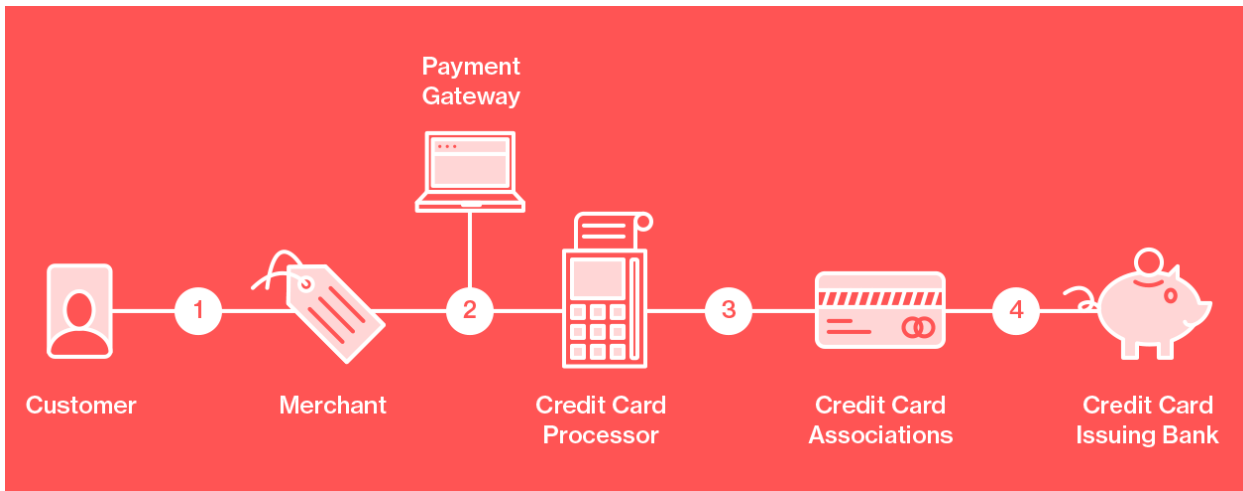
1. User Registration: Allows merchants and ISOs to create accounts and register for Enrollment Services. It typically includes features such as email verification, password setup, and profile creation.
2. Document Submission and Verification: Enables merchants, ISOs, and the merchant's customers to submit necessary documents for verification, such as identification proofs, business licenses, or financial statements. The Enrollment Services provides templates to securely upload, process, and validate these documents.
3. Data Collection and Storage: Ensures that all necessary data is captured accurately and securely during the document submission process. The data is then stored in compliance with data protection regulations, prioritizing privacy and confidentiality.
4. Application Programming Interfaces ("APIs"): Utilizes APIs to integrate with external data sources, verification services and payment gateways. APIs facilitate seamless data exchange and enable real-time verification checks.
5. User Experience Interfaces: Emphasizes user-friendly interfaces to allow users to manage their profiles and update information.

The Company has integrated the Enrollment Services into the FintechWerx Platform under the brand name "MerchantWerx" with the following services offered on a monthly subscription basis:

1. Canadian Corporate Validation: This service will confirm the status of Canadian companies with the appropriate federal and provincial corporate registries;
2. Canadian Bank Account Identification: This service will capture or upload the image of a cheque of a Canadian bank account to extract the bank account, bank transit and bank institution numbers from the magnetic ink character recognition strip; and
3. Identity Validation of Individuals: This service will validate the live presence of an individual via a web camera or mobile phone camera against the picture shown on valid Canadian picture identification documents.

## Gateway Services

A payment gateway is a service that allows merchants to accept payments from their customers through both physical point-of-sale terminals and online portals. Payment gateways play an important role in the lifecycle of a payment transaction because they send customer data, such as payment cardholder information, to the merchant's bank where the transaction is then processed. The Gateway Services consist of a system that collects and verifies a customer's payment card or bank account information before sending it to a payment processor.



