



## **IMPERIAL GINSENG PRODUCTS LTD.**

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
(Unaudited)

Three Months Ended September 30, 2025 and 2024

## **Unaudited Interim Financial Statements**

In accordance with National Instrument 51-102, Part 4, subsection 4.3 (3)(a), the Company discloses that its auditors have not performed a review of these condensed consolidated interim financial statements. The accompanying unaudited condensed consolidated interim financial statements have been prepared by and are the responsibility of the Company's management.

**Imperial Ginseng Products Ltd.**  
**Consolidated Statements of Financial Position**  
(Unaudited - Expressed in Canadian Dollars)

| As at   | Note | September 30<br>2025 | June 30<br>2025   |
|---|------|----------------------|-------------------|
| <b>ASSETS</b>                                     |      |                      |                   |
| <b>Current</b>                                    |      |                      |                   |
| Cash and cash equivalents                         |      | \$ 132,718           | \$ 119,030        |
| Receivables                                       | 6    | 81,982               | 98,504            |
| Prepaid Expense                                   |      | -                    | 912               |
| <b>Total current assets</b>                       |      | <b>214,700</b>       | <b>218,446</b>    |
| <b>Total Assets</b>                               |      | <b>\$ 214,700</b>    | <b>\$ 218,446</b> |
| <b>LIABILITIES</b>                                |      |                      |                   |
| <b>Current</b>                                    |      |                      |                   |
| Accounts payable and accrued liabilities          |      | \$ 84,201            | \$ 66,092         |
| <b>Total liabilities</b>                          |      | <b>84,201</b>        | <b>66,092</b>     |
| <b>SHAREHOLDERS' EQUITY</b>                       |      |                      |                   |
| Share capital                                     | 7    | 17,721,092           | 17,721,092        |
| Contributed surplus                               |      | 1,344,158            | 1,344,158         |
| Deficit   |      | (18,934,751)         | (18,912,896)      |
| <b>Total shareholders' equity</b>                 |      | <b>130,499</b>       | <b>152,354</b>    |
| <b>Total Liabilities and Shareholders' Equity</b> |      | <b>\$ 214,700</b>    | <b>\$ 218,446</b> |

On Behalf of the Board

*"Stephen McCoach"*

Director, Stephen McCoach

*"Maurice Levesque"*

Director, Maurice Levesque

The accompanying notes to the consolidated financial statements are an integral part of these statements.

**Imperial Ginseng Products Ltd.**  
**Consolidated Statements of Comprehensive Loss**  
(Unaudited - Expressed in Canadian Dollars)

| <b>For the three months ended September 30,</b>             | <b>Note</b> | <b>2025</b>        | <b>2024</b>        |
|---|-------------|--------------------|--------------------|
| Administrative expenses                                     | 8           | \$ (22,422)        | \$ (79,544)        |
| <b>Loss from operations before other items</b>              |             | <b>(22,422)</b>    | <b>(79,544)</b>    |
| <b>Other items</b>  |             |                    |                    |
| Finance income  |             | 568                | 3,390              |
| Loss before income taxes                                    |             | (21,854)           | (76,154)           |
| Income tax (recovery)/expense                               |             | -                  | (15,287)           |
| <b>Net loss and total comprehensive loss for the period</b> |             | <b>\$ (21,854)</b> | <b>\$ (60,867)</b> |
| <b>Weighted average number of shares outstanding</b>        |             | <b>7,652,547</b>   | <b>7,652,547</b>   |
| <b>Loss per share, basic and diluted</b>                    | 10          | <b>\$ (0.00)</b>   | <b>\$ (0.01)</b>   |

The accompanying notes to the consolidated financial statements are an integral part of these statements.

**Imperial Ginseng Products Ltd.**  
**Consolidated Statements of Changes in Equity**  
(Unaudited - Expressed in Canadian Dollars)

| Three-Month Period Ended September 30, 2025    |                     |                     |                       |                          |
|--|---------------------|---------------------|-----------------------|--------------------------|
|  | Share capital       | Contributed Surplus | Deficit               | Total Shareholder Equity |
| <b>Balance at June 30, 2025</b>                | <b>\$17,721,092</b> | <b>\$1,344,158</b>  | <b>\$(18,912,896)</b> | <b>\$152,354</b>         |
| Elimination of subsidiaries loss               |                     | -                   | (1)                   | (1)                      |
| Net loss and comprehensive loss for the period | -                   | -                   | (21,854)              | (21,854)                 |
| <b>Balance at September 30, 2025</b>           | <b>\$17,721,092</b> | <b>\$1,344,158</b>  | <b>\$(18,934,751)</b> | <b>\$130,499</b>         |

