TRIBE PROPERTY TECHNOLOGIES INC.

Consolidated Financial Statements
For the years ended December 31, 2024 and 2023

(Expressed in Canadian Dollars)

Independent Auditor's Report

To the Shareholders of Tribe Property Technologies Inc.

Opinion

We have audited the consolidated financial statements of Tribe Properties Technologies Inc. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, cash flows and changes in shareholders' equity for the years then ended, and notes to the consolidated financial statements, including material accounting policy information. (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which indicates that the Company incurred a net loss of $7,536,010 during the year ended December 31, 2024 and, as of that date, the Company's current liabilities exceeded its current assets by $14,836,023. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters, that in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be key audit matters to be communicated in our report.

KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED IN THE AUDIT
Evaluation of the acquisition date fair value of intangible assets acquired in the DMSI business combination Refer to Note 4 to the financial statements. On June 4, 2024, the Company acquired 100% of the outstanding share of DMSI Holding Ltd. ("DMSI") for $10,000,000 cash consideration and $3,000,000 promissory note. In connection with the transaction, the Company recognized intangible assets of $7,319,000. In determining the fair value of the intangible assets at the acquisition date, the most significant assumption included revenue forecast. We considered this is a key audit matter due to the significant estimation uncertainty and judgements required in determining the fair value of the intangible assets at acquisition. Auditing these management estimates requires a high degree of auditor subjectivity and judgment in applying audit procedures and in evaluating the results of those procedures. This resulted in an increased extent of audit effort, including involvement of valuation specialists.	Our approach to addressing the matter included the following procedures, among others: • With the assistance of valuation specialists: ○ Evaluated the appropriateness of the valuation methodology used by management; ○ Assessed the reasonableness of the valuation assumptions applied; ○ Performed sensitivity analysis on revenue forecast; ○ Tested the mathematical accuracy of the calculations; • Evaluated the revenue forecast by considering historical financial information; • Reviewed the adequacy of the disclosures made in relation to the business combination in the financial statements.
Impairment of non-financial assets – Impairment of Goodwill Refer to Notes 4 and 8 to the financial statements. As at December 31, 2024, the carrying amount of goodwill was $7,718,345 and no impairment was recorded. Goodwill is tested for impairment annually and whenever there is an indication of impairment. In performing the impairment assessment of the carrying amount of goodwill, the recoverable amounts of cash-generating units ("CGU") to which goodwill has been attributed are determined. The Company determined that the	Our approach to addressing the matter included the following procedures, among others: • With the assistance of valuation specialists: ○ Evaluated the appropriateness of the valuation methodology used by management; ○ Assessed the reasonableness of the valuation assumptions used in the fair value less costs of disposal calculation; and ○ Tested the mathematical accuracy of the calculations.

recoverable amount of the CGUs corresponded to their fair value less costs of disposal. The estimation of the CGU's recoverable amounts requires the Company's management to exercise significant judgement. We considered this a key audit matter due to the significant estimation uncertainty and judgements required in determining the recoverable amounts of the CGUs. Auditing management's estimates requires a high degree of auditor subjectivity and judgement and an increased extent of audit effort, including the involvement of valuation specialists.	• Evaluated management's assessment in determining CGUs and the underlying carrying amounts; • Reviewed the adequacy of the disclosures made in relation to the impairment assessment of goodwill in the financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the 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, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

April 14, 2025

TRIBE PROPERTY TECHNOLOGIES INC.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

As at	December 31, 2024	December 31, 2023
ASSETS		
Current assets		
Cash	$ 1,819,520	$ 1,324,101
Accounts receivable (Note 20)	2,731,134	1,528,151
Prepaid expenses and deposits	141,758	123,230
Investments	91,922	74,011
Total current assets	4,784,334	3,049,493
Property and equipment (Note 7)	2,808,801	3,557,628
Intangible assets (Note 8)	12,408,725	6,816,086
Goodwill (Note 8)	7,718,345	975,010
TOTAL ASSETS	$ 27,720,205	$ 14,398,217
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (Note 21)	$ 5,437,431	$ 1,488,617
Deferred revenue (Note 9)	193,931	367,130
Loans and borrowings (Note 10)	10,945,279	3,039,469
Current portion of lease obligations (Note 11)	591,217	470,684
Notes payable (Note 12)	2,452,499	1,541,390
Total current liabilities	19,620,357	6,907,290
Lease obligations (Note 11)	2,461,708	3,112,481
Notes payable (Note 12)	1,486,219	626,007
Deferred tax liability (Note 15)	1,961,000	82,000
TOTAL LIABILITIES	25,529,284	10,727,778
SHAREHOLDERS' EQUITY		
Share capital (Note 13)	60,026,185	54,282,309
Reserve (Notes 13 and 14)	2,872,424	2,559,808
Accumulated deficit	(60,707,688)	(53,171,678)
TOTAL SHAREHOLDERS' EQUITY	2,190,921	3,670,439
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 27,720,205	$ 14,398,217

These consolidated financial statements were authorized for issue by the Board of Directors on April 11, 2025. They are signed on behalf of the Board of Directors by:

/s/ "Joseph Nakhla"
CEO and Director

/s/ "Raymond Choy"
Director

The accompanying notes form an integral part of these consolidated financial statements.

TRIBE PROPERTY TECHNOLOGIES INC.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	For the years ended	
	December 31, 2024	**December 31, 2023**
REVENUE (Note 5)	**$ 28,257,929**	$ 19,388,463
OPERATING EXPENSES		
Cost of software and services and software licensing fees	**16,809,596**	12,196,865
Selling, general and administrative expenses (Note 6)	**14,361,085**	13,896,210
Depreciation (Note 7)	**820,402**	858,088
Amortization of intangible assets (Note 8)	**1,624,850**	934,605
Amortization of deferred financing asset (Note 10)	**99,432**	24,858
Stock-based compensation (Notes 14 and 18)	**125,690**	106,509
Impairment of goodwill (Note 8)	**-**	5,025,000
	33,841,054	33,042,135
LOSS FROM OPERATIONS	**(5,583,125)**	(13,653,672)
OTHER INCOME AND EXPENSES		
Interest expense (Notes 10, 11 and 12)	**(1,483,654)**	(623,299)
Interest income	**2,520**	74,763
Foreign exchange gain (loss)	**(327)**	6,259
Fair value gain on investment	**17,911**	6,322
Loss on disposal of property and equipment	**(12,670)**	-
Loss on sale of software asset	**(72,172)**	-
Loss on revaluation of government grant	**-**	(11,503)
Loan forgiveness on government grant	**-**	10,000
Gain on sale of intangible assets (Note 8)	**52,143**	12,148
Gain on termination of lease	**49,571**	-
GST re-assessment	**(297,394)**	-
NET LOSS BEFORE TAX	**(7,327,197)**	(14,178,982)
Income tax recovery (expense) (Note 15)	**(208,813)**	11,681
NET LOSS	**$ (7,536,010)**	$ (14,167,301)
LOSS PER SHARE, BASIC AND DILUTED	**$ (0.27)**	$ (0.67)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING, BASIC AND DILUTED	**27,960,666**	21,219,719

The accompanying notes form an integral part of these consolidated financial statements.

