

CANPR Technology Inc.

Financial Statements

For the year ended May 31, 2024

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of CanPR Technology Inc.

Opinion

We have audited the financial statements of CanPR Technology Inc. (the "company"), which comprise the statement of financial position at March 31, 2024, and the statements of loss and comprehensive loss, changes in shareholder's equity and cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

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

Basis for Opinion

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

Emphasis of Matter - Material Uncertainty Relating to Going Concern

We draw your attention to Note 2 in the financial statements, which indicates that the company incurred a net loss of \$1,065,119 during the year ended May 31, 2024. As stated in Note 2, this event indicates 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.

Other Matter

The financial statements for the year ended May 31, 2023 were audited by another auditor who expressed an unmodified opinion on those financial statements on April 5, 2024.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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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.

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.

Brampton, Ontario
September 27, 2024

Bassi & Karimjee LLP

Chartered Professional Accountants
Licensed Public Accountants

CANPR Technology Inc.
For the fiscal year ended May 31, 2024

CANPR Technology Inc.
Statement of Financial Position
As at May 31, 2024
(Expressed in Canadian Dollars)

	Notes	2024	2023
Assets		\$	\$
Current			
Cash and cash equivalent		71,937	281,441
Term deposits	4	1,025,000	25,000
Accounts receivable and other assets	5	1,597,350	46,157
Shares subscription security deposit	6	1,384,440	-
		4,078,727	352,598
EQUIPMENT	7	13,287	2,587
RIGHT OF USE	8	218,354	-
Total Assets		4,310,368	355,185
Liabilities			
Current			
Accounts payable and accrued liabilities	9	1,108,532	158,887
Lease liability	8	56,017	-
LEASE LIABILITY	8	144,167	-
INVESTMENTS RECEIVED	10	-	\$691,627
Total Liabilities		1,308,716	850,514
Shareholders' Equity (Deficiency)			
Share capital	10	60,704	104
Shares to be issued	10	4,501,500	-
Accumulated deficit		(1,560,552)	(495,433)
Total Shareholders' Equity (Deficiency)		3,001,652	(495,329)
Total Liabilities and Shareholders' Equity (Deficiency)		4,310,368	355,185

Going Concern Assumption (Note 2)

Subsequent Events (Note 16)

Approved by the Board of Directors

Akshat Soni, Director

Stephen Smith, Director

The accompanying notes are an integral part of these audited financial statements.

CANPR Technology Inc.
For the fiscal year ended May 31, 2024

CANPR Technology Inc.
Statement of Loss and Comprehensive Loss
For the year ended May 31, 2024
(Expressed in Canadian Dollars)

	Notes	2024	2023
		\$	\$
Revenue		3,923,150	40,035
Cost of sales	12	2,420,317	24,561
Gross Profit		1,502,833	15,474
Operating Expenses			
Marketing and advertising		467,564	89,269
Professional fees		544,095	84,871
Salaries and wages	12	1,168,294	284,878
Office and general		387,999	51,889
Total Expenses		2,567,952	510,907
Net Loss		(1,065,119)	(495,433)
Foreign currency translation adjustment		-	-
Net Loss and Comprehensive Loss		(1,065,119)	(495,433)
Net loss per share - basic and diluted		(0.08)	(0.98)
Weighted average number of shares outstanding – basic and diluted		12,961,110	504,110

The accompanying notes are an integral part of these audited financial statements.

CANPR Technology Inc.
For the fiscal year ended May 31, 2024

CANPR Technology Inc.
Statement of Changes in Shareholders' Equity (Deficiency)
For the year ended May 31, 2024
(Expressed in Canadian Dollars)

Description	Notes	Number of Common Shares #	Share capital \$	Shares To Be Issued \$	Accumulated Deficit \$	Total \$
Issuance of common shares		10,400,000	104	-	-	104
Net loss and comprehensive loss					(495,433)	(495,433)
Balance as at May 31, 2023		10,400,000	104	-	(495,433)	(495,329)
Issuance of common shares	10	6,060,000	60,600		-	60,600
Cash received for common shares	10	-	-	1,577,500	-	1,577,500
Private placements	10	-	-	2,924,000	-	2,924,000
Net loss and comprehensive loss		-	-		(1,065,119)	(1,065,119)
Balance as at May 31, 2024		16,460,000	60,704	4,501,500	(1,560,552)	3,001,652

The accompanying notes are an integral part of these audited financial statements.