The diagram above depicts a typical online transaction and the role the Gateway plays:

1. Customer: The customer enters their credit card data on the merchant's payment page.
2. Merchant: In the case of an online business, the merchant receives transactional data through the Gateway. At this stage, the merchant sees only the transaction amounts, and here begins the actual processing.
3. The Gateway: The Gateway is the digital equivalent of physical terminals in brick-and-mortar stores. The Gateway encrypts the information, passes it to the corresponding payment processor, and charges a fee for the data transmission.
4. Credit Card Processor: After the transactional data is sent through the Gateway, it reaches the payment processor. The payment processor validates all the transactional data and requests the bank for a money transfer.
5. Credit Card Associations: When a payment is made using a credit card, credit card associations act as validators of credit cards of their brand. For example, when a payment made with MasterCard is being processed, MasterCard will validate each card. A fee is also charged by the credit card association.
6. Credit Card Issuing Bank: After all the validation layers are passed, the issuing bank receives transaction data and initiates the money transfer to the acquiring bank. Simultaneously, the credit card issuing bank informs the customer about the funds charged to their account.

In addition to the transmission of data, the Gateway Services include a dashboard for administrators and merchants as well as a payment form which connects to payment processors. The Gateway Services allow merchants to download detailed reports, manage transaction information to facilitate refunds



when needed, void transactions and to view consumer payment transactions status reports. The Gateway Services have been integrated into the FintechWerx Platform under the PaymentWerx brand. The Gateway Services fees include account set up and per transaction charges which fee rates are defined on a merchant-by-merchant basis.

**EMT Services**

Interac E-transfer is a retail banking service in Canada that enables person-to-person transfers including between personal and business accounts using email and their online banking service. This service is often called Email Money Transfer. Online businesses use EMT because they are not, or cannot, be set up as bill payments within the Canadian banking system. Since online businesses are not billers in the bill pay system, they cannot be added as a bill pay vendor in the Canadian banking system. Accordingly, EMT provides online businesses with a viable alternative to make and receive payments.

The EMT Services are designed for businesses that rely on WordPress and WooCommerce, both of which are generally known as content management systems (“CMS”), to sell their products online and use EMT to make and receive payments. Typically, these businesses rely on a staff member to manually review their bank statements and reconcile EMTs that have been received by the merchant to customer orders or transactions that remain “on hold” until they are manually approved. Once manual intervention to approve the payment is completed, the “on hold” status is removed, after which the products are shipped to the customer (the “Reconciliation Process”). The EMT Services automate the Reconciliation Process, thereby reducing the time and financial investment required by businesses to complete the sale of their products to their customers. The EMT Services allow subscribers to customize the payment instructions provided to their customers and collect emails being sent to the subscriber confirming receipt of payment from those customers. The EMT Services will be integrated into the FintechWerx Platform and branded as EMT-Werx. The Company is not involved in the flow of funds when supplying the EMT Services.

The Company has already started to market and distribute the EMT Services pursuant to the EMT License Agreement. Currently, the Company is selling the EMT Services on [www.emtwerx.com](http://www.emtwerx.com). Customers can pick between several subscription options based on the size of their operations and unique needs. The Company’s initial revenue is earned from monthly EMT Services subscription fees. Currently, the Company offers the following subscription options:

Price per Month	What’s Included
Starter Package	<ol style="list-style-type: none"> <li>1. EMT Services for one website</li> <li>2. No set-up charges</li> <li>3. Pay as you go – cancel anytime</li> <li>4. 100% money back guarantee</li> </ol>
Value Package	<ol style="list-style-type: none"> <li>1. EMT Services for three websites</li> <li>2. No set-up charges</li> <li>3. Additional product support compared to the Start Package</li> <li>4. 100% money back guarantee</li> </ol>
Custom (Enterprise Package)	<ol style="list-style-type: none"> <li>1. Ideal for companies with more than three websites</li> <li>2. Annual plans to reduce monthly cost</li> <li>3. Enterprise strategies for agencies, ISOs and aggregators</li> </ol>

## **The Data Model**

The Company has developed a scalable data model, supported by machine learning, that collects, analyzes, and draws insights from the data that is processed from the use of the various FintechWerx Services. The Data Model connects with all three components of the FintechWerx Services to ensure that the data communicates in a coordinated manner. In other words, the Data Model can be described as the anchor of the FintechWerx Platform because it unifies the data generated from the use of each independent component of the FintechWerx Services. The Company intends on using the data to provide additional value-added services to ISOs and merchants in the future. The value-added services will be centered on guiding ISOs, merchants and the Company through data-driven decision making to ultimately serve their customers more efficiently.