| Three-Month Period Ended September 30, 2024    |                     |                     |                       |                          |
|--|---------------------|---------------------|-----------------------|--------------------------|
|  | Share capital       | Contributed Surplus | Deficit               | Total Shareholder Equity |
| <b>Balance at June 30, 2024</b>                | <b>\$17,721,092</b> | <b>\$1,344,158</b>  | <b>\$(18,739,303)</b> | <b>\$325,947</b>         |
| Net loss and comprehensive loss for the period | -                   | -                   | (60,867)              | (60,867)                 |
| <b>Balance at September 30, 2024</b>           | <b>\$17,721,092</b> | <b>\$1,344,158</b>  | <b>\$(18,800,170)</b> | <b>\$265,080</b>         |

The accompanying notes to the consolidated financial statements are an integral part of these statements.

**Imperial Ginseng Products Ltd.**  
**Consolidated Statements of Cash Flows**  
(Unaudited - Expressed in Canadian Dollars)

| <b>For the three months ended September 30,</b>          | <b>2025</b>       | <b>2024</b>       |
|--|-------------------|-------------------|
| <b>Cash provided by (used in) operating activities:</b>  |                   |                   |
| Net loss   | \$ (21,854)       | \$ (60,867)       |
| Changes in non-cash working capital items:               |                   |                   |
| Receivables  | 16,521            | (4,472)           |
| Accounts payable and accrued liabilities                 | 18,109            | (1,050)           |
| Prepaid Expense  | 912               | (5,064)           |
| Income tax payable                                       | -                 | (15,287)          |
| <b>Net cash used in operating activities</b>             | <b>13,688</b>     | <b>(86,740)</b>   |
| Increase in cash and cash equivalents                    | 13,688            | (86,740)          |
| Cash and cash equivalents, beginning of the period       | 119,030           | 361,163           |
| <b>Cash and cash equivalents, end of the period</b>      | <b>\$ 132,718</b> | <b>\$ 274,423</b> |
| <b>Supplemental disclosure of cash flow information:</b> |                   |                   |
| Income taxes paid  | \$ -              | \$ -              |

The accompanying notes to the consolidated financial statements are an integral part of these statements.

# Imperial Ginseng Products Ltd.

## Notes to Condensed Interim Financial Statements

### For the Three Months Ended September 30, 2025 and 2024

#### (Unaudited - Expressed in Canadian Dollars)

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#### 1. Nature of operations and going concern

Imperial Ginseng Products Ltd. (the "Company") was incorporated under the laws of the province of British Columbia in 1989. The Company's common shares ("Common Shares") are listed on the TSX Venture Exchange ("TSXV") under the stock symbol "IGP". The head office and principal address of the Company is Suite 702, 1030 West Georgia Street, Vancouver, British Columbia, Canada V6E 2Y3.

Until the year ended June 30, 2023, the Company's principal business was cultivating and processing North American ginseng in Ontario and selling the dried ginseng to wholesalers in China. As disclosed in the audited annual financial statements for the prior year, after the Company completed the final harvest in the fall of 2022, it proceeded with the wind up of its farm operation, which was approved by shareholders at a special meeting held on August 15, 2023. With the completion of the wind up of the farm operation, the board of directors of the Company (the "Board") decided that rather than dissolving the Company, it will preserve the value of the Company as a publicly traded corporation by maintaining it until a viable business alternative is identified.

In December 2023, the Company received TSXV's approval of a cash distribution to shareholders of the Company. On December 20, 2023, the Board declared a cash distribution of \$2.25 per Common Share to the holders of record on January 12, 2024, which was settled on January 26, 2024.

On September 11, 2024, the Company announced that it has entered into a definitive merger agreement (the "Merger Agreement") dated September 11, 2024, with One Bullion Ltd. ("One Bullion"), a private arm's length Ontario incorporated gold exploration company headquartered in Toronto, Ontario with projects located in Botswana. Pursuant to the Merger Agreement, the Company will acquire all the issued and outstanding common shares of One Bullion (the "Transaction") and in connection with the Transaction, One Bullion intends to complete a concurrent financing to raise minimum gross proceeds of \$5,000,000 and a maximum of \$10,000,000 (the "Concurrent Financing").

