

**DARELLE ONLINE SOLUTIONS INC.**  
**UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
(Expressed in Canadian dollars)  
For the periods ended November 30, 2025 and 2024

**NOTICE OF NO AUDITORS' REVIEW OF  
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

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Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the condensed consolidated financial statements.

The accompanying unaudited condensed interim consolidated financial statements of Darelle Online Solutions Inc. (the "Company") have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada ("CPA Canada") for a review of interim financial statements by an entity's auditor.

The Financial Statements should be read in conjunction with the Company's audited financial statements for the year ended August 31, 2025 which are available under the Company's profile on SEDAR at <https://www.sedarplus.ca/darelle>. The Financial Statements are prepared in accordance with International Financial Reporting Standards ("IRFS").

**DARELLE ONLINE SOLUTIONS INC.**  
**Condensed Interim Consolidated Statements of Financial Position**  
**(Unaudited)**  
**(Expressed in Canadian dollars)**

<b>As at</b>	<b>November 30, 2025</b>	<b>August 31, 2025</b>
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 129,609	\$ 244,341
Accounts receivable and other receivables (note 6)	17,970	7,990
<b>Total assets</b>	<b>\$ 147,579</b>	<b>\$ 252,331</b>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (note 6)	\$ 89,238	\$ 50,549
Due to related parties (note 5)	49,500	49,500
	138,738	100,049
<b>Non-Current Liabilities</b>		
Forborne accounts payable	533,356	425,043
Forborne amount due to related parties	495,380	690,268
Promissory notes payable	44,369	43,327
	1,073,105	1,158,638
<b>Total liabilities</b>	<b>1,211,843</b>	<b>1,258,687</b>
<b>Shareholders' Deficiency</b>		
Share capital (note 4)	6,109,073	6,109,074
Reserves (note )	2,117,615	2,117,615
Deficit	(9,290,952)	(9,233,045)
<b>Total shareholders' deficiency</b>	<b>(1,064,264)</b>	<b>(1,006,356)</b>
<b>Total liabilities and shareholders' deficiency</b>	<b>\$ 147,579</b>	<b>\$ 252,331</b>

Nature of operations and going concern (note 1)

Approved on behalf of the Board of Directors:

....."Dean Bethune".....Director

....."John Newman"..... Director

**DARELLE ONLINE SOLUTIONS INC.****Condensed Interim Consolidated Statements of Comprehensive Loss  
(Unaudited)**

(Expressed in Canadian dollars)

<b>For the periods ended</b>	<b>Three months ended November 30, 2025</b>	<b>Three months ended November 30, 2024</b>
<b>Revenue</b>	\$ 9,956	\$ 20,064
<b>Expenses</b>		
Consulting fees	3,675	2,450
General and administrative	10,547	7,608
Management fees (note 5)	14,250	30,000
Professional fees	9,439	11,361
Transfer agent & filing fees	4,028	2,328
Travel	-	349
Total operating expense	41,939	54,096
<b>Loss from operations</b>	(31,983)	(34,032)
<b>Other income/(loss)</b>		
Other income (loss)		
Accretion	(25,924)	-
<b>Other income/(expense)</b>	(25,924)	-
<b>Net loss and comprehensive loss</b>	\$ (57,907)	\$ (34,032)
<b>Basic and diluted loss per share</b>	\$ (0.01)	\$ (0.01)
<b>Weighted average number of shares outstanding – basic and diluted</b>	7,841,189	2,456,939

**DARELLE ONLINE SOLUTIONS INC.**

**Condensed Interim Consolidated Statement of Changes in Shareholders' Deficiency  
(Unaudited)**

(Expressed in Canadian dollars)

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	<u>Share Capital</u>				
	Number of Shares	Amount	Reserves	Deficit	Total
Balance, August 31, 2025	7,841,189	\$ 6,109,073	\$ 2,117,615	\$ (9,233,045)	\$ (1,006,356)
Loss for the period	-	-	-	(57,907)	(57,907)
Balance, November 30, 2025	7,841,189	\$ 6,109,073	\$ 2,117,615	\$ (9,290,952)	\$ (1,064,264)
Balance, August 31, 2024	2,456,939	\$ 5,886,871	\$ 1,713,145	\$ (8,936,161)	\$ (1,336,145)
Loss for the period	-	-	-	(34,032)	(34,032)
Balance, November 30, 2024	2,456,939	\$ 5,886,871	\$ 1,716,145	\$ (8,970,193)	\$ (1,370,177)

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## DARELLE ONLINE SOLUTIONS INC.