CANPR Technology Inc.

For the fiscal year ended May 31, 2024

CANPR Technology Inc. Statement of Cash Flows For the year ended May 31, 2024 (Expressed in Canadian Dollars)

	2024	2023
	\$	\$
Operating Activities		
Net loss for the year	(1,065,119)	(495,433)
Items not affecting cash:		
Amortization of equipment	1,789	112
Depreciation of right-of-use assets	14,557	-
		(495,321)
Changes in Operating assets and liabilities:		
Accounts receivables and other assets	(1,551,193)	(46,157)
Shares subscription security deposit	(1,384,440)	-
Accounts payable and current liabilities	989,645	158,887
Cash used in operating activities	(2,994,761)	(382,591)
Investing Activities		
Purchase of equipment	(12,489)	(2,699)
Term deposits	(1,000,000)	(25,000)
Cash used in investing activities	(1,012,489)	(27,699)
Financing Activities		
Investments received	885,873	691,627
Issuance of common shares	2,984,600	104
Lease payments	(72,727)	-
Cash provided by financing activities	3,797,746	691,731
Cash and cash equivalent, beginning of year	281,441	-
Cash and cash equivalent, end of year	71,937	281,441

The accompanying notes are an integral part of these audited financial statements.

CANPR Technology Inc.

Notes to the Financial Statements
For the fiscal year ended May 31, 2024

1. NATURE OF OPERATIONS

CANPR Technology Inc (the "Company") was incorporated on June 20, 2022, as 14140656 Canda Inc. under the Canada Business Corporations Act, with a registered office at 4155 Inglewood Drive, Burlington, ON Canada L7L 1E3 which was moved to 1202-90 Burnhamthorpe Road West, Mississauga, ON, L5B 3C3 from March 2024. The Company was set up to help immigrants in their journey towards becoming permanent residents of Canada. On January 17, 2023, the Company changed its name to CanPR Technology Inc.

During the year, the Company expanded its core services of helping immigrants obtain permanent residency in Canada. It began offering additional services, including assistance with obtaining Visitor Visas, Super Visas, and Entrepreneur Visas, as well as add-on services like Smart CV preparation and guidance for English and French classes. These add-on services enhance the Company's commitment to providing applicants with post-landing support, giving new immigrants a competitive edge through the benefits derived from these offerings.

The Company also provides guidance with post-immigration services, such as obtaining Social Insurance Numbers, Health Cards, setting up bank accounts, insurance services, and all other assistance required by new immigrants for a smooth transition into Canadian culture.

Subsequent to the year end the Company got listed in TSX-V (*Note 16*).

2. BASIS OF PREPARATION

Statement of Compliance

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

These financial statements were authorized for issuance by the Board of Directors of the Company on September 25, 2024.

Basis of Measurement

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are stated at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Functional and Presentation Currency

These financial statements are presented in Canadian dollar, which is the Company's functional currency.

Going Concern Assumption

During the year ended May 31, 2024, the Company incurred a net loss of \$1,065,119 (2023 \$495,433). As at May 31, 2024, the Company has an accumulated deficit of \$1,560,552 (2023 \$495,433). This was the first full year of operations and initial startup costs resulting in a loss as expected. The Company was not able to achieve profitable operations and the accumulated losses in business represent a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, management is confident that the Company will generate profits in the future as during the year ended May 31, 2024, the Company did experience a significant increase in revenue and a high volume of clients.