TRIBE PROPERTY TECHNOLOGIES INC.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	For the years ended	
	December 31, 2024	**December 31, 2023**
Cash flows provided by (used in):		
OPERATING ACTIVITIES		
Net loss	**$ (7,536,010)**	$ (14,167,301)
Adjustments for items not affecting cash:		
Income tax expense (recovery)	**208,813**	(22,132)
Bad debt expense	**53,184**	74,673
Depreciation	**820,402**	858,088
Amortization of intangible assets	**1,624,850**	934,605
Amortization of deferred financing asset	**99,432**	24,858
Impairment of goodwill	**-**	5,025,000
Interest expense	**1,483,654**	623,299
Interest income	**(2,520)**	(74,763)
Fair value gain on investment	**(17,911)**	(6,322)
Gain on sale of intangible assets	**(52,143)**	(12,148)
Stock-based compensation	**125,690**	106,509
Loss on disposal of property and equipment	**12,670**	-
Loss on sale of software asset	**72,172**	-
Gain on termination of lease	**(49,571)**	-
Loss on revaluation of government grant	**-**	11,503
Loan forgiveness on government grant	**-**	(10,000)
	(3,157,288)	(6,634,131)
Net changes in non-cash working capital items:		
Receivables and prepaid expenses	**991,510**	(140,960)
Accounts payable and accrued liabilities	**1,558,726**	(507,297)
Deferred revenue	**(173,199)**	232,824
	2,377,037	(415,433)
Taxes recovered	**-**	100,639
Interest paid	**(1,155,337)**	(534,486)
Net cash flows used in operating activities	**(1,935,588)**	(7,483,411)
INVESTING ACTIVITY		
Payment for acquisition of Meritus	**-**	(400,000)
Purchase of property and equipment	**(83,298)**	(97,701)
Payment for acquisition of DMSI	**(10,000,000)**	-
Cash acquired from acquisition	**-**	77,295
Purchase price adjustment	**-**	(170,000)
Sale of software asset	**100**	-
Purchase of intangible assets	**-**	(200,000)
Sale of intangible assets	**40,421**	13,233
Net cash flows used in investing activities	**(10,042,777)**	(777,173)
FINANCING ACTIVITIES		
Proceeds from private placement financing	**3,665,439**	-
Proceeds from LIFE financing	**2,510,400**	-
Share issuance costs	**(245,037)**	-
Proceeds from draw on operating facility	**1,678,856**	2,204,025
Repayment of operating facility	**(2,383,643)**	(504,717)
Proceeds from draw on M&A facility	**8,615,333**	1,520,000
Repayment of M&A facility	**(104,168)**	(5,833)
Payment of deferred financing costs	**-**	(198,864)
Repayment of government grant	**-**	(30,000)
Repayment of notes payable	**(1,000,000)**	(1,000,000)
Repayment of lease obligations	**(263,396)**	(496,622)

Net cash flows provided by financing activities	**12,473,784**	1,487,989
Net increase (decrease) in cash	**495,419**	6,772,595
Cash, beginning	**1,324,101**	8,096,696
Cash, ending	**$ 1,819,520**	$ 1,324,101

Supplemental cash flow information:

Common shares issued for acquisition	**$**	$ 86,147

The accompanying notes form an integral part of these consolidated financial statements.

TRIBE PROPERTY TECHNOLOGIES INC.
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Number of shares		Amount		Reserve		Accumulated deficit		Total
Balance, December 31, 2022	**21,210,516**	**$**	**54,196,162**	**$**	**2,453,299**	**$**	**(39,004,377)**	**$**	**17,645,084**
Shares issued for Meritus acquisition (Notes 4 and 13)	143,678		86,147		-		-		86,147
Stock-based compensation (Notes 14 and 18)	-		-		106,509		-		106,509
Treasury shares cancelled	(3,000)		-		-		-		-
Net and comprehensive loss for the year	-		-		-		(14,167,301)		(14,167,301)
Balance, December 31, 2023	**21,351,194**	**$**	**54,282,309**	**$**	**2,559,808**	**$**	**(53,171,678)**	**$**	**3,670,439**
Balance, December 31, 2023	**21,351,194**	**$**	**54,282,309**	**$**	**2,559,808**	**$**	**(53,171,678)**	**$**	**3,670,439**
Shares issued for cash (Note 13)	11,876,613		6,006,910		168,929		-		6,175,839
Share issuance costs (Note 13)	-		(263,034)		17,997		-		(245,037)
Stock-based compensation (Notes 14 and 18)	-		-		125,690		-		125,690
Net and comprehensive loss for the year	-		-		-		(7,536,010)		(7,536,010)
Balance, December 31, 2024	**33,227,807**	**$**	**60,026,185**	**$**	**2,872,424**	**$**	**(60,707,688)**	**$**	**2,190,921**

The accompanying notes form an integral part of these consolidated financial statements.

1. REPORTING ENTITY

Tribe Property Technologies Inc. ("Tribe" or the "Company") was incorporated under the *Business Corporations Act* (Ontario) on June 5, 2017. The Company's registered office is located at Suite 3200, Bay Adelaide Centre – North Tower, 40 Temperance Street, Toronto, Ontario, M5H 0B4 and its principal place of business is located at 1606-1166 Alberni Street, Vancouver, BC, V6E 3Z3. The Company is listed on the TSX Venture Exchange ("Exchange") under the symbol "TRBE".

The Company's principal business activity is offering technology-enabled property management services to meet the needs of developers, condominium and residential communities, owners and residents. The services provided via its technology platform are focused on improving the living experience of the residents within each community, with a key focus on communication, information, education and protection. Through its technology platform, the Company provides on-demand access to important records and documents, simple communication tools, online payment options, bookable amenities and a ticketing system for residents to notify their developer or management of issues, warranty concerns and deficiencies.

These financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS") applicable to a going concern entity. These financial statements have been prepared on the basis that the Company will continue as a going concern which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. During the year ended December 31, 2024, the Company recorded a net loss of $7,536,010 and had cash outflows from operating activities of $1,935,588. At December 31, 2024, the Company had cash of $1,819,520 on hand and its current liabilities exceeded its current assets by $14,836,023. To date, the Company has financed its operating cash requirements primarily from the proceeds of share issuances and debt. These conditions, along with other factors, indicate material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The Company's ability to realize the carrying value of its assets and continue as a going concern is dependent on its ability to obtain continued financial support from its shareholders or lenders as required to satisfy liabilities as they come due and ultimately the execution of the Company's strategic plan to improve the scale and profitability of its business to achieve future profitable operations. These financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that may result should the Company be unable to continue as a going concern. Such adjustments could be material.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with the material accounting policies presented below and are based on the IFRS and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective as of December 31, 2024. The policies set out below were consistently applied to all the periods presented unless otherwise noted.

The financial statements of the Company for the year ended December 31, 2024 were authorized for issue by the Board of Directors ("Board") on April 11, 2025.

2.2 Basis of preparation

The financial statements have been prepared on an accrual basis and are based on historical cost, except for certain financial instruments that are measured at fair value.

2.3 Basis of consolidation

These consolidated financial statements include the accounts of Tribe, and its wholly owned subsidiaries, Tribe Property Solutions Inc., Tribe Management Inc., R.D.C. Property Services Limited, Southview Property Management Inc. ("Southview"), Meritus Group Management Inc. ("Meritus"), and DMSI Holding Ltd. ("DMSI"). Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and can affect those returns through its power over the investee. Intercompany balances and transactions have been eliminated in preparing these consolidated financial statements.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4 Business combinations

The Company applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is measured at fair value and is equal to the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Company. The consideration transferred includes the fair value of any liabilities resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Company recognizes any non-controlling interests in the acquiree on an acquisition-by-acquisition basis, at the non-controlling interest's proportionate share of the recognized amounts of the acquiree's identifiable net assets. Acquisition related costs are expensed as incurred.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred over the net identifiable assets acquired. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in the consolidated statement of loss and comprehensive loss. The Company recognizes contingent consideration relating to its business acquisitions at fair value at the date the transaction closes and revalues the component of contingent consideration recognized as a liability at each subsequent reporting date and on settlement. Contingent consideration that will be settled by delivering a fixed number of common shares is classified as equity and not revalued at each subsequent reporting date.

2.5 Foreign currency translation

Functional and presentation currency

The Company's consolidated financial statements are presented in Canadian dollars.

Each entity determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. The determination of functional currency is based on the primary economic environment in which an entity operates. The functional currency of an entity reflects the underlying transactions, events and conditions that are relevant to the entity.

The functional currency of the Company and its subsidiaries is the Canadian dollar.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions (or using the average rate for the period when this is a reasonable approximation). Assets and liabilities are translated into the functional currency using the exchange rates prevailing at period end. Foreign exchange gains and losses resulting from the translation or settlement of monetary assets and liabilities denominated in currencies other than an entity's functional currency are recognized in profit or loss.

2.6 Cash and cash equivalents

Cash and cash equivalents include cash on hand, outstanding deposits and short-term deposits which are highly liquid with original maturities of less than three months.

2.7 Financial instruments

Classification and measurement

Financial assets

The classification and measurement of financial assets is based on the Company's business models for managing its financial assets and whether the contractual cash flows represent solely payments of principal and interest ("SPPI"). Financial assets are initially measured at fair value and are subsequently measured at either (i) amortized cost; (ii) fair value through other comprehensive income, or (iii) at fair value through profit or loss.