The Transaction is subject to the approval of the TSX Venture Exchange (the "TSXV") and is intended to constitute a reverse takeover of the Company by One Bullion as defined in TSXV Policy 5.2 – Change of Business and Reverse Takeovers. The combined company that will result from the completion of the Transaction (thereafter referred to as the "Resulting Issuer") will be renamed to a name as agreed to by One Bullion (the "Name Change"). Subject to TSXV approval, the common shares of the Resulting Issuer will trade on the TSXV under a new trading symbol to be determined by the parties and the Resulting Issuer will seek to be listed as a Tier 2 mining issuer.

The Transaction is an Arm's Length Transaction (as such term is defined in TSXV Policy 1.1 – Interpretation) and, in connection with the announcement of the Transaction, trading in the common shares of the Company (the "Imperial Shares") has been halted and is expected to remain halted until the closing of the Transaction.

These consolidated interim financial statements are prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. As at September 30, 2025, the Company incurred a net loss of \$21,854, and as of that date, had a working capital of \$130,499 and an accumulated deficit of \$18,934,751.

The continued operations of the Company are dependent on its ability to complete its reverse takeover transaction with One Bullion, including the related concurrent financing. There can be no assurance the Company will be successful in achieving these goals and, accordingly, a material uncertainty exists that casts significant doubt on the Company's ability to continue as a going concern.

Imperial Ginseng Products Ltd.  
Notes to Condensed Interim Financial Statements  
For the Three Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

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**2. Basis of preparation**

(a) Statement of compliance

These condensed consolidated interim financial statements, including comparatives, are prepared in accordance with following the measurement, recognition and disclosure requirements of IFRS Accounting Standards (IFRS) as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee applicable to the preparation of interim financial statements including International Accounting Standard 34 Interim Financial Reporting.

These condensed consolidated interim financial statements follow the same accounting policies and methods of application as the Company's most recent annual financial statements but do not contain all of the information required for full annual financial statements. Accordingly, these condensed consolidated interim financial statements should be read in conjunction with the Company's annual financial statements for the years ended June 30, 2025 and 2024 (the "Annual Financial Statements").

These condensed consolidated interim financial statements were reviewed by the Audit Committee and approved and authorized for issuance by the Board on November 14, 2025.

b) Basis of consolidation

These consolidated interim financial statements include the accounts of Imperial Ginseng Products Ltd. and the following wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated on consolidation.

(i) Canadian Imperial Ginseng Ontario Ltd. ("CIGO"), a wholly owned subsidiary through which the Company carried out the farming of ginseng. CIGO was dissolved on September 30, 2023.

(ii) Imperial AcquisitionCo was incorporated pursuant to the provisions of the OBCA under the name 1000975360 Ontario Inc. on August 9, 2024. Imperial AcquisitionCo was incorporated for the sole purpose of facilitating the Amalgamation in connection with the Transaction.

The Company has control over the subsidiaries, where control is defined as the power to govern the financial and operating policies. Control is achieved when the Company has power over its subsidiaries, has exposure or rights to variable returns from the subsidiaries and has the ability to use its power to affect the amount of the returns.

(c) Basis of presentation and measurement

These condensed consolidated interim financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which are measured at fair value, as specified by IFRS Accounting Standards, as well as information presented in the statements of cash flows. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

(d) Functional and presentation currency

These condensed consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company.

Imperial Ginseng Products Ltd.  
Notes to Condensed Interim Financial Statements  
For the Three Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

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**3. Material accounting policy information**

(a) Cash and cash equivalents

Cash and cash equivalents comprise cash with banks that are readily convertible into known amounts of cash.

(b) Trade and other receivables

Trade and other receivables are initially measured at fair value and subsequently carried at amortized cost less any provision for expected credit loss ("ECL"). ECL is recognized when there is no reasonable expectation of recovery of trade receivables. ECL is measured by applying the simplified approach as described under IFRS 9 and the amount of loss is written off in the statements of gain or loss.

(c) Share-based payments

Options and warrants granted to employees and others providing similar services are accounted for using the fair value method. Under this method, the fair value of stock options and warrants granted are measured at estimated fair value at the grant date and recognized over the vesting period on a graded basis. Consideration received on exercise of stock options is recorded as share capital and the related contributed surplus on options granted is transferred to share capital.