Although data is a key resource, data without a structured data model can be ineffective. The Data Model is well-structured so that ISOs, merchants and the Company will have the ability to conveniently access their data and discover valuable insights collected from their use of the FintechWerx Services. The Data Model will give users a clear view of their business performance based on the data collected from the use of EMT-Werx, IDV-Werx, and Payment-Werx, or whichever combination of the FintechWerx Services to which the user subscribes. Through the Data Model, users will have the ability to spot business trends, spending patterns, and make predictions that will help their business navigate challenges and opportunities. Without the Data Model tying the FintechWerx Services together, ISOs and merchants would end up having data in different sources without a connection between them.

## **Revenue Generation**

Following the launch of the FintechWerx Platform, the Company will earn revenue from the sale of subscriptions for the EMT Services and Enrollment Services, and per transaction charges for the Gateway Services, in addition to various fees for value-added services to be introduced in the future relating to the Data Model.

In the future, the Company could leverage its data and targeting capabilities, and its access to verified merchants and consumers, to pursue additional revenue sources, such as:

**Lead Generation for Merchants:** delivering targeted advertising/promotions/offers to the registered customers on behalf of merchants.

**Affiliate Marketing Network:** acting as an intermediary between website publishers that promote a product or service on their website for their readers (the “Publishers”) and merchants, allowing the Company’s network of merchants to reach a larger audience by promoting their products to all Publishers participating in the affiliate network. In exchange for their services, the Publishers are rewarded by receiving commission payments for the sales that they generate.

**Merchant-Funded Loyalty Program:** creating a loyalty program for the verified customers of the merchants where benefits (e.g., points, discounts, exclusive access to premium services/products) are funded by the participating merchants.

**Aggregated Data Insights:** The Company can generate unique insights within and across various markets and geographies, providing value to potential customers seeking real-time market analytics.

Each one of these business models has the potential to:

1. increase customer and merchant engagement in the FintechWerx Platform by providing greater value;
2. expand the Company's network by attracting new merchants and customers; and
3. create new revenue streams for the Company as participating merchants are willing to pay for the "value added services" driving more business for them.

## **OVERALL PERFORMANCE**

To date, the Company has not realized profitable operations and has relied on equity and trade credit to fund the losses. The Company recognized a loss and comprehensive loss of \$491,732 during the nine month period ended January 31, 2025.

The Company operates in one reportable operating segment, which is the technology sector in Canada. As the operations comprise a single reporting segment, amounts disclosed also represent segment amounts.

## **RESULTS OF OPERATIONS**

The Company's loss and comprehensive loss for the nine months ended January 31, 2025, was \$491,732. The loss was primarily comprised of the following items:

- a) Revenue of \$11,362 from the sale of software licenses to customers was offset by \$124,406 in costs related to sales, resulting in a gross loss of \$113,044 in the current period compared to revenue of \$125,580 from the sale of software licenses to customers was offset by \$196,954 in costs related to sales, resulting in a gross loss of \$71,374. The decrease in revenue was due to a lower amount of licenses being sold during the current period.
- b) Management and consulting fees of \$193,500 were incurred during the current period for corporate management services compared to \$34,128 for the prior period. The increase was due to accruals of management fees upon achieving the revenue milestone in October 2023.
- c) General and administration expenses of \$34,071 were incurred primarily for computer and internet expense, rent, and shareholder communication.
- d) Professional fees totaling \$112,694 were comprised of \$86,610 for legal fees and \$26,084 for accounting and tax preparation fees for the current period compared to \$135,883 for the prior period. The decrease was due to legal fees incurred in the comparative period for the preparation of the non-offering prospectus for the Company.
- e) Regulatory and transfer agent fees totaling \$14,127 were comprised of \$7,125 for sustaining fees and \$7,002 transfer agent fees.