Amortized cost

Financial assets classified and measured at amortized cost are those assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

the financial asset give rise to cash flows that are SPPI. Financial assets classified at amortized cost are measured using the effective interest method. The Company's accounts receivable are classified in this category.

Fair value through other comprehensive income ("FVTOCI")

Financial assets classified and measured at FVTOCI are those assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise to cash flows that are SPPI. The Company does not have any assets classified and measured at FVTOCI.

Fair value through profit or loss ("FVTPL")

Financial assets classified and measured at FVTPL are those assets that do not meet the criteria to be classified at amortized cost or at FVTOCI. 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 in the period in which they arise. The Company's cash and investments are classified and measured at FVTPL.

Financial liabilities

All financial liabilities are initially recognized at fair value plus or minus transaction costs that are directly attributable to issuing the financial liability. Financial liabilities are measured at amortized cost unless they are required to be measured at FVTPL. The Company's accounts payable, loans and borrowings, and notes payable are measured at amortized cost.

<u>Impairment of financial assets</u>

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses. The Company recognizes in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

2.8 Property and equipment

Property and equipment is measured at cost less accumulated depreciation and impairment losses. Cost includes expenses that are directly attributable to the acquisition of assets. An asset's residual value, useful life and depreciation method are reviewed during each financial year and adjusted if appropriate. When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment. Gains and losses on disposal of an item are determined by comparing the proceeds from disposal with the carrying amount of the item and is recognized in profit or loss. Depreciation is calculated based on the cost of the asset less its residual value and is recognized in net loss on a straight-line or declining balance basis over the estimated useful life of each item of property and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives, unless it is reasonably certain that the

Company will obtain ownership by the end of the lease term. The estimated useful lives for the current and comparative year are as follows:

Assets	Basis	Estimated useful life/rate
Computer hardware	Declining balance	55%
Computer software	Declining balance	30%
Furniture and equipment	Declining balance	20%
Leasehold improvements	Straight line	Lease term
Right-of-use assets	Straight line	Lease term

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.9 Intangible assets

Intangible assets with a finite life are stated at cost less accumulated amortization and accumulated write-downs for impairment. Amortization is provided over the estimated useful lives of the assets using the following methods and annual rates:

Asset	Basis	Rate
Customer relationships	Straight-line	8-15 years

Beginning on January 1, 2024, the Company revised the useful life of its customer relationships of Cash Generating Units ("CGU's) from 10 years to 8 years for a subset of customer contracts in the Tribe CGU. The Company performed an evaluation of the length of the useful life and determined 8 years was a more appropriate measurement. This change increased the amortization of intangible assets for the year ended December 31, 2024, and will have the same effect for the periods thereafter.

2.10 Impairment

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount shall be estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, an entity shall determine the recoverable amount of the CGU to which the asset belongs (the asset's CGU).

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

2.11 Goodwill

Goodwill arising on an acquisition of a business is carried at cost, as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Company's CGU's (or groups of CGU's) that is expected to benefit from the synergies of the combination. A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of the relevant CGU, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

2.12 Leases

At the inception of a lease contract, the Company assesses whether the contract is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assess whether: (i) the contract involves the use of an identified asset; (ii) the Company has the right to obtain substantially all the economic benefits from the use of the asset throughout the period, and; (iii) the Company has the right to direct the use of the asset.

The Company presents right-of-use assets in Property and Equipment on the statement of financial position. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term plus expected renewal

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

options which are available to the Company. The estimated useful life of right-of-use assets is determined on the same basis as Property and Equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses the incremental borrowing rate as the discount rate for leases.

Lease payments included in the measurement of the lease liability comprise of: (i) fixed payments; (ii) amounts expected to be payable under a residual value guarantee; (iii) the exercise price under purchase option that the Company is reasonably certain to exercise; (iv) lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option; and (v) penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company recognizes depreciation for right-of-use assets and interest expense on lease liabilities in the consolidated statements of loss and comprehensive loss.

In the statement of cash flows, the Company includes repayments of the principal portion of the lease liabilities under financing activities. Lease payments for short-term leases, lease payment for leases of low-value assets that are not included in the measurement of the lease liability are classified as cash flows from operating activities.

2.13 Income taxes

Deferred tax assets are recognized for tax losses that can be carried forward to the extent that such assets can be realized. Deferred tax is also recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences:

(i) the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
(ii) differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and
(iii) deferred tax for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when the related asset is realized or liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Current tax is the expected tax payable on taxable income for the period, using tax rates enacted or substantively enacted, at the end of the reporting period, and any adjustments to tax payable in respect of previous years.

2.14 Share capital

Common shares

Common shares issued are classified as share capital, a component of shareholders' equity. Transaction costs directly attributable to the issuance of common shares are recognized as a deduction from share capital.

Equity units

Proceeds received on the issuance of units, comprised of common shares and warrants, are allocated using the residual value method. Under the residual value method, proceeds are allocated to the common shares up to their

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

fair value, determined by reference to the quoted market price of the common shares on the issuance date, and the remaining balance, if any, to the reserve for warrants.

2.15 Stock-based compensation

Stock-based compensation to employees and non-employees includes expense related to the vesting of stock options. The fair value of stock options is measured at the grant date and each tranche is recognized on a straight-line basis over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes-Merton option pricing model (“BSM”) considering the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options that are expected to vest. The BSM requires management to estimate the expected volatility, the term of the equity instrument, the risk-free rate of return over the term, expected dividends, and the number of equity instruments expected to ultimately vest. In estimating expected volatility, the Company considers the historical share price volatility of its common shares as well the historical share price of similar publicly listed entities. The fair value of stock options is charged to profit or loss with a corresponding increase in contributed surplus within equity. Previously recognized expenses are not subsequently reversed for options that vest but are not exercised. If and when stock options are ultimately exercised, the applicable amount of contributed surplus is transferred to share capital.

2.16 Revenue recognition

Revenue is recognized upon transfer of control of promised products and services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. The Company determines the amount of revenue to be recognized through application of the following steps:

- Identification of the contract(s) with a customer;
- Identification of the performance obligations in the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations in the contract; and
- Recognition of revenue when or as the Company satisfies the performance obligations.

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control of a product or service to a customer. Estimated allowances for returns and credits are recorded as a reduction of revenue at the time of revenue recognition.

Tribe provides integrated digitally-enabled property management services to property developers, condominium and residential communities and owners and residents. The Company generates revenue from two sources: software and services and software licensing fees.

Software and services

Revenue is recognized when the service has been provided to the customer and the performance obligation is satisfied. The contracts are billed on a month-to-month basis and as such, the performance obligation is satisfied at the end of the month. Interest revenue is recognized when it is earned from a Canadian bank.

Software licensing fees

Software licensing services are sold at a set price per property development. The customer has access to the platform indefinitely. Revenue is deferred and recognized as the performance obligation is satisfied over time. Management has determined that the average usage period for the application is 2 years and recognizes revenue over that period.

2.17 Cost of software and services and software licensing fees

The Company defines cost of software and services and software licensing fees as the salaries and related benefits of community managers, property accountants, managing brokers and resident caretakers, as well as the software licensing fees and hosting fees of the platform used to manage the condo and rental properties.

2.18 Government grant

Loans received from government grants are recognized initially at fair value, with the difference between the fair value of the loan based on prevailing market interest rates and the amount received recorded as a government grant gain in the consolidated statements of loss and comprehensive loss.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.19 Loss per share

Loss per share is based on the income or loss attributable to common shareholders for the period divided by the weighted average number of common shares outstanding during the period.

2.20 New adopted accounting standards

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements, replacing IAS 1. IFRS 18 includes requirements for all entities applying IFRS Accounting Standards for the presentation and disclosure of information in the financial statements. IFRS 18 introduces new totals, subtotals, and categories for income and expenses in the income statement, and requires disclosures about management-defined performance measures and additional requirements regarding the aggregation and disaggregation of certain information. IFRS 18 will be effective on January 1, 2027, with earlier adoption permitted. It must be adopted on a retrospective basis. The Company is currently evaluating the impact on its financial statements.