Options and warrants granted to employees and others providing similar services are measured at grant date at the fair value of the instruments issued. The Company uses the Black-Scholes option pricing model to determine the fair value of these incentives taking into consideration terms and conditions upon which the options were granted. At each financial reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest, if applicable.

Options and warrants granted to non-employees are measured at fair value of the goods or services received, unless the fair value cannot be estimated reliably, in which case the fair value of the equity instruments issued is used. The value of the goods or services is recorded at the earlier of the vesting date, or the date the goods or services are received.

(d) Income taxes

Current taxes are recognized for the estimated income taxes payable for the current period. The tax rates used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period. Current tax assets and liabilities are offset only when there is a legally enforceable right of offset, and the Company intends either to settle on a net basis or to realize assets and settle liabilities simultaneously.

Deferred taxes are recognized for the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred taxes are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the tax benefits can be utilized. Deferred tax assets and liabilities are offset only if they relate to income taxes levied by the same taxation authority and the Company has a legally enforceable right to set off current tax assets against current tax liabilities.

Imperial Ginseng Products Ltd.  
Notes to Condensed Interim Financial Statements  
For the Three Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

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**3. Material accounting policy information (continued)**

(e) Earnings per share

Basic earnings per share is calculated using the weighted average number of common shares outstanding during each period. Diluted earnings per share is calculated using the treasury stock method under which all options whose average price is less than or equal to the average share price for the period are assumed to be exercised and all convertible securities are converted at the average share price during the period, and that the Company will use the proceeds to purchase its common shares at the average market price during the period. The purchased shares reduce the number of shares issued upon exercise of the options and this net number of shares is included in the denominator when calculating diluted earnings per share. Diluted amounts are not presented when the effect of the computations is anti-dilutive due to the loss incurred.

(f) Financial instruments

Financial assets

Financial assets are initially recorded at fair value and are measured subsequently into one of the following classifications:

(a) Amortized cost

Financial assets are measured subsequently at amortized cost using the effective interest rate method if they are acquired principally to collect contractual cash flows of principal and interest on specified dates. Interest income is recognized in profit or loss.

(b) Fair value through other comprehensive income ("FVTOCI")

Financial assets are measured subsequently at FVTOCI if they are acquired to collect contractual cash flows of principal and interest on specified dates. FVTOCI classification is mandatory for certain debt instrument assets unless the option for FVTPL is chosen. Interest income from debt instruments, calculated using the effective interest rate method, and impairment gains or losses are recognized directly in profit or loss. Fair value gains or losses are recognized in other comprehensive income and classified to profit or loss on derecognition.

FVTOCI classification for equity investments is an irrevocable election at initial recognition. Dividends are recognized in profit or loss unless the dividends clearly represent a recovery of part of the cost of investment. All other gains and losses are recognized in other comprehensive income and there is no reclassification on derecognition.

(c) Fair value through profit or loss ("FVTPL")

Financial assets are measured subsequently at FVTPL if they do not meet the criteria for being measured at amortized cost or FVTOCI. Changes in fair value are recognized in profit or loss.

All financial liabilities are initially recorded at fair value and classified upon inception as either at amortized cost or fair value through profit or loss. After initial recognition, changes in fair value are recognized in profit or loss.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses ("ECL") on financial assets measured at amortized cost.

At each reporting date, the Company measures the ECL for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial asset has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Company measures the ECL at an amount equal to twelve-month expected credit losses.

Imperial Ginseng Products Ltd.  
Notes to Condensed Interim Financial Statements  
For the Three Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

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**3. Material accounting policy information (continued)**

(f) Financial instruments (continued)

Impairment of financial assets at amortized cost (continued)

For trade receivables, the Company applies the simplified approach permitted under IFRS 9 and measures a loss allowance equal to lifetime expected credit losses. The amount of expected credit losses (or reversals thereof) required to adjust the loss allowance to the appropriate amount at the reporting date is recognized in profit or loss as an impairment gain or loss.

Classification of financial instruments

The Company accounts for its cash and cash equivalents, trade and other receivables, accounts payable and accrued liabilities at amortized cost.