### Condensed Interim Consolidated Statement of Cash Flows (Unaudited)

(Expressed in Canadian dollars)

For the periods ended	November 30, 2025	November 30, 2024
<b>Operating Activities</b>		
Net loss for the period	\$ (57,907)	\$ (34,032)
<b>Adjustment for items not affecting cash:</b>		
Accretion	25,924	-
Interest expense	1,042	-
<b>Changes in non-cash working capital items:</b>		
Accounts payable and accrued liabilities	38,689	(22,303)
Due to related parties	-	30,000
Accounts and other receivables	(9,980)	(3,118)
<b>Total cash used in operating activities</b>	<b>(2,232)</b>	<b>(29,453)</b>
<b>Financing Activities</b>		
Repayment of forborne amounts payable	(112,500)	-
Proceeds of promissory notes	-	40,000
<b>Total cash provided by financing activities</b>	<b>(112,500)</b>	<b>40,000</b>
<b>Increase (decrease) in cash</b>	<b>(114,732)</b>	<b>10,547</b>
<b>Cash at beginning of year</b>	<b>244,341</b>	<b>3,438</b>
<b>Cash at end of period</b>	<b>\$ 129,609</b>	<b>\$ 13,985</b>
<i>Supplemental cash flow information – significant non-cash</i>		
Reclass under debt assignment agreement	139,763	

## **DARELLE ONLINE SOLUTIONS INC.**

### **Notes to Interim Condensed Consolidated Financial Statements For the three-month periods ended November 30, 2025 and 2024 (Unaudited)**

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#### **1. NATURE OF OPERATIONS AND GOING CONCERN**

Darelle Online Solutions Inc. (the “Company”) was incorporated in Vancouver, British Columbia on February 11, 2005. The Company’s shares are listed on the TSX Venture Exchange under the symbol “DAR”. The registered office of the Company is located at 4610 Sheridan Ridge Road, Nanaimo, British Columbia, Canada, V9T 6S6.

The Company provides an online raffle lottery system to charities. The online raffle program enables charitable nonprofit organizations to create, sell, deliver, and manage their raffle ticket and 50/50 draws completely online.

The unaudited condensed consolidated interim financial statements have been prepared on the basis that the Company is a going concern, meaning it will continue operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

As at November 30, 2025, the Company had not achieved profitable operations and has a cumulative deficit of \$9,290,952 (August 31, 2025 - \$9,233,045). While revenue continues to be generated from operating activities, it has declined period over period and remains insufficient to cover operating costs. The Company continues to incur operating losses and relies on external financing to fund its activities.

The Company’s ability to continue as a going concern is dependent on its ability to secure additional financing, maintain creditor support, and ultimately achieve profitable operations. These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern.

These condensed consolidated financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Such adjustments may be material.

#### **2. MATERIAL ACCOUNTING POLICY INFORMATION**

##### **Basis of preparation**

The interim condensed consolidated financial statements as at and for the three months ended November 30, 2025 have been prepared in accordance with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting* (“IAS 34”) and do not include all the information required for annual financial statements. These interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended August 31, 2025.

The interim condensed interim consolidated financial statements were approved by the Company’s Board of Directors on January 28, 2026.