2.21 Future accounting policy changes

There are new accounting standard, amendments to accounting standards and interpretation that are effective for periods on or after January 1, 2025 with early adoption permitted. These have not been applied in preparing the consolidated financial statements for the year ended December 31, 2024. These standards and interpretations are not expected to have a material impact on the Company's consolidated financial statements.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. These assumptions and estimates are regularly reviewed. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected. The Company's main judgements, estimates and assumptions are presented below:

3.1 Business combinations

On the completion of business acquisitions, management's judgement is required to estimate the purchase price and to identify and determined the fair value of all assets acquired and liabilities assumed. The determination of the fair value of assets acquired and liabilities assumed is based on management's estimates and certain assumptions generally included in a present value calculation of the related cash flows.

3.2 Going concern

Management has applied judgements in the assessment of the Company's ability to continue as a going concern when preparing its consolidated financial statements. Management prepares its consolidated financial statements on a going concern basis unless management either intends to liquidate the Company or has no realistic alternative other than to do so.

3.3 Impairment of goodwill

For the purposes of impairment testing, the Company must determine its CGU's. Assets and liabilities are grouped into CGU's at the lowest level of separately identifiable cash clows. Determination of what constitutes a CGU and the respective allocation of shared corporate carrying values is subject to management judgement. The asset composition of a CGU can directly impact the recoverability of assets included within the CGU. Management has determined that the appropriate CGU's for the Company are Tribe, Meritus and DMSI.

Determining whether goodwill is impaired requires an estimation of the fair value and value in use of the CGU to which goodwill has been allocated. The value in use calculation requires management to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate present value. The fair value calculation requires management's estimate of future revenues and a suitable revenue multiplier.

The Company tests goodwill for impairment at least annually in accordance with the requirements of IAS 36 *Impairment of Assets*. The recoverable amounts of CGU's are determined based on the greater of their fair value less costs of disposal and value in use.

(In Canadian dollars)

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

3.4 Valuation of deferred tax assets

In assessing the realization of deferred tax assets, the Company considers the extent to which it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent on the generation of future taxable profits during the period in which those temporary losses and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment.

3.5 Determination of useful life

Each significant component of property and equipment and intangible assets are depreciated over their estimated useful lives. Estimated useful lives are determined based on current facts and past management experience and take into consideration the anticipated physical life of the asset, existing long-term sales agreements and contracts, current and forecasted demand, and the potential for technological obsolescence.

4. BUSINESS COMBINATIONS

On November 30, 2023, the Company acquired 100% of the outstanding share capital of Meritus for 143,678 common shares of the Company, $400,000 cash consideration, and a $300,000 promissory note (Notes 12 and 13). There was a working capital decrease adjustment of $(35,578) on the promissory note. All common shares issued are subject to a voluntary lock-up from which one-third of the shares will be released every six months for a period of eighteen months. In connection with the acquisition, the Company incurred and expensed transaction costs of $95,786.

In accordance with the measurement requirements set out under IFRS 3, Business Combinations, the purchase price allocation based on the fair value of assets and liabilities assumed is as follows:

Fair value of Tribe shares	$	86,147
(143,678 common shares at $0.696 per share) (Note 13)		
Promissory Note (Note 12)		240,148
Cash consideration		400,000
Fair value of purchase consideration	**$**	**726,295**
Allocated to:		
Cash and cash equivalents	$	77,295
Accounts receivable		35,462
Prepaid expenses		16,178
Property and equipment (Note 7)		30,000
Right-of-use assets (Note 7)		100,149
Intangible assets (Note 8)		197,670
Goodwill (Note 8)		787,203
Deferred tax liability		(53,000)
Lease liabilities (Note 11)		(100,149)
Accounts payable and accrued liabilities		(364,513)
Total	**$**	**726,295**

The goodwill represented the excess of the purchase price over the fair value of net assets acquired. It is attributable to the workforce acquired and expected synergies from combining operations. None of the goodwill is deductible for tax purposes. The goodwill was added to the Meritus CGU (Note 8). Meritus revenue for the month ended December 31, 2023 was $200,741.

The receivables acquired in the transaction had a fair value of $35,462 which approximated the gross contractual amounts receivable. The best estimate at the acquisition date of the contractual cash flows for which collection is uncertain is $0.

On June 4, 2024, the Company acquired 100% of the outstanding share capital of DMSI for $10,000,000 cash consideration, and a $3,000,000 promissory note (Note 12). There was a working capital increase adjustment of $81,000, payable as at December 31, 2024. In connection with the acquisition, the Company incurred and expensed transaction costs of $609,316. The purchase price is subject to an adjustment, based on DMSI achieving a target EBITDA of $2,600,000 in the 12-month period following acquisition. If the target EBITDA is not achieved,

(In Canadian dollars)

4. BUSINESS COMBINATIONS (continued)

the purchase price would be reduced by an amount equal to five times the difference between the target EBITDA and the actual EBITDA. As at December 31, 2024, the Company is not expecting any price adjustments.

In accordance with the measurement requirements set out under IFRS 3, Business Combinations, the purchase price allocation based on the fair value of assets and liabilities assumed is as follows:

Cash consideration	$	10,000,000
Promissory Note (Note 12)		2,577,493
Working capital adjustment		81,000
Fair value of purchase consideration	**$**	**12,658,493**
Allocated to:		
Bank indebtedness	$	(97,429)
Accounts receivable		1,861,616
Prepaid expenses		314,036
Property and equipment (Note 7)		6,077
Right-of-use assets (Note 7)		153,728
Intangible assets (Note 8)		7,319,000
Goodwill (Note 8)		6,743,335
Deferred tax liability		(1,978,000)
Lease liabilities (Note 11)		(153,728)
Accounts payable and accrued liabilities		(1,238,466)
Other liabilities		(271,676)
Total	**$**	**12,658,493**

The goodwill represented the excess of the purchase price over the fair value of net assets acquired. It is attributable to the workforce acquired and expected synergies from combining operations. None of the goodwill is deductible for tax purposes. The goodwill was added to the DMSI CGU (Note 8). DMSI revenue for the period from June 5, 2024 to December 31, 2024 was $7,935,178.

The receivables acquired in the transaction had a fair value of $1,861,616 which approximated the gross contractual amounts receivable. The best estimate at the acquisition date of the contractual cash flows for which collection is uncertain is $0.

5. REVENUE

A disaggregation of revenue from contracts with customers is as follows:

	For the years ended	
	December 31, 2024	**December 31, 2023**
Software and service fees	$ 23,853,097	$ 16,903,857
Transactional revenues	4,404,832	2,484,606
Total revenue	$ 28,257,929	$ 19,388,463

(In Canadian dollars)

6. SELLING, GENERAL AND ADMINISTRATIVE

Selling, general and administrative expenses are comprised of:

	For the years ended	
	December 31, 2024	**December 31, 2023**
Salaries and wages	$ 7,986,320	$ 9,140,187
Office expenses	3,523,543	2,638,546
Professional fees	1,849,128	1,224,825
Subcontractors	666,562	410,140
Investor relations	205,764	320,683
Advertising and promotion	115,248	151,275
Standby fees (Note 10)	14,520	10,554
Total selling, general and administrative expenses	$ 14,361,085	$ 13,896,210

(In Canadian dollars)

7. PROPERTY AND EQUIPMENT

	Computer hardware	Computer software	Furniture and equipment	Leasehold improvements	Right-of-use assets	Total
Cost						
Balance, December 31, 2022	$ 386,381	$ 1,197,617	$ 206,793	$ 167,914	$ 5,193,879	$ 7,152,584
Additions (Note 11)	14,795	81,252	1,654	-	187,770	285,471
Assets acquired (Note 4)	30,000	-	-	-	100,149	130,149
Balance, December 31, 2023	431,176	1,278,869	208,447	167,914	5,481,798	7,568,204
Additions (Note 11)	-	82,794	504	-	98,007	181,305
Disposals	(60,521)	(959,592)	(77,704)	-	(184,593)	(1,282,410)
Assets acquired (Note 4)	5,373	-	704	-	153,728	159,805
Balance, December 31, 2024	$ 376,028	$ 402,071	$ 131,951	$ 167,914	$ 5,548,940	$ 6,626,904
Accumulated amortization						
Balance, December 31, 2022	$ 275,821	$ 939,725	$ 103,560	$ 42,768	$ 1,790,614	$ 3,152,488
Depreciation	51,884	87,629	20,236	22,410	675,929	858,088
Balance, December 31, 2023	327,705	1,027,354	123,796	65,178	2,466,543	4,010,576
Depreciation	27,441	99,333	16,431	20,730	656,467	820,402
Disposals	(48,291)	(886,434)	(78,150)	-	-	(1,012,875)
Balance, December 31, 2024	$ 306,855	$ 240,253	$ 62,077	$ 85,908	$ 3,123,010	$ 3,818,103
Net book value						
Balance, December 31, 2023	$ 103,471	$ 251,515	$ 84,651	$ 102,736	$ 3,015,255	$ 3,557,628
Balance, December 31, 2024	$ 69,173	$ 161,818	$ 69,874	$ 82,006	$ 2,425,930	$ 2,808,801