These financial statements have been prepared on a going concern basis, which assumes that company will be able to realize its assets and discharge liabilities in the normal course of business for the next twelve months. The Company's ability to continue as a going concern is dependent upon its future profitable operations, management's ability to manage costs, and the future availability of equity or debt financing to conduct its planned business, meet its on-going levels of corporate overhead and discharge its liabilities as they come due. These financial statements do not give effect to adjustments, if any that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities through means other than the normal course of business and at amounts which may differ from those shown in these financial statements.

CANPR Technology Inc.

For the year ended May 31, 2024

3. MATERIAL ACCOUNTING POLICIES

The material accounting policies and use of estimates and judgments described in the Company's financial statements are set out below. These policies have been applied consistently to all periods presented.

Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting periods. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes may differ from these estimates and revisions to estimates are recognized prospectively.

The critical judgements management has made in the process of applying the Company's accounting policies, apart from those involving estimates and assumptions that have the most significant effect on the amounts recognized in the financial statements are in relation to the assumption that the Company will continue as a going concern. Key areas of judgment and estimation or use of managerial assumptions are as follows:

Income taxes

Significant estimates are required in determining the Company's income tax provision. Some estimates are based on interpretations of existing tax laws or regulations. Various internal and external factors may have favourable or unfavourable effects on the Company's future effective tax rate. These include, but are not limited to, changes in tax laws, regulations and/or rates, changing interpretations of existing tax laws or regulations, and results of tax audits by tax authorities.

The Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained based on its technical merits. The Company measure and records the tax benefits from such a position based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement.

Share-based compensation

The Company measures the cost of equity-settled transactions with employees, directors, service providers and lenders by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based compensation transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires assumptions be made for the inputs to the valuation model, including expected life of the equity instrument, share price, volatility, dividend yield and forfeiture rate. The assumptions and models used for estimating fair value for share-based compensation are disclosed in note 11 to the financial statements.

Investments received and Derivative liability

Investments received by the Company will be converted into common shares. The compound financial instruments are segregated into their debt and equity components or derivative liability components at the date of issuance, in accordance with the substance of the contractual agreements. The conversion feature of the investment received is presumed to be classified as a derivative financial liability unless it meets all the criteria to recognize as equity instrument. One of the criteria is that the conversion feature exchanges a fixed amount of shares for a fixed amount of cash ("fixed for fixed").

If the conversion feature meets the fixed for fixed criteria, the conversion option will be classified as equity components. Equity instruments are instruments that evidence a residual interest in the assets of an entity after deducting all of its liabilities. Therefore, when allocating the initial carrying amount of the compound financial instruments to its equity and liability components, the equity component is calculated as the residual amount after deducting the fair value of the instrument by the present value separately determined for the liability component. The sum of the carrying amounts assigned to the liability and equity components on initial recognition is always equal to the fair value that would be ascribed to the instrument as a whole. No gain or loss arises from initially recognizing the components of the instrument separately.

CANPR Technology Inc.

For the year ended May 31, 2024

If the conversion feature does not meet the fixed for fixed criteria, the conversion option will be recorded as derivative financial liability, which must be separately accounted for at fair value on initial recognition. The carrying amount of the debt component, on initial recognition, is calculated as the difference between the proceeds of the financial instrument as a whole and the fair value of the derivative financial liabilities. Subsequent to initial recognition, the derivative financial liability is re-measured at fair value at the end of each reporting period with changes in fair value recognized in the statement of loss and comprehensive loss, while the debt component is accreted to the face value of the debt using the effective interest method.

Due to the uncertainty of conversion price, the investments received will be converted into a variable number of shares, so its conversion feature does not meet the criteria of an equity instrument. Therefore, the conversion feature of the investments received is classified as derivative liability and is measured at fair value at initial recognition and at each reporting date.

The Company uses the Black-Scholes model to estimate the fair value of derivative liability. The key assumptions used in the model are the expected future volatility in the price of the Company's shares, the expected life of the investments received and the fair value of the Company's shares. The impact of changes in key assumptions is described in note 8 to the financial statements.