## **DARELLE ONLINE SOLUTIONS INC.**

### **Notes to Interim Condensed Consolidated Financial Statements For the three-month periods ended November 30, 2025 and 2024 (Unaudited)**

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#### **2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

##### **Use of Estimates and Judgments**

The preparation of these unaudited condensed interim consolidated financial statements in accordance with IFRS requires management to make certain estimates, judgements and assumptions that affect the reported amounts of assets and liabilities and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based upon future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based upon historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgments include the following:

- Assessment of whether the going concern assumption is appropriate which requires management to take into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period; and
- The determination of the allowance for expected credit loss on the financial assets such as account and other receivable.

##### **Material Accounting Policies**

These unaudited condensed interim consolidated financial statements follow the same accounting policies and methods of application as the annual audited consolidated financial statements for the year ended August 31, 2025.

#### **3. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS**

The Company's financial instruments consist of cash, trade receivable, accounts payable and accrued liabilities, due to related party, and loan payable. The carrying values of the financial instruments approximate fair value due to the short-term nature of these instruments. Fair value of financial assets and liabilities, information related to risk management positions and discussion of risks associated with financial assets are presented as follows:

##### **Fair value**

IFRS 13 establishes a fair value hierarchy that effects the significance of inputs used in making fair value measurements as follows:

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

## DARELLE ONLINE SOLUTIONS INC.

### Notes to Interim Condensed Consolidated Financial Statements For the three-month periods ended November 30, 2025 and 2024 (Unaudited)

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#### 3. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

As of November 30, 2025, the carrying value of the Company's financial instruments approximates their fair value due to their short terms to maturity. The fair value of cash was determined using level 1 inputs.

##### **Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. The Company's primary exposure to credit risk is in its cash accounts and trade receivable. The Company manages credit risk, in respect of cash, by placing cash at major Canadian financial institutions. Accounts receivable mainly consists of receivables from its customers.

##### **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in satisfying its financial obligations as they become due. The Company attempts to ensure that there is sufficient cash to meet its liabilities when they are due and manages this risk by regularly evaluating its liquid financial resources to fund current and long-term obligations and to meet any capital commitments in a cost-effective manner. The key to success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases. The Company's liquidity requirements are met through a variety of sources, including debt financings and equity capital markets.

##### **Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings in financial instruments. The object off market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on capital. As at November 30, 2025, the Company is not exposed to significant market risk.

#### 4. SHARE CAPITAL

##### *Common shares*

Authorized – The Company is authorized to issue an unlimited number of common shares without par value

*For the three-month period ended November 30, 2025:*

No capital activity during the period ended November 30, 2025.

*For the three-month period ended November 30, 2024:*

No capital activity during the period ended November 30, 2024.

## DARELLE ONLINE SOLUTIONS INC.

### Notes to Interim Condensed Consolidated Financial Statements For the three-month periods ended November 30, 2025 and 2024 (Unaudited)

#### 5. RELATED PARTY TRANSACTIONS

These transactions were in the normal course of operations and were valued in these consolidated financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

<b>Key Management Personnel</b>	<b>Three Month Period Ended November 30, 2025</b>	<b>Three Month Period Ended November 30, 2024</b>
Management fees	\$ 14,250	\$ 30,000
	<b>\$ 14,250</b>	<b>\$ 30,000</b>

- During the three months ended November 30, 2025, management services were provided to the Company by a company controlled by an officer of the Company. Fees are charged based on services rendered. Management fees of \$14,250 were recognized during the period (2024 - \$30,000). As at November 30, 2025, amounts payable to the related party totaled \$544,880 (August 31, 2025 - \$843,684).
- During the three months ended November 30, 2025, repayments were made on forbore amounts payable to a related party, and portions of the outstanding balance were assigned to third parties. The assignments did not modify the terms of the underlying obligations.
- As disclosed in the Company's audited consolidated financial statements for the year ended August 31, 2025, the Company entered into a forbearance agreement with a related party on February 14, 2025. The forbearance remains in effect during the current interim period, and the related liability continues to be accounted for at amortized cost using the effective interest method.
- At November 30, 2025, the Company has a balance of \$11,092 (August 31, 2025 \$10,866) related to the issuance of a promissory note to a related party. The unsecured note carries a principal balance of \$10,000, bears interest of 10% per annum, and is due on October 29, 2026. During the period ended November 30, 2025, \$260 (2025 - \$84) was accrued on the related-party promissory note.