(In Canadian dollars)

8. INTANGIBLE ASSETS AND GOODWILL

		Customer Relationships		Goodwill
Cost				
Balance, December 31, 2022	$	8,316,688	$	5,197,808
Additions (Note 4)		667,670		787,203
Disposals		(81,873)		-
Purchase price adjustment		(75,000)		14,999
Impairment		-		(5,025,000)
Balance, December 31, 2023		8,827,485		975,010
Additions (Note 4)		7,319,000		6,743,335
Disposals		(138,873)		-
Purchase price adjustment		(22,680)		-
Balance, December 31, 2024	$	15,984,932	$	7,718,345
Accumulated amortization				
Balance, December 31, 2022	$	1,089,190	$	-
Amortization		934,605		-
Disposals		(12,396)		-
Balance, December 31, 2023		2,011,399		-
Amortization		1,624,850		-
Disposals		(60,042)		
Balance, December 31, 2024	$	3,576,207	$	-
Net book value				
Balance, December 31, 2023	$	6,816,086	$	975,010
Balance, December 31, 2024	$	12,408,725	$	7,718,345

For the purpose of assessing impairment of goodwill and non-financial assets, the Company must identify its CGUs. Determination of what constitutes a CGU is subject to management judgment. Management has determined that the Company has three CGUs: Tribe CGU, Meritus CGU, and DMSI CGU. All three CGUs belong to the Software and Services segment as they pertain to the property management business associated with the Company’s community-living technology platform.

In the previous year, the Company had three CGUs: Tribe CGU, Gateway CGU, and Meritus CGU. Management determined that the previous Tribe CGU and Gateway CGU would be combined as one Tribe CGU for the current year. It was determined during the year 2024, the previous Tribe and Gateway CGUs had their business processes fully integrated, and their financial performance was viewed and managed as one entity.

At December 31, 2023, the Company tested its CGUs for impairment. The inputs for the calculated recoverable amounts below are not based on observable market data. As such, the recoverable amounts of both the Gateway and previous Tribe CGUs are categorized in Level 3 of the fair value measurement hierarchy.

For the previous Gateway CGU, the estimated recoverable amount was calculated using a revenue multiple of 0.60 based on 2024 forecasted revenues, less costs of disposal. This resulted in a recoverable amount of $6,545,365, below the CGU carrying amount of $11,570,306. The revenue multiple used reflected current market assessments and the acquisition history of the Company. The Company recorded impairment of goodwill of $5,025,000.

For the previous Tribe CGU, the estimated recoverable amount was calculated using a revenue multiple of 0.60 based on 2024 forecasted revenues, less costs of disposal. This resulted in a recoverable amount of $3,456,993, exceeding the CGU carrying amount of $826,055. The revenue multiple used reflected current market assessments and the acquisition history of the Company. A 1% change in the revenue multiple is a difference of $34,567 and would not yield a different result. The Company recorded $nil impairment.

For the Meritus CGU, the carrying amount was $1,072,022, the same as the fair value assessed as at November 30, 2023, the date of acquisition. The Company assessed qualitative and quantitative factors and did not identify any significant changes. No impairment was recognized.

At December 31, 2023, carrying amount of the goodwill allocated to the previous Gateway CGU was $181,140, the carrying amount of goodwill allocated to the previous Tribe CGU was $59,667, and the carrying amount of goodwill allocated to the Meritus CGU was $734,203.

(In Canadian dollars)

8. INTANGIBLE ASSETS AND GOODWILL (continued)

At December 31, 2024, the Company tested its CGUs for impairment. The inputs for the calculated recoverable amounts below are not based on observable market data. As such, the recoverable amounts of both the Tribe and Meritus CGUs are categorized in Level 3 of the fair value measurement hierarchy.

For the Tribe CGU, the estimated recoverable amount was calculated using a revenue multiple of 0.60 based on the average of 2024 actual revenues and 2025 forecasted revenues, less costs of disposal. This resulted in a recoverable amount of $10,525,318, exceeding the CGU carrying amount of $5,156,785. The revenue multiple used reflected current market assessments and the acquisition history of the Company. A 1% change in the revenue multiple is a difference of $105,253 and would not yield a different result. The Company recorded $nil impairment.

For the Meritus CGU, the estimated recoverable amount was calculated using the average of a revenue multiple of 0.43 based on 2024 actual revenues and a revenue multiple of 0.40 based on 2025 forecasted revenues, less costs of disposal. This resulted in a recoverable amount of $1,043,635, exceeding the CGU carrying amount of $945,210. The revenue multiple used reflected current market assessments and the acquisition history of the Company. A 1% change in the revenue multiple is a difference of $10,436 and would not yield a different result. The Company recorded $nil impairment.

For the DMSI CGU, the recoverable amount is $12,658,493, the same as the fair value assessed as at June 4, 2024, the date of acquisition. The carrying amount as at December 31, 2024 is $11,820,659. The Company assessed qualitative and quantitative factors and did not identify any significant changes. No impairment was recognized.

At December 31, 2024, carrying amount of the goodwill allocated to the Tribe CGU is $187,807, the carrying amount of the goodwill allocated to the Meritus CGU is $787,203, and the carrying amount of the goodwill allocated to the DMSI CGU is $6,743,335.

During the year ended December 31, 2023, the Company added customer relationships through its acquisition of Warrington PCI Management for total consideration of $300,000. The Company paid $200,000 on the closing date of January 5, 2023, with $100,000 payable on the date that is thirteen months after the closing date, and up to $75,000 payable upon the future delivery of property management contracts related to buildings that are currently under development. The $75,000 payable related to buildings under development was not added to intangible assets and not accrued as there is no certainty that the property management contracts for the buildings under development will be signed. Based on revenue performance, the $100,000 payable was adjusted to $77,320 and paid during the year ended December 31, 2024.

During the year ended December 31, 2023, the Company added Customer Relationships of $197,670 and Goodwill of $787,203 through its acquisition of Meritus (Note 4).

On December 31, 2023, $170,000 was paid and added to intangible assets acquired under the Martello Property Services Inc acquisition, as the development of the buildings was completed and the Company signed the associated property management contracts.

During the year ended December 31, 2023, the Company sold customer relationships with a carrying value of $69,477, for consideration of $81,625.

During the year ended December 31, 2024, the Company sold customer relationships with a carrying value of $78,831, for consideration of $130,974.

During the year ended December 31, 2024, the Company added Customer relationships and Goodwill of $7,319,000 and $6,743,335 respectively through its acquisition of DMSI (Note 4).

9. DEFERRED REVENUE

Balance, December 31, 2022	$	134,306
Billings		441,646
Revenue recognized		(208,822)
Balance, December 31, 2023		367,130
Billings		110,670
Revenue recognized		(283,869)
Balance, December 31, 2024	$	193,931

(In Canadian dollars)

10. LOANS AND BORROWINGS

	December 31, 2024	December 31, 2023
Operating facility	$ 994,521	$ 1,699,308
M&A facility	10,025,332	1,514,167
Deferred financing costs	(74,574)	(174,006)
	$ 10,945,279	$ 3,039,469

Operating & M&A facilities

On October 5, 2023, the Company signed a definitive loan agreement with a Canadian Schedule A bank, providing a senior term loan facility (the "Facility") for up to $15 million. The Facility consists of:

a) A $3 million operating line to support the Company's working capital requirements; and
b) A mergers and acquisitions ("M&A") facility of $7 million with an additional accordion feature of $5 million.

The Company is subject to its assets as securities to the Facility, and is subject to certain covenants under the Facility.

The Company incurred $198,864 in closing costs, which are classified as deferred financing costs and amortized to the maturity date of the loan, on September 8, 2025.