(g) New and amended IFRS pronouncements

IFRS 18 *Presentation and Disclosure in Financial Statements*, which will replace IAS 1. Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from 1 January 2027. Companies are permitted to apply IFRS 18 before that date.

The adoption of this new accounting standard is not expected to have a material impact on the Company's consolidated financial statements.

**4. Critical accounting estimates and judgments**

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Estimates and assumptions are based on past experience and factors considered reasonable under the circumstances. Though these estimates and assumptions are reviewed on an ongoing basis, due to their uncertainty, material adjustments could be required in future periods. In preparing these financial statements, the Company applied the same critical accounting estimates and judgments disclosed in the Company's audited financial statements for the year ended June 30, 2025.

Going concern assessment

Management is required to assess the Company's ability to continue as a going concern when preparing financial statements. This assessment involves significant judgment, particularly in evaluating current financial conditions, future cash flow projections, and the Company's ability to raise additional funding.

The assessment of the Company's ability to continue as a going concern, as discussed in Note 1, involves judgement regarding future funding for operations. This includes the Company's ability to complete its reverse takeover transaction with One Bullion, including the related concurrent financing, which could materially affect operations if not achieved.

Imperial Ginseng Products Ltd.  
Notes to Condensed Interim Financial Statements  
For the Three Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

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**4. Critical accounting estimates and judgments (continued)**

Determination of control of subsidiaries

The Company relies on its interpretation of the definition of control under IFRS in determining whether consolidation of the financial statements of the Company and its subsidiaries is required. In determining whether the Company controls its subsidiary, management assesses whether the Company has (i) power over the subsidiary; (ii) exposure, or rights, to variable returns from its involvement with the subsidiary and (iii) the ability to use its power over the subsidiary to affect those returns.

Income tax

Deferred tax assets and liabilities are due to temporary differences between the carrying amount for accounting purposes and the tax basis of assets and liabilities, as well as accumulated tax losses. The Company estimates the timing of the reversal of these temporary differences and applies an applicable tax rate. Since there could be changes in the expected operating results or enacted tax rates and legislation, it might result in material adjustments to deferred tax.

**5. Related party balances and transactions**

Transactions with related parties are recorded at the amount agreed to by the related parties.

Heritage Bancorp Ltd. ("Heritage") provides the Company with accounting, administration and office services. Heritage is related through the Company's director, who is a director of both companies and also a majority shareholder of Heritage. Administration fees and office service fees of \$10,500 were incurred for the three-month period ended September 30, 2025 (September 30, 2024 - \$10,500), of which \$511 (June 30, 2025 - \$21) is included in accounts payable and accrued liabilities.

Key management personnel compensation

The Company's key management personnel have authority and responsibility for overseeing, planning, directing and controlling the activities of the Company. Key management personnel include members of the Board, and executive officers. Short-term benefits for key management personnel compensation consist of salaries, bonuses and medical benefits. Post-employment benefits are pre-determined lump-sum amounts payable at the end of the retention period. The Company does not provide any other long-term employee benefits. No stock options were granted during the three-month periods ended September 30, 2025 and 2024.

The table below summarizes the composition of key management personnel compensation for the three-month periods ended September 30, 2025 and 2024:

| <b>For the three months ended September 30,</b> | <b>2025</b> |       | <b>2024</b> |       |
|---|-------------|-------|-------------|-------|
| Short-term benefits                             | \$          | 1,500 | \$          | 1,500 |
|   | \$          | 1,500 | \$          | 1,500 |

Imperial Ginseng Products Ltd.  
Notes to Condensed Interim Financial Statements  
For the Three Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

**6. Accounts Receivable**

Accounts Receivable consist mainly of expenses paid by the Company on behalf of One Bullion. As of September 30, 2025, \$79,667 was recorded as a receivable from One Bullion. The remainder was related to GST receivable and interest receivable by the Company.

One Bullion Receivable is classified as a current asset, as it primarily pertains to reimbursements due from One Bullion in respect of RTO-related expenses initially incurred and paid by the Company. Subsequent to the reporting date, One Bullion has settled an amount of \$55,942 and has committed to settle the remaining balance in full prior to the completion of the RTO. Regardless of this, in the event of the Company's RTO with One Bullion, the outstanding balance will naturally be offset between the parties.