Useful lives of property and equipment

Management is depreciating the computer equipment on a straight-line basis, with the following useful lives:

Computer equipment	5 years
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If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

Expected Credit Losses ("ECLs")

The Company performs impairment testing regularly for accounts receivable in accordance with IFRS 9. The ECL model requires considerable judgement, including consideration of how changes in economic factors affect ECLs, which are determined on a probability-weighted basis. IFRS 9 outlines a three-stage approach to recognize ECLs which is intended to reflect the increase in credit risks of a financial instrument based on i) twelve-month expected credit losses or ii) lifetime expected credit losses. The Company measures provision for ECLs at an amount equal to lifetime ECLs. The Company applies the simplified approach to determine ECLs on trade receivables by using a provision matrix based on historical credit loss experiences. The historical results were used to calculate the run rates of default which were then applied over the expected life of the trade receivables, adjusted for forward looking estimates.

Going concern

Management has applied significant judgment in the assessment of the Company's ability to continue as a going concern when preparing its financial statements for each reporting period. The financial statements are prepared on a going concern basis unless management either intends to liquidate the entity or to cease trading or has no realistic alternative but to do so.

Foreign currency transactions

Transactions in foreign currencies are initially recorded in the Company's functional currency by applying the exchange rates in effect at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange in effect at the statement of financial position date and any gains or losses are recognized in the statement of loss and comprehensive loss.

Cash and cash equivalents

Cash comprised cash on hand and bank balances. Cash equivalents are short-term, highly liquid investments that are readily convertible to a known amount of cash which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

Term deposits

Term deposits are recognized at fair value, which is generally the cash paid for the investment. The maturity at the date of purchase is more than 90 days.

CANPR Technology Inc.

For the year ended May 31, 2024

Accounts receivable

Accounts receivable is non-interest bearing, unsecured obligations due from third-party payors. Accounts receivables are recognized initially at fair value and subsequently measured at amortized cost less provision for impairment of trade receivable. A provision for impairment of trade receivable is established based on a forward-looking "expected credit loss" impairment model. The carrying amount of the trade receivables is reduced through the use of an allowance for doubtful accounts ("AFDA"), and the amount of any increase in AFDA is recognized in the statement of loss and comprehensive loss. When a trade receivable is uncollectible, it is written off against AFDA for trade receivable. Subsequent recoveries of amounts previously written off are credited to the statement of loss and comprehensive loss. When the Company determines that no recovery of the amount owing is possible, the amount is deemed irrecoverable, and the financial asset is written off.

Equipment

Equipment is recorded at cost and is depreciated over its estimated useful life of five years.

Impairment of long-lived assets

At the end of each reporting period, the carrying amounts of the Company's long-lived assets, equipment, are reviewed to determine whether there is any indication that those assets may be impaired. If such impairment exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

Impairment is determined for an individual asset unless the asset does not generate cash inflows that are independent of those generated from other assets or group of assets, in which case the individual assets are grouped together into cash generating units ("CGUs") for impairment purposes. The recoverable amount is the higher of fair value less costs of disposal and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in net earnings (loss) for the period.

At the end of each reporting period, the Company assesses whether there is any indication that an impairment loss recognized in prior periods for an asset other than goodwill may no longer exist or may have decreased. If any such indication exists, the Company will estimate the recoverable amount of that asset and reverse the impairment loss recognized in prior periods. The reversal of an impairment loss will not exceed the carrying amount that would have been determined, net of amortization or depreciation, had no impairment loss been recognized for the asset in prior years. Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying value if no impairment loss had been recognized. A reversal of an impairment loss is recognized immediately in net earnings (loss).

Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity, net of any tax effects.

Revenue recognition

The Company generates revenue from the provision of various immigration services through its online platform. The time between invoicing and when payment is due is not significant and none of the Company's contracts contain a significant financing component.