## SUMMARY OF QUARTERLY RESULTS

The following table sets out financial performance highlights for the most recent eight quarters, which have been prepared in accordance with IFRS:

	January 31, 2025 (Q3)	October 31, 2024 (Q2)	July 31, 2024 (Q1)	April 30, 2024 (Q4)	January 31, 2024 (Q3)	October 31, 2023 (Q2)	July 31, 2023 (Q1)	April 30, 2023 (Q4)
	\$	\$	\$	\$	\$	\$	\$	\$
Loss and comprehensive loss	(148,389)	(176,794)	(166,549)	(140,010)	(100,003)	(77,194)	(97,106)	(50,795)
Loss per share, basic and diluted	(0.01)	(0.05)	(0.05)	(0.04)	(0.04)	(0.03)	(0.05)	(0.10)
Cash	220,612	109,279	254,135	485,503	484,117	571,393	590,037	485,503
Assets	1,824,250	869,571	1,016,128	723,302	660,297	784,805	239,583	723,302
Liabilities	231,934	426,300	421,063	353,688	150,673	170,878	167,887	353,688
Equity	1,592,316	443,271	595,065	369,614	509,624	613,927	691,121	369,614

## LIQUIDITY AND CAPITAL RESOURCES

As at January 31, 2025, the Company had working capital deficit of \$12,130.

For the nine months ended January 31, 2025, the Company used cash of \$620,005 in operating activities. Operating activities were comprised of the \$491,732 net loss, and offset by \$16,898 of non-cash amortization, \$20,243 outflow to trade receivables, a \$25,545 outflow to accounts payable and accrued liabilities, and a \$139,869 outflow to due to related parties.

During the nine months ended January 31, 2025, the Company acquired cash totaling \$395,114 in investing activities from the amalgamations with 1396015 B.C. Ltd. and 1378871 B.C. Ltd.

The continuation of the Company as a going concern is dependent on its ability to raise additional capital or debt financing, on reasonable terms, in order to meet business objectives towards achieving profitable business operations.

There can be no assurance that consultants, service providers, and advisors will continue to extend unpaid accounts, services, and liabilities to the Company in order to maintain its business and filing requirements as a reporting issuer.

The Company's ability to obtain future financing with reasonable terms may not be attainable. The Company has accumulated a deficit since its incorporation, and it may not be able to achieve profitable operations.

## SHARE CAPITAL AND OUTSTANDING SHARE DATA

As at January 31, 2025, and the date of this report, there were 24,295,410 common shares issued and outstanding.

As at January 31, 2025, and the date of this report, there were Nil preferred A shares issued and outstanding.

As at January 31, 2025, and the date of this report, there 21,511,000 warrants outstanding.

## OFF BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements or commitments.

## RELATED PARTY TRANSACTIONS

### Transactions

Key management personnel are the persons responsible for the planning, directing and controlling the activities of the Company and includes both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel. The following are the remuneration of the Company's related parties:

	For the nine months ended January 31, 2025	For the nine months ended January 31, 2024
		\$
Management and consulting fees	180,000	34,128
Management fees included in cost of sales	52,574	32,007
Software development costs	40,000	–
	272,574	66,135

### Balances

At January 31, 2025, the Company owed \$3,909 (April 30, 2024 – \$9,349) to the Chief Financial Officer (“CFO”) and director of the Company for expenses incurred on behalf of the Company, and \$102,500 (April 30, 2024 – \$63,000) to a company controlled by the CFO and director of the Company for management and consulting fees. The amounts owing are unsecured, non-interest bearing and have no specified terms of repayment.

At January 31, 2025, the Company owed \$28,500 (April 30, 2024 - \$31,500) of management and consulting fees to a company controlled by the Chief Executive Officer of the Company. The amount owing is unsecured, non-interest bearing and has no specified terms of repayment.

At January 31, 2025, the Company owed \$18,750 (April 30, 2024 - \$31,500) of management and consulting fees to the President of the Company, and \$3,150 (April 30, 2024 - \$3,150) to a company controlled by the President of the Company for expenses incurred on behalf of the Company. The amount owing is unsecured, non-interest bearing and has no specified terms of repayment.

At January 31, 2025, the Company owed a total of \$24,768 (April 30, 2024 - \$95,000) for software license fees to companies controlled by directors and officers of the Company. The amount owing are payable under the terms of their related software license agreements.

At January 31, 2025, the Company owed \$nil (April 30, 2024 – \$5,462) of consulting expense to a company controlled by the Chief Technology Officer (“CTO”) of the Company. At January 31, 2025, there is a prepaid balance of \$4,123 (April 30, 2024 - \$nil) to the CTO within due to related parties for consulting fees. The amount owing is unsecured, non-interest bearing and has no specified terms of repayment.