**7. Share capital**

- (a) Authorized
- Unlimited number of common shares without par value
  - Unlimited number of convertible preference shares without par value

- (b) Issued and outstanding

|                             | Number of<br>Common<br>Shares | Amount        |
|-----------------------------|-------------------------------|---------------|
| Balance, June 30, 2024      | 7,652,547                     | \$ 17,721,092 |
| Balance, June 30, 2025      | 7,652,547                     | 17,721,092    |
| Balance, September 30, 2025 | 7,652,547                     | \$ 17,721,092 |

**8. Administrative expenses**

| For the three months ended September 30, | 2025      | 2024      |
|--|-----------|-----------|
| Operating expenses                       | \$ 20,922 | \$ 51,339 |
| Professional fees                        | -         | 26,705    |
| Director's Fee                           | 1,500     | 1,500     |
|  | \$ 22,422 | \$ 79,544 |

**9. Equity incentive plan**

In January 2025, the Company terminated its existing stock option plan and approved a new Equity Incentive Plan. The new plan included an approval of a 10% rolling plan for stock options, and a fixed plan of at least 15,850,830 common shares at the time of closing of its proposed reverse takeover transaction with One Bullion (the "Closing") in the event of a minimum concurrent financing being achieved, and up to 16,250,830 common shares at the time of Closing in the event of the maximum concurrent financing being achieved.

Imperial Ginseng Products Ltd.  
Notes to Condensed Interim Financial Statements  
For the Three Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

**10. Basic and diluted earnings per share**

| For the three months ended September 30,      | 2024        | 2023        |
|---|-------------|-------------|
| Net income                                    | \$ (21,854) | \$ (60,867) |
| Weighted average number of shares outstanding | 7,652,547   | 7,652,547   |
| Basic earnings per share                      | \$ 0.00     | \$ (0.01)   |
| Weighted average number of shares outstanding | 7,652,547   | 7,652,547   |
| Effect of common share equivalents            | -           | -           |
|   | 7,652,547   | 7,652,547   |
| Diluted earnings per share                    | \$ 0.00     | \$ (0.01)   |

**11. Financial instruments**

Financial instruments measured at fair value are classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - Quoted prices in active markets for identical assets and liabilities;
- Level 2 - Inputs other than quoted prices from observable market transactions either directly or indirectly; and
- Level 3 - Inputs that are generally unobservable and typically reflect management's estimate of assumptions that market participants would use in pricing the asset or liability.

The Company classifies and measures its cash and cash equivalents, receivables, accounts payable and accrued liabilities at amortized cost and their fair values approximate their carrying amounts due to their immediate or short-term nature.

**12. Financial risk management**

Credit risk

The Company's primary credit risk is its receivables. The carrying amount of receivable represents the Company's maximum exposure to credit risk. At September 30, 2025 and 2024, the Company did not have any trade receivables. Other receivables consisted of input tax credits and accrued interest on guaranteed investments, on which the credit risks are minimal.

The Company may also have credit risk relating to cash and cash equivalents, which it manages by dealing with Canadian chartered banks. To minimize its exposure to credit risk, the Company places all its cash and cash equivalents in accounts which can be drawn on demand. The Company's cash and cash equivalents carrying value as at September 30, 2025 totaled \$132,718 representing the maximum exposure to credit risk of these financial assets.

Currency risk

The Company does not have any exposure to currency risk as all payments and receivables are in Canadian dollars.

Imperial Ginseng Products Ltd.  
Notes to Condensed Interim Financial Statements  
For the Three Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

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**12. Financial risk management (continued)**

Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its financial obligations when they come due. At September 30, 2025, the Company had a working capital surplus of \$130,499. The Company believes that its exposure to liquidity risk is minimal.

The Company's contractual obligations include accounts payable and accrued liabilities. The following table is a summary of contractual obligations and payments related to financial liabilities due as at September 30, 2025 and June 30, 2025. The amounts disclosed are contractual undiscounted cash flows.

|                                  | September 30<br>2025 | June 30<br>2025 |
|----------------------------------|----------------------|-----------------|
| Contractual obligations          |                      |                 |
| Payables and accrued liabilities | \$ 84,200            | \$ 66,092       |

**13. Management of Capital**

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern. The Company monitors its adjusted capital, which comprises all components of shareholders' equity. The Company manages and adjusts its capital structure based on current economic conditions and the risk characteristics of the underlying assets. The Company is not exposed to any externally imposed capital requirements. No changes were made to the Company's capital management practices during the period ended September 30, 2025.