The Company determines the amount of revenue to be recognized through application of the five-step model outlined in IFRS 15:

1. Identify the contract with a customer.
 2. Identify the performance obligations in the contract.
 3. Determine the transaction price.
 4. Allocate the transaction price to performance obligations in the contract; and
 5. Recognize revenue when or as the Company satisfies a performance obligation.
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CANPR Technology Inc.

For the year ended May 31, 2024

The Company provides a service of application of various types of Canadian visas for individuals and families. Such services are recognized as a performance obligation satisfied over time. Revenue is recognized for these application services based on the stage of completion of the contract. The management has assessed that the stage of completion determined as the proportion of the total time expected to apply that has elapsed at the end of the reporting period is an appropriate measure of progress towards complete satisfaction of these performance obligations under IFRS 15. Payment for an application is not due from the customer until the application services are complete and therefore a contract asset is recognized over the period in which the installation services are performed representing the Company's right to consideration for the services performed to date.

Loss per share

Basic loss per share is computed by dividing net loss attributable to common shareholders by the weighted average number of common shares outstanding during the year. Diluted loss per share is calculated by taking the weighted average number of common shares outstanding, adjusted for any effect of all dilutive potential common shares which comprise of outstanding and vested stock options. Diluted loss per common share assumes that any proceeds received from in-the-money options would be used to buy common shares at the average market price for the period. As at May 31, 2024, all outstanding stock options are anti-dilutive.

Share-based payments

The Company grants stock options as part of its compensation to employees, officers and directors. The fair value of stock options for each vesting period is determined using the Black-Scholes option pricing model and is recorded over the vesting period as an increase in stock-based payment expense and option reserves. A forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number of options that vest. Upon the exercise of stock options, the proceeds received by the Company and the related option reserves are recorded as an increase in share capital. If the vested stock options expire, previously recognized stock-based payment is not reversed. In the event that stock options are forfeited, previously recognized stock-based payment associated with the unvested portion of the stock options forfeited is reversed.

The fair value of share-based payments to non-employees are measured at the fair value of the goods or services received. If the fair value of the goods or services received cannot be reliably measured, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or services.

Income taxes

Income tax consists of current and deferred tax. Current and deferred tax are recognized in net earnings (loss) except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax

Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period and includes any adjustment to taxes payable for previous years.

Deferred income tax

Deferred tax is recognized on any temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for taxation purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply, on the reporting date, for the realization or settlement of the carrying amount of assets and liabilities.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it does not recognize that excess.

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

CANPR Technology Inc.

For the year ended May 31, 2024

Operating segment

The Company currently operates in a single operating segment, immigration services, where it provides services directly to clients through its online platform. All of the Company's activities are conducted in Canada.

The Company has identified its operating segment based on the financial information that is reviewed and used by executive management (collectively, the Chief Operating Decision Maker, or "CODM") in assessing performance and in determining the allocation of the resources. The CODM considers the business from a single operating segment perspective and assesses the performance of the segment based on measures of profit and loss as well as assets and liabilities.

As the operations comprise a single segment, amounts disclosed in the financial statements also represent segment amounts.

Provisions

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

Right-of-use ("ROU") asset

A lease is a contract that transfers substantially all the risks and rewards incidental to ownership of an identified asset. In accordance with IFRS 16, *Leases*, the Company initially recognizes a lease at its commencement date which is when an identified asset is made available for use. Right-of-use assets are measured at the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date and any initial direct or estimated restoration costs. A right-of-use asset is then depreciated on a straight-line basis over the shorter of the asset's useful life or the lease term.

Financial Instruments

The Company recognizes a financial asset or a financial liability when it becomes a party to the contractual provisions of the instrument. Under IFRS 9, such financial assets or financial liabilities are initially recognized at fair value and the subsequent measurement depends on their classification.