As at April, 2024, the Company owed a total of \$20,772 to former officers and directors of the Company. During the nine months ended January 31, 2025, the amounts were reclassified from due to related parties to accounts payable and accrued liabilities.

On October 2, 2024, the Company issued 500,000 common shares at \$0.05 per share to settle related party payable of \$25,000 owed to a controlled by the CFO of the Company, a company controlled by the CEO of the Company and the President of the Company.

Upon closing of the amalgamation with 1396015 B.C. Ltd. on July 31, 2024 (Note 3), the Company assumed an amount payable of \$134,700 to Looking Glass Media Limited (“LGM”), a company controlled by the CFO and director of the Company. Upon closing of the amalgamation with 1378871 B.C. Ltd. on November 14, 2024, the Company assumed promissory notes receivable owing from LGM, with principal amounts totaling \$134,250 and accrued interest receivable of \$4,385, net of an allowance of \$108,007. The promissory notes receivable are unsecured, bear interest at 8% per annum and have maturity dates ranging from March 31, 2025 to February 28, 2026. During the nine months ended January 31, 2025, the Company loaned an additional \$80,000 to LGM and recognized accrued interest receivable of \$1,923. As at January 31, 2025, the Company was owed a net amount of \$85,858 (April 30, 2024 – \$nil) from LGM.

## **ACCOUNTING POLICIES**

The accounting policies and methods employed by the Company determine how it reports its financial condition and results of operations and may require management to make judgements or rely on assumptions about matters that are inherently uncertain. The Company’s results of operations are reported using policies and methods in accordance with IFRS. In preparing condensed interim consolidated financial statements in accordance with IFRS, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses for the year. Management reviews its estimates and assumptions on an ongoing basis using the most current information available.

## **CRITICAL ACCOUNTING ESTIMATES**

The preparation of condensed interim consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. An area subject to significant estimates is the impairment of financial and non-financial assets.

Although management uses historical experience and its best knowledge of the amount, events, or actions to form the basis for judgments and estimates, actual results may differ from these estimates. Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the condensed interim consolidated financial statements are as follows:

### Going concern

Management assesses the Company's ability to continue as a going concern at each reporting date, using all quantitative and qualitative information available. This assessment, by its nature, relies on estimates of future cash flows and other future events, whose subsequent changes could materially impact the validity of such an assessment.

### Useful life and Impairment of intangible assets

The impairment assessment of a financial asset requires judgment. Management evaluates the duration and extent to which the fair value of an investment is less than its cost, and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow. When the fair value declines, management makes a judgment if the decline in value is other than temporary impairment to be recognized in profit or loss.

## Revenue

The identification of revenue-generating contracts with customers, the identification of performance obligations, the determination of the transaction price and allocation between identified performance obligations, the use of appropriate revenue recognition method for each performance obligation and the measure of progress for performance obligation satisfied over time are the main aspects of the revenue recognition, all of which require the exercise of judgment and use of assumptions. The Company primarily derives revenue from the sale of its software plug-in that allows for automated reconciliation for Email Money Transfer (“EMT”) records. Revenue includes subscriptions derived from software sales.

## **FINANCIAL INSTRUMENTS**

The Company’s financial instruments consist of cash, trade and other receivables, accounts payable and accrued liabilities, loans payable, and amounts due to related parties and the carrying values approximate their fair values because of the relatively short-term nature of the instruments. These estimates are subjective and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumption could significantly affect the estimates.

There are three levels of the fair value hierarchy as follows:

- Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.
- Level 2: Values 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 based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

The Company’s cash is considered to be Level 1 within the fair value hierarchy.

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The Board of Directors approves and monitors the risk management process, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is summarized as follows:

### Foreign exchange risk

The Company’s functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, the Company’s exposure to foreign currency risk is minimal.

### Credit risk

The Company’s cash is held in a large Canadian financial institution. The Company has not experienced nor is exposed to any significant credit losses. Credit risk is the risk of loss associated with a counterparty’s inability to fulfill its payment obligations. The Company’s receivable consists of sales tax receivables. The carrying amount of cash, and trade and other receivables represent the maximum exposure to credit risk, and as at January 31, 2025, this amounted to \$254,064 (April 30, 2024 - \$487,192).