The Facility has an interest rate of prime +2.65% per annum. The maturity date on the Facility is the two-year anniversary date of the closing date, which is September 8, 2025. The Facility is repayable on demand at any time, therefore the balance of the Facility is classified as short-term as at December 31, 2024.

For the year ended December 31, 2024, amortization of deferred financing costs is $99,432 (2023: $24,858), interest expense incurred from the Facility is $766,760 (2023: $41,002), and standby fees incurred from the Facility are $14,520 (2023: $10,554) (Note 6). On May 28, 2024, the Company renegotiated the credit terms such that the operating facility is up to $1 million and the M&A facility is up to $10 million.

On November 21, 2024 the Company renegotiated the terms of the agreement such that EBITDA and cash financial covenants have changed beginning in August 2024. As at December 31, 2024, the Company is in compliance with the financial covenants associated with the Facility. As at the reporting date of these financial statements, the Company is in compliance with the financial covenants associated with the Facility.

11. LEASES

The Company leases office space for its operations as well as computers and related equipment. The leased assets and liabilities were measured at the present value of the lease payments plus the anticipated exercise of renewal options, discounted using the incremental borrowing rate which was estimated to be between 10% and 13%.

The Company's lease liabilities are as follows:

	December 31, 2024	December 31, 2023
Current portion of lease obligations	$ 591,217	$ 470,684
Non-current portion of lease obligations	2,461,708	3,112,481
	$ 3,052,925	$ 3,583,165

(In Canadian dollars)

11. LEASES (continued)

The lease liability interest expense recognized in profit and loss and lease payments recognized in the financing component of statement of cash flows is as follows:

Balance, December 31, 2022	$	3,791,868
New leases (Note 7)		187,770
Leases acquired (Note 4)		100,149
Interest expense		368,918
Payments		(865,540)
Balance, December 31, 2023		3,583,165
New leases (Note 7)		98,007
Leases acquired (Note 4)		153,728
Interest expense		350,928
Allocation to accounts payable		(284,415)
Payments		(614,324)
Early termination		(234,164)
Balance, December 31, 2024	$	3,052,925

As at December 31, 2024, the Company is committed to minimum lease payments as follows:

		December 31, 2024
Less than one year	$	861,782
One to five years		2,528,502
More than five years		557,522
Total undiscounted lease liabilities	$	3,947,806

The Company did not designate any leases as low-value or short-term under IFRS 16.

12. NOTES PAYABLE

In connection with the acquisition of Gateway Property Management Corp. (“Gateway”), the Company owed a note payable of $9,000,000 plus a working capital payment of $1,000,000. The note payable bears interest at 5% per annum, which is accrued and paid monthly. Interest expense for the year ended December 31, 2024 is $122,533 (2023: $209,456). On September 20, 2023, the promissory note was amended and restated, with the principal repayable as follows:

- $5,000,000, plus accrued interest, paid on March 29, 2021;
- $1,000,000, plus accrued interest, paid on December 31, 2022;
- $1,000,000, plus accrued interest, paid on December 31, 2023;
- $500,000 payable on June 30, 2024 (amended on September 20, 2023); paid on June 21, 2024;
- $1,000,000 payable on December 31, 2024 (agreed with vendor to defer to April 30, 2025)
- The remaining principal and any accrued interest outstanding, on June 30, 2025 (amended on September 20, 2023).

The note payable has been recorded at its fair value, using a market discount rate of 7.5% per annum:

		December 31, 2024		December 31, 2023
Current portion of note payable	$	1,459,680	$	1,464,967
Non-current portion of note payable		-		459,680
Total note payable	$	1,459,680	$	1,924,647

In connection with the acquisition of Meritus, the Company owed a note payable of $300,000 less a working capital adjustment of $(35,578) (Note 4). The note payable bears interest at 7% per annum, which is accrued and paid monthly. Interest expense for the year ended December 31, 2024 is $33,507 (2023: $2,602). The principal is repayable as follows:

- $88,141 payable on November 30, 2024 (agreed with vendor to defer to April 30, 2025);
- $88,141 payable on November 30, 2025; and
- $88,141 payable on November 30, 2026.

(In Canadian dollars)

12. NOTES PAYABLE (continued)

The note payable has been recorded at its fair value of $240,148, using a market discount rate of 13% per annum. The market discount rate was determined by a professional valuator at the time of the Meritus acquisition.

	December 31, 2024	December 31, 2023
Current portion of note payable	$ 185,026	$ 76,423
Non-current portion of note payable	91,232	166,327
Total note payable	$ 276,258	$ 242,750

In connection with the acquisition of DMSI, the Company owed a note payable of $3,000,000 (Note 4). The note payable bears no interest. Interest expense for the year ended December 31, 2024 is $125,287 (2023: $nil). The principal is repayable in twelve quarterly payments of $250,000, beginning on September 4, 2024 and ending on June 4, 2027. The company made the following principal repayments:

- $250,000 principal repayment on September 4, 2024; and
- $250,000 principal repayment on December 4, 2024.

The note payable has been recorded at its fair value of $2,577,493, using a market discount rate of 10.0% per annum. The market rate discount rate was determined by a professional valuator at the time of the DMSI acquisition.

	December 31, 2024	December 31, 2023
Current portion of note payable	$ 807,793	$ -
Non-current portion of note payable	1,394,987	-
Total note payable	$ 2,202,780	$ -

13. SHARE CAPITAL

12.1 Authorized

Authorized, unlimited number of voting common shares without par value.

12.2 Issued common shares

On November 30, 2023, the Company issued 143,678 common shares with a fair value of $86,147 in connection with the acquisition of Meritus (Note 4).

On June 3, 2024, the Company completed a private placement equity financing in which the Company raised gross proceeds of $3,665,439 from the issuance of 7,048,922 units of the Company (each, a “Unit”) at a price of $0.52 per Unit. Each Unit consists of one common share and a half common share purchase warrant of the Company. Each warrant entitles the holder to acquire one common share at a price of $0.82 per common share, until June 3, 2029, subject to adjustment in certain events. No value was attributed to the Warrants under the residual value method. Total issuance costs incurred was $102,961 of which $5,820 was paid to agents.

On June 21, 2024, the Company completed a private placement equity financing under the Listed Issue Financing Exemption (“LIFE”), in which the Company raised gross proceeds of $2,510,400 from the issuance of 4,827,691 units of a Company (each, a “Unit”) at a price of $0.52 per Unit (Note 14). Each Unit consists of one common share and a half common share purchase warrant of the Company. Each warrant entitles the holder to acquire one common share at a price of $0.82 per common share, until June 21, 2029, subject to adjustment in certain events. $168,929 was attributed to the warrants under the residual value method. Total issuance costs incurred was $142,076, of which $74,616 was paid to agents. The Company issued to the agents 132,057 compensation warrants (each, a “Compensation Option”) at a price of $0.82 per Compensation Option, until June 21, 2029, subject to adjustment in certain events (Note 14). The Compensation Options were valued at $17,997 using the Black-Scholes-Merton pricing model, using an exercise price of $0.82, expected life of 5 years, volatility of 50%, and risk-free rate of 3.36% (Note 13).

(In Canadian dollars)

14. STOCK, COMPENSATION OPTIONS AND WARRANTS

The Company has a rolling stock option plan ("SOP") whereby a maximum of 10% of the issued and outstanding common shares of the Company may be reserved for issuance pursuant to the exercise of stock options. The terms of the granted stock options are fixed by the Board of Directors and are not to exceed ten years. The exercise price of stock options is determined by the Board of Directors.

Stock options granted under the SOP may vest immediately on grant, or over a period as determined by the Board of Directors, or in respect of stock options granted for investor relations services, as prescribed by the Exchange policy.

14.1 Employee Stock Options

There were no employee stock options granted during the year ended December 31, 2024.

Total stock-based compensation expense from employee stock options during the year ended December 31, 2024 was $119,576 (December 31, 2023 - $91,791) using the Black-Scholes-Merton option pricing model.