Financial Assets

The Company classifies its financial assets into three categories, depending on the cash flow characteristics of the assets and the business objective for managing the assets. Financial assets are derecognized when the contractual rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. The Company's accounting policy for each category is as follows:

Amortized cost: Assets are held within a business model with the objective of collecting their contractual cash flow; and the contractual cash flows consist solely of payments of principal and interest. They are recognized initially at fair value plus directly attributable transaction costs, and subsequently measured at amortized cost less cumulative impairment losses. A gain or loss on a debt investment is recognized in profit and loss when the asset is derecognized or impaired.

Fair value through other comprehensive income ("FVTOCI"): Assets are held within a business model that includes both hold to collect their contractual cash flow and sell the assets; and the contractual cash flows consist solely of payments of principal and interest. For debt instruments measured at FVTOCI, interest income (calculated using the effective interest rate method), foreign currency gains or losses and impairment gains or losses are recognized directly in profit or loss.

The cumulative fair value gains or losses recognized in other comprehensive income ("OCI") are reclassified to profit or loss when the asset is derecognized. An election may be made to classify an equity investment, that is neither held for trading nor represents contingent consideration recognized by an acquirer in a business combination, as held at FVTOCI. The option to designate an equity instrument at FVTOCI is available at initial recognition and is irrevocable. This designation results in all gains and losses being presented in OCI except dividend income which is recognized in profit or loss.

Fair value through profit and loss ("FVTPL"): Assets that do not meet the criteria for amortized cost or FVTOCI are measured at FVTPL. A gain or loss on a financial asset measured at FVTPL that is not part of a hedging relationship is recognized in profit and loss and presented on a net basis in the period in which it arises. IFRS 9 contains an option to designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces an 'accounting mismatch' that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The option to designate a financial asset at FVTPL is available at initial recognition and is irrevocable.

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Financial assets should be reclassified when and only when an entity changes its business model for managing financial assets. Any such reclassifications are applied prospectively from the date of the reclassification.

Financial liabilities

Under IFRS 9, financial liabilities are primarily classified at amortized cost with limited exceptions. Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled, or expires. The Company's accounting policy for each category is as follows:

FVTPL: This category comprises derivatives, liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term, and certain financial liabilities that were designated at FVTPL from inception. IFRS 9 contains an option to designate a financial liability as measured at FVTPL if doing so eliminates or significantly reduces an 'accounting mismatch' that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The option to designate a financial liability at FVTPL is available at initial recognition and is irrevocable.

Amortized cost: Financial liabilities are recognized initially at fair value net of directly attributable transaction costs. They are subsequently recognized at amortized cost using effective interest method with interest expense recognized on an effective yield basis.

Financial assets are derecognised when the rights to receive cash flows from the asset have expired or were transferred and the Company has transferred substantially all risks and rewards of ownership

Financial assets and liabilities are offset, and the net amount is presented in the statement of financial position when the Company has a legal right to offset the amounts, and it intends to either settle on a net basis or realize the asset and settle the liability simultaneously.

The Company's classification and measurements of financial assets and financial liabilities are summarized below:

<u>Financial Instrument</u>	<u>Classification / Measurement</u>
Cash and cash equivalent	Amortized cost
Accounts receivable and other assets	Amortized cost
Accounts payable	Amortized cost
Accrued liabilities	Amortized cost
Derivative liability	FVTPL

Fair value hierarchy

The Company uses a three-tier hierarchy framework for disclosing fair value based on inputs used to value the Company's investments. The hierarchy of inputs is summarized as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets and liabilities. An active market is one in which transactions for the assets occur with sufficient frequency and volume to provide pricing information on an ongoing basis. The Company has included cash under this category.

Level 2 – Inputs, other than quoted prices included in Level 1, that are directly or indirectly observable for the assets or liabilities.

Level 3 – Inputs for assets and liabilities that are not based on observable market data.

The classification of a financial instrument in the fair value hierarchy is based upon the lowest level of input that is significant to the measurement of fair value.

The fair value of cash and cash equivalent, accounts receivable and other assets, accounts payable and accrued liabilities approximate their carrying values due to their short-term nature.