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial liabilities with fixed interest rates over a specified period of time expose the Company to cash flow interest rate risk. The Company does not hold any

financial liabilities with variable interest rates. The Company does maintain bank accounts which earn interest at variable rates, but it does not believe it is currently subject to any significant interest rate risk.

#### 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 has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company aims to have sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from its ability to raise equity capital or borrowing sufficient funds and its holdings of cash and cash equivalents.

#### Price risk

The ability of the Company to explore its new software technologies and the future profitability of the Company are directly related to the market price of software subscriptions. The Company monitors prices to determine the appropriate course of action to be taken by the Company.

### **RISK AND UNCERTAINTIES**

#### Core Business

The Company operates in one reportable operating segment, which is the technology sector in Canada.

During January and February, 2023, the Company entered into License and Service Agreements to acquire EMT Plug-in software, Enrollment Software, and Gateway Software with a total fair value of \$300,000. The Company bundles this software and sells it to its customers.

There is no certainty that any expenditures to be made by the Company as described herein will result in achieving profitable operations. There is aggressive competition within the technology sector with larger companies developing related technology internally. As such, significant capital investment is required along with extensive other resources to develop the business. There can be no assurance the Company will be successful in obtaining required capital on acceptable terms to reach its business objectives.

Some risks the Company may be exposed to include, but are not limited to, the following:

#### Conflicts of Interest

The Company's directors and officers also serve as directors and/or officers in other private and public companies involved in other business ventures. Consequently, there exists the possibility for these individuals to be in a position of conflict. Any decision made by these individuals involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. As such, these individuals would refrain from voting on the conflicted matter and would be forced to forego potential business or conduct such business in conflict.

#### Negative Operating Cash Flows

As the Company is in the early development stage, it continues to have negative operating cash flows. The Company's management is attempting to lead the Company into positive operating cash flows but there is no guarantee they will be able to achieve that goal.

#### Going Concern Risk

The ability of the Company to continue as a going concern is uncertain and dependent upon its ability to achieve profitable operations, obtain additional capital and receive continued support from its shareholders. Management of the Company will have to raise capital through private placements or



debt financing and proposes to continue to do so through future private placements and offerings. The outcome of these matters cannot be predicted at this time.

#### Operating History and Expected Losses

The Company expects to make significant investments in order to develop its services, increase marketing efforts, improve its operations, and conduct research and development. As a result, start-up operating losses are expected, and such losses may be greater than anticipated, which could have a significant effect on the long-term viability of the Company.

#### Uninsured Risks

The Company may carry insurance to protect against certain risks in such amounts as it considers adequate. Risks not insured against include key person insurance as the Company heavily relies on the Company directors and officers.

#### Growth Management

In executing the Company's business plan for the future, there will be significant pressure on management, operations, technical, and other assets, or resources. The Company anticipates that its operating and personnel costs will increase in the future in order to achieve profitable business operations. In order to manage its growth, the Company may need to hire staff or consultants. There can be no assurance that the Company will be able to meet these growth objectives.

#### Reliance on Key Personnel, Service Provider and Advisors

The Company relies heavily on its officers and directors, along with key service providers, business advisors and consultants. The loss of their services would have a material adverse effect on the business of the Company. There can be no assurance that directors and officers, or consultants engaged by the Company will continue to provide services in the employ of, or in a consulting capacity to, the Company or that they will not set up competing businesses or accept positions with competitors.

### **MANAGEMENT'S RESPONSIBILITY FOR THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

The information provided in this report as referenced from the Company's condensed interim consolidated financial statements for the referenced reporting period is the sole responsibility of management. In the preparation of the information along with related and accompanying statements and estimates contained herein, management uses careful judgement in assessing the values (or future values) of certain assets or liabilities. It is the opinion of management that such estimates are fair and accurate as presented.

### **OTHER INFORMATION**

Additional information on the Company is available on the Company's website at [www.fintechwerx.com](http://www.fintechwerx.com) or on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### **CORPORATE INFORMATION**

Directors: Francisco Carasquero  
George Hofsink  
Nafees Khan  
Jon Lee

Officers: Francisco Carasquero, President Executive Chairman  
George Hofsink, CEO  
Nafees Khan, President  
Claudio Lai, CTO

Auditor: Davidson & Company LLP

Legal Counsel: Cozen O'Connor LLP