#### 6. FINANCIAL INSTRUMENTS

The carrying amounts present in the consolidated statements of financial position relate to the following categories of assets and liabilities:

	<b>November 30, 2025</b>	<b>August 31, 2025</b>
<b>Financial assets</b>		
Cash	\$ 129,609	\$ 244,341
Accounts receivable and other receivables, excluding GST recoverable	11,508	2,792
	<b>\$ 141,117</b>	<b>\$ 247,133</b>

**DARELLE ONLINE SOLUTIONS INC.**

**Notes to Interim Condensed Consolidated Financial Statements  
For the three-month periods ended November 30, 2025 and 2024  
(Unaudited)**

**6. FINANCIAL INSTRUMENTS (continued)**

	November 30, 2025	August 31, 2025
<b>Financial liabilities</b>		
Accounts payable and accrued liabilities	\$ 89,238	\$ 50,549
Due to related parties	49,500	49,500
Promissory notes payable	44,369	43,327
Forborne accounts payable	533,356	425,043
Forborne amounts due to related parties	495,380	690,268
	<b>\$ 1,211,843</b>	<b>\$ 1,258,687</b>

The fair value of cash, prepaid expenses, accounts receivable, accounts payable and accrued liabilities approximate their varying amount due to their short-term nature.

Accounts and other receivables is comprised of the following:

	November 30, 2025	August 31, 2025
Trade receivables	\$ 11,508	\$ 2,792
Allowance for doubtful debts	-	-
Net trade receivables	11,508	2,792
GST recoverable	6,462	5,198
	<b>\$ 17,970</b>	<b>\$ 7,990</b>

The Company's trade receivables are monitored on an ongoing basis for impairment.

An analysis of the age of receivables is as follows:

	November 30, 2025	August 31, 2025
31 – 60 days	\$ -	\$ -
61 – 90 days	-	-
Greater than 90 days	1,053	528
Balance past due	1,053	528
Current balance	10,455	2,264
Trade accounts receivable	<b>\$ 11,508</b>	<b>\$ 2,792</b>

The Company's contractual liabilities and obligations are as follows:

	<1 year	1 to 3 years	4 to 5 years	>5 years	Total
Accounts payable and accrued liabilities	\$ 89,238	-	-	-	\$ 89,238
Due to related party	49,500	-	-	-	49,500
Promissory notes payable	-	44,369	-	-	44,369
Forborne accounts payable	-	533,356	-	-	533,356
Forborne amount due to related party	-	495,380	-	-	495,380
<b>Balance November 30, 2025</b>	<b>\$ 138,738</b>	<b>\$ 1,073,105</b>	<b>-</b>	<b>-</b>	<b>\$ 1,211,843</b>

## DARELLE ONLINE SOLUTIONS INC.

### Notes to Interim Condensed Consolidated Financial Statements For the three-month periods ended November 30, 2025 and 2024 (Unaudited)

#### 6. FINANCIAL INSTRUMENTS (continued)

	<1 year	1 to 3 years	4 to 5 years	>5 years	Total
Accounts payable and accrued liabilities	\$ 50,549	-	-	-	\$ 50,549
Due to related party	49,500				49,500
Promissory notes payable	-	43,327			43,327
Forborne accounts payable	-	425,043			425,043
Forborne amount due to related party	-	690,268			690,268
<b>Balance August 31, 2025</b>	<b>\$ 100,049</b>	<b>\$ 1,158,638</b>	<b>-</b>	<b>-</b>	<b>\$ 1,258,687</b>

#### 7. CAPITAL MANAGEMENT

The Company defines its capital as follows:

- shareholders' equity, comprising of issued common shares, reserves, and deficit;
- long term debt, including any current portion; and
- short term borrowing

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, debt and cash. There were no changes in the Company's approach to capital management during the period. The Company is not subject to any externally imposed capital requirements