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New and amended IFRS Accounting Standards that are not yet effective

Classification of liabilities as current or non-current

The amendments to IAS 1 published in January 2020 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted. The Company expects to apply the amendment to the classification of liabilities on June 1, 2023, and adopting this amendment is not expected to have a significant impact on the company's financial statements.

Disclosure of accounting policies

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The IASB has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

The amendments to IAS 1 are effective for annual periods beginning on or after 1 January 2023, with earlier application permitted and are applied prospectively. The Company is applying the amendment to the disclosure of accounting policies from June 1, 2023, and adopting this amendment is not expected to have a significant impact on the company's financial statements.

4. TERM DEPOSITS

Term deposits comprise of a two-year cashable Government Investment Certificate (GIC). The first one is for \$25,000 with an annual interest of 1.75% per annum maturing in March 2025. The second GIC for \$1,000,000 with an annual interest of 5.5% per annum maturing in May 2025.

5. ACCOUNTS RECEIVABLE AND OTHER ASSETS

	2024	2023
	\$	\$
Trade receivables	1,520,270	15,554
Prepaid	12,832	-
Deposits	22,774	13,980
HST receivable	41,474	16,623
Total	\$1,597,350	46,157

Trade receivables are reported net of allowance for doubtful debts in the amount of \$Nil (2023 \$Nil).

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6. SHARE SUBSCRIPTION SECURITY DEPOSIT

The receivables of \$1,384,440 is from Odyssey Trust Company under the escrow account for listing on TSX Ventures Exchange (TSX-V). The initial deposit of \$1,637,440 net of cost of raising funds of \$253,000 (Note 10).

7. EQUIPMENT

	Total
Cost	\$
Balance as at May 31, 2023	2,699
Additions	12,489
Balance as at May 31, 2024	15,188
Accumulated amortization	
Balance as at May 31, 2023	112
Additions	1,789
Balance as at May 31, 2024	1,901
Carrying amounts	
Balance as at May 31, 2023	2,587
Balance as at May 31, 2024	13,287

8. RIGHT OF USE LEASED OFFICE

Lease Agreement for Office Space

On November 15, 2023, the Company entered into a long-term lease agreement for office space. The lease has a term of 4 years, and it is accounted for under IFRS16-Leases. The Company has recognized a Right-of-Use asset and a corresponding lease liability in respect of this lease.

Right-of-Use Asset

The Right-of-Use asset represents the Company's right to use the leased office space for the duration of the lease term. The Right-of-Use asset is initially measured at the amount of the lease liability, adjusted for any lease payments made at or before the commencement date and any initial direct costs.

Right-of-Use Asset (Office Space)	Amount
Initial recognition on November 15, 2023	232,911
Depreciation charge for the period	14,557
Closing balance at May 31, 2024	218,354

The Right-of-Use asset is depreciated on a straight-line basis over the term of the lease. The current year depreciation charge is included in office and general expense.

The lease liability represents the present value of the lease payments that are due under the lease agreement. The lease liability is initially measured at the present value of the lease payments over the lease term, discounted using the Company's incremental borrowing rate at the lease commencement date.

Lease Liability	Amount
Initial recognition on November 15, 2023	\$232,911
Interest expense for the period	6,649
Lease payments made during the period	(39,376)
Closing balance at May 31, 2024	200,184

The lease liability is subsequently measured using the effective interest method, with the liability being reduced by the lease payments made during the period. The current year interest is included in office and general expense.