A continuity schedule of the Company's outstanding employee stock options for the years ended December 31, 2024 and December 31, 2023 is as follows:

	December 31, 2024		December 31, 2023	
	Number outstanding	Weighted average exercise price	Number outstanding	Weighted average exercise price
Outstanding, beginning	1,384,190	$ 2.70	1,182,550	$ 3.55
Granted	-	-	510,000	1.00
Forfeited	(143,569)	4.23	(322,560)	3.13
Expired	(59,401)	3.57	(21,800)	2.75
Outstanding, ending	1,145,220	$ 2.47	1,384,190	$ 2.70
Exercisable, ending	656,220	$ 3.21	617,923	$ 3.72

At December 31, 2024, the Company had outstanding employee stock options as follows:

Expiry date	Options outstanding	Options exercisable	Exercise price	Weighted average remaining contractual life (in years)
April 30, 2025	285,220	285,220	$ 2.75	0.33
January 31, 2026	200,000	160,000	$ 5.00	1.08
February 21, 2026	39,500	39,500	$ 5.00	1.14
December 31, 2026	45,000	33,750	$ 5.00	2.00
December 31, 2027	75,500	37,750	$ 1.55	3.00
December 31, 2031	500,000	100,000	$ 1.00	6.83
	1,145,220	656,220		3.57

14.2 Consultant Stock Options

There were no consultant stock options granted during the year ended December 31, 2024.

Total stock-based compensation expense from consultant stock options during year ended December 31, 2024, was $nil (December 31, 2023 - $nil) using the Black-Scholes-Merton option pricing model.

(In Canadian dollars)

14. STOCK, COMPENSATION OPTIONS AND WARRANTS (continued)

A continuity schedule of the Company's outstanding consultant stock options for the years ended December 31, 2024 and December 31, 2023 is as follows:

	December 31, 2024		December 31, 2023	
	Number outstanding	Weighted average exercise price	Number outstanding	Weighted average exercise price
Outstanding, beginning	-	$ -	70,000	$ 5.00
Expired	-	-	(70,000)	5.00
Outstanding, ending	-	$ -	-	$ -
Exercisable, ending	-	$ -	-	$ -

14.3 Broker Compensation Options

The Black-Scholes-Merton option pricing model inputs for broker compensation options granted during the year ended December 31, 2024, are as follows:

Grant Date	Expiry Date	Share Price at Grant Date	Exercise Price	Risk-Free Interest Rate	Expected Life (in years)	Volatility Factor	Dividend Yield	Fair Value
June 21, 2024	June 21, 2029	$0.45	$0.82	3.36%	5.0	50%	0%	$0.14

The broker compensation options were issued in connection with the LIFE financing on June 21, 2024 (Note 12). These compensation options were not issued out of the Company's SOP.

The risk-free interest rate is based on Canadian government bond rate for a similar term as the expected life of the stock options.

Total fair value of broker compensation options issued during the year ended December 31, 2024 was $17,997 (December 31, 2023 - $nil) using the Black-Scholes-Merton option pricing model (Note 13).

A continuity schedule of the Company's outstanding broker compensation options for the year ended December 31, 2024 and December 31, 2023 is as follows:

	December 31, 2024		December 31, 2023	
	Number outstanding	Weighted average exercise price	Number outstanding	Weighted average exercise price
Outstanding, beginning	299,248	$ 5.10	457,582	$ 5.07
Granted	132,057	0.82	-	-
Expired	-	-	(158,334)	5.00
Outstanding, ending	431,305	$ 3.79	299,248	$ 5.10
Exercisable, ending	431,305	$ 3.79	299,248	$ 5.10

(In Canadian dollars)

14. STOCK, COMPENSATION OPTIONS AND WARRANTS (continued)

At December 31, 2024, the Company had outstanding broker compensation options as follows:

Expiry date	Options outstanding	Options exercisable	Exercise price	Weighted average remaining contractual life (in years)
January 15, 2025	299,248	299,248	$ 5.10	0.04
June 21, 2029	132,057	132,057	$ 0.82	4.47
	431,305	431,305		1.40

14.4 Board Stock Options

There were no board stock options granted during the year ended December 31, 2024.

Total stock-based compensation expense from board stock options during the year ended December 31, 2024 was $6,114 (December 31, 2023 - $14,718) using the Black-Scholes-Merton option pricing model.

A continuity schedule of the Company's outstanding board stock options for the year ended December 31, 2024 and December 31, 2023 is as follows:

	December 31, 2024		December 31, 2023	
	Number outstanding	Weighted average exercise price	Number outstanding	Weighted average exercise price
Outstanding, beginning	125,900	$ 4.04	125,900	$ 4.04
Granted	-	-	-	-
Outstanding, ending	125,900	$ 4.04	125,900	$ 4.04
Exercisable, ending	108,400	$ 4.44	99,650	$ 4.70

At December 31, 2024, the Company had outstanding board stock options as follows:

Expiry date	Options outstanding	Options exercisable	Exercise price	Weighted average remaining contractual life (in years)
February 21, 2026	90,900	90,900	$ 5.00	1.14
December 31, 2027	35,000	17,500	$ 1.55	3.00
	125,900	108,400		1.66

14.5 Warrants

The Company issued common share purchase warrants in connection with the private placement financing and LIFE financing (Note 13) for the year ended December 31, 2024. Residual value of $168,969 was allocated to the warrants in connection with the LIFE financing.

A continuity schedule of the Company's outstanding common share purchase warrants for the year ended December 31, 2024 and December 31, 2023 is as follows:

(In Canadian dollars)

14. STOCK, COMPENSATION OPTIONS AND WARRANTS (continued)

	December 31, 2024			December 31, 2023		
	Number outstanding	Weighted average exercise price		Number outstanding	Weighted average exercise price	
Outstanding, beginning	5,250,000	$	5.10	5,250,000	$	5.10
Issued	5,938,307		0.82	-		-
Outstanding, ending	11,188,307	$	2.83	5,250,000	$	5.10

At December 31, 2024, the Company had outstanding common share purchase warrants exercisable as follows:

Expiry date	Warrants outstanding	Exercise price		Weighted average remaining contractual life (in years)
January 14, 2025	5,250,000	$	5.10	0.04
June 3, 2029	3,524,461	$	0.82	4.43
June 21, 2029	2,413,846	$	0.82	4.48
	11,188,307			2.38

15. INCOME TAXES

	For the year ended December 31, 2024		For the year ended December 31, 2023	
Income tax (recovery) expense:				
Current income tax expense (recovery)	$	307,168	$	(11,681)
Deferred income tax recovery		(98,355)		-
Total income tax recovery	$	208,813	$	(11,681)

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

	For the year ended December 31, 2024		For the year ended December 31, 2023	
Net loss before tax	$	(7,327,197)	$	(14,178,982)
Canadian federal and provincial statutory income tax rate		27.00%		27.00%
Income tax benefit based on Canadian statutory tax rates		(1,978,343)		(3,828,325)
Effects of the following:				
Non-deductible expenditures		273,712		133,829
Adjustment for prior year losses		18,510		(106,691)
Tax impact of intangible assets		(121,419)		(215,916)
Tax impact of leases		133,178		(9,050)
Share issuance costs		26,847		9,720
Goodwill impairment		-		1,356,750
Changes in unrecognized deferred tax assets		1,856,328		2,648,002
Income tax expense (recovery)	$	208,813	$	(11,681)

The Company had deductible temporary differences and unused tax losses for which no deferred tax assets have been recognized as follows:

(In Canadian dollars)

15. INCOME TAXES (continued)

		December 31, 2024		December 31, 2023
Non-capital loss carry-forwards	**$**	**12,048,007**	**$**	10,382,264
Capital losses carried forward		**268**		-
Share issuance costs		**164,431**		340,887
Capital assets		**1,215,052**		1,307,586
Intangible assets		**(2,745,921)**		(1,262,708)
Other items		**448,779**		448,779
Marketable securities		**(8,360)**		(20,184)
Unrecognized deferred income tax assets		**(11,122,256)**		(11,196,624)
Deferred income tax assets	**$**	**-**	**$**	**-**

The Company has the following deferred income tax liability related to its intangible assets (Note 8):

		December 31, 2024		December 31, 2023
Intangible assets	**$**	**2,745,921**	$	1,262,708
Offset with deferred income tax assets		**(4,706,921)**		(1,344,708)
Deferred income tax liability	**$**	**(1,961,000)**	$	(82,000)

The Company had Canadian non-capital losses at December 31, 2024 of $44,206,495 (2023 - $38,374,326) which expire between 2025 to 2044, and SR&ED income tax credits of approximately 1.6 million (2023 – $1.6 million).

16. FINANCIAL INSTRUMENTS

16.1 Categories of financial instruments and fair value measurements

The Company's financial assets and liabilities are classified as follows:

	Level		December 31, 2024		December 31, 2023
Financial assets:					
Fair value through profit and loss					
Cash	1	$	1,819,520	$	1,324,101
Investments	1		91,922		74,011
Amortized cost					
Accounts receivable, net of allowance for doubtful accounts	2		2,731,134		1,528,151
Financial liabilities:					
Financial liabilities at amortized cost					
Accounts payable	2	$	3,657,621	$	817,115
Operating and M&A facilities	2		10,945,279		3,039,469
Notes payable	2		3,938,718		2,167,397

16.2 Fair value information

The fair values of the Company's financial instruments approximate their carrying amounts due to the short-term nature of these instruments.

IFRS 13 *Fair Value Measurement* establishes a fair value hierarchy that reflects the significance of inputs used in measuring fair value as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

(In Canadian dollars)

16. FINANCIAL INSTRUMENTS (continued)

- 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
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

16.3 Management of financial risks

There were no transfers between levels of the fair value hierarchy during the year ended December 31, 2024 and 2023. As at December 31, 2024 and December 31, 2023, the Company's cash and investments were valued using Level 1 inputs of the fair value hierarchy.

The following is an analysis of the contractual maturities of the Company's financial liabilities as at December 31, 2024:

	Within 12 months	After 12 months
Accounts payable and accrued liabilities	$ 5,437,431	$ -
Note payable	2,452,499	1,486,219
Operating and M&A facilities	10,945,279	-
Total	**$ 18,835,209**	**$ 1,486,219**

The undiscounted note payable contractual maturities are $2,676,281 within 12 months and $1,588,141 after 12 months, respectively.

The Company's financial instruments expose the Company to certain financial risks, including credit risk, liquidity risk, interest rate risk and foreign currency risk.

Credit risk

Credit risk arises from the potential that a counterparty will fail to perform its obligations. The Company has a significant number of customers which minimizes concentration of credit risk. The Company is exposed to credit risk from customers. In order to reduce its credit risk, the Company deals only with financially sound counterparties and, accordingly, does not anticipate loss for non-performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. Over 85% of accounts receivable is current. The amounts disclosed in the balance sheet represent the maximum credit risks. Credit risk that arises from accounts receivable is considered low. The Company's cash is also exposed to credit risk. Cash is held with a major financial institution, consequently, the risk is assessed as low.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rates on its loans and borrowings, and notes payable are fixed, with the exception of the operating and M&A loans (Note 10), which have a variable interest rate. Management monitors its interest rates compared to market rates on a regular basis. The Company does not use derivative instruments to reduce its exposure to interest rate risk. Accordingly, interest rate risk is assessed as low.

Currency risk

Currency risk is the risk that the Company's financial instruments value will vary from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company has not entered into any forward currency contracts or other financial derivatives to hedge foreign exchange risk. The Company is exposed to limited foreign currency transactions and has assessed the currency risk as low.

Liquidity risk

The Company's objective is to have sufficient liquidity to meet its liabilities when they become due. The Company monitors its cash balances and cash flows generated from operations to meet its requirements. As at December 31, 2024, the most significant financial liabilities are its accounts payables, loans and borrowings, and notes payable. As at December 31, 2024, the Company assessed liquidity risk as high.

(In Canadian dollars)

17. SEGMENTED INFORMATION

Management determined the Company's operating segments based on information reviewed by the Company's chief operating decision-maker, which consists of the Chief Executive Officer and the leadership team; largely on the basis of services offered and the classes of customers served.

For the current year, the Company has two operating segments: (1) software and services and (2) corporate. The previous software licensing fees segment was integrated into the software and services segment, as it is not a significant separate operating segment. Software and services refers to the property management business associated with the Company's community-living technology platform. The Company's corporate segment refers to the strategic and operational leadership of management, and shared corporate services to the group through the Company's head office operations. Financial performance and balances by segment are as follows:

	Software and Services	Corporate	Total
For the year ended December 31, 2024			
Revenue	$ 28,257,929	$ -	$ 28,257,929
Expenses	30,352,098	5,233,028	35,585,126
Net loss	$ (2,094,169)	$ (5,233,028)	$ (7,327,197)
For the year ended December 31, 2023			
Revenue	$ 19,140,436	$ 248,027	$ 19,388,463
Expenses	30,166,848	3,400,597	33,567,445
Net loss	$ (11,026,412)	$ (3,152,570)	$ (14,178,982)
As at December 31, 2024			
Assets	$ 27,645,631	$ 74,574	$ 27,720,205
Liabilities	14,509,431	11,019,853	25,529,284
Property and equipment	2,808,801	-	2,808,801
Intangible assets	12,408,725	-	12,408,725
As at December 31, 2023			
Assets	$ 14,224,211	$ 174,006	$ 14,398,217
Liabilities	7,514,303	3,213,475	10,727,778
Property and equipment	3,557,628	-	3,557,628
Intangible assets	6,816,086	-	6,816,086

(In Canadian dollars)

18. RELATED PARTY TRANSACTIONS

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's Board of Directors and members of the executive team.

In the normal course of business, the Company enters into transactions with its related parties that are considered to be arm's length transactions and made at normal market prices and on normal commercial terms.

a) Key management compensation was as follows:

	For the years ended	
	December 31, 2024	**December 31, 2023**
Salaries	$ 1,025,263	$ 980,301
Board of Directors' fees	197,584	191,063
Short-term benefits	38,505	25,140
Stock-based compensation	125,690	40,107
	$ 1,387,042	$ 1,236,611

b) During the year ended December 31, 2024, the Company made lease payments for office space of $272,885 to a company affiliated with a member of the executive team. As at December 31, 2024, the Company owed $264,810 of lease payments (Note 21). As at December 31, 2024, the office leases have an average remaining term of 6 years, and the minimum remaining lease payments total $3,174,462. For the same period in 2023, the Company paid $500,180 for the same purpose.

c) During the year ended December 31, 2024, the Company made lease payments for office space of $200,029 to a company affiliated with a member of the Board of Directors. As at December 31, 2024, the office lease has a remaining term of 2.5 years, and the minimum remaining base lease payments total $269,765. For the same period in 2023, the Company paid $180,960 for the same purpose.

19. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to ensure that there are adequate capital resources to safeguard the Company's ability to execute on its strategic operating plan, continue as a going concern and to maximize its financial flexibility by maintaining strong liquidity and by utilizing alternative sources of capital including equity, debt and bank loans or lines of credit to fund continued growth. In the management of capital, the Company includes the components of shareholders' equity and short-term liabilities, as well as cash. The Company sets the amount of capital in proportion to risk and based on the availability of funding sources. The Company manages its capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. Additional debt and/or equity financing may be pursued in the future as deemed appropriate to balance debt and equity. To maintain or adjust the capital structure, the Company may issue new shares, take on additional debt or sell assets to reduce debt. The Company is not subject to any externally imposed capital requirements and the Company does not pay out dividends. There were no changes in the Company's approach to capital management during the period.

20. ACCOUNTS RECEIVABLE

The balance of accounts receivable is comprised of the following:

	December 31, 2024	**December 31, 2023**
Accounts receivable, net of allowance for doubtful accounts	$ 2,275,625	$ 1,094,979
Other receivables	455,510	433,172
	$ 2,731,134	$ 1,528,151

(In Canadian dollars)

20. ACCOUNTS RECEIVABLE (continued)

As at December 31, 2024, an allowance for doubtful accounts of $127,024 (December 31, 2023 - $48,929) has been provided for balances over 90 days, applying a 20% allowance to accounts between 91-360 days, and applying a 100% allowance to accounts over 360 days.

21. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2024	December 31, 2023
Accounts payable	$ 3,657,621	$ 817,115
Accrued liabilities	1,779,810	671,502
	$ 5,437,431	$ 1,488,617

Included in accounts payable is $284,415 of lease liabilities (Note 11).

22. SUBSEQUENT EVENT

On March 31, 2025, the Company announced that it closed a private placement equity financing in which we raised $1,087,882 from the sale of 2,092,081 units of the Company at a price of $0.52 per unit. Each unit consisted of one common share of the Company and one-half of one common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one common share at a price of $0.82 per common share, until March 28, 2030, subject to adjustment in certain events.