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For the year ended May 31, 2024

Maturity Analysis of Lease Liability:

Maturity of Lease Payments	Amount
Less than one year	82,612
Less: Discounting adjustment	(26,595)
Present value	56,017
Between one and five years	221,504
Less: Discounting adjustment	(77,337)
Present value	144,167
Total lease payments	304,115
Less: Total Discounting adjustment	(103,932)
Present value of lease liability	200,183

Exemptions and Practical Expedients

The Company has elected not to recognize Right-of-Use assets and lease liabilities for short-term or leases of low-value in accordance with IFRS 16.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2024	2023
	\$	\$
Accounts payable (Note 12)	\$745,424	\$45,999
Accrued liabilities	65,000	40,000
Salaries and withholding taxes (Note 12)	211,483	59,855
Accrued vacation (Note 12)	53,250	13,033
Deposits received	33,375	-
Total	\$1,108,532	\$158,887

10. SHARE CAPITAL

The Company is authorized to issue unlimited number of common shares and special shares. As of May 31, 2024, the Company has not issued any special shares.

During the year ended May 31, 2024, the Company has the following transactions impacting share capital:

On July 1, 2023, the Company issued 3,000,000 shares to Rishi Mittal, President, at a price per share of \$0.01 for aggregate consideration of \$30,000.

On July 19, 2023, the Company issued 2,000,000 shares to Akshat Soni, CEO and director, at a price per Share of \$0.01 for aggregate consideration of \$20,000.

On July 20, 2023, the Company issued 960,000 shares to unrelated parties at a price per share of \$0.01 for aggregate consideration of \$9,600.

On August 1, 2023, the Company issued 100,000 shares to unrelated parties at a price per share of \$0.01 for aggregate consideration of \$1,000.

On March 1, 2024, the Company completed a private placement of 4,641,258 shares at \$0.63 per share, raising a total of \$2,924,000. The cost of raising these funds amounted to \$253,000. During the year, the Company received \$1,286,560 from the proceeds, with the remaining balance of \$1,384,440 (net of fundraising costs) received after the year-end.

During the year, the Company successfully completed raising \$1,577,500 from various investors under a Simple Agreement for Future Equity (SAFE), granting rights to certain of the Company's common shares. While the conversion rate

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was determined before the year-end, the actual conversion occurred after the year-end, resulting in the issuance of 2,749,976 shares in exchange for the funds raised.

During the year ended May 31, 2023, the Company has the following transactions impacting share capital:

On January 17, 2023, the Company executed a forward stock split of its common shares in the ratio of one (1) pre-split common share to one thousand (1,000) post-split common shares. After the stock split, the number of issued and outstanding common shares became 10,400,000, increased from 10,400 pre-split common shares. The number of common shares and per share data presented herein have been retroactively adjusted to give effect to the stock split.

On September 8, 2022, 2,300,000 common shares were issued to the newly onboarded officer and employees at \$0.00001 per share for aggregate proceeds of \$23.

On June 20, 2022 (date of incorporation), 8,100,000 common shares were issued to the founding members of the Company at \$0.00001 per share for aggregate proceeds of \$81.

11. OPTION RESERVES

The Company has adopted an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the applicable stock exchange's requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase Shares. Pursuant to the Option Plan, the number of Shares reserved for issuance will not exceed 10% of the issued and outstanding Shares of the Company. Stock options granted under the Option Plan can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

On March 1, 2023, the Company issued 1,006,500 stock options to various directors, officers and employees of the Company. Each stock option is exercisable into common shares of the Company at an exercise price of \$0.02 until January 1, 2028. The fair value of the stock options granted was estimated to be \$Nil using the Black-Scholes option pricing model with the following assumptions: stock price of \$0.00001; expected life of 5 years; expected volatility of 100%; risk free interest rate of 3.59%.

The vesting schedule of these stock options are as follows: 641,500 vested immediately on the date of grant; 117,500 vesting on June 1, 2023; 117,500 vesting on October 1, 2023; 65,000 vesting on February 1, 2024; and 65,000 vesting on June 1, 2024.

The following table summarizes the continuity of Stock Options during the year ended May 31, 2024:

	Number of Stock Options Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Life (Year)
Outstanding – June 20, 2022	-	\$ -	-
Granted	1,006,500	\$ 0.02	4.59
Exercised	-	\$ -	-
Forfeited	-	\$ -	-
Expired	-	\$ -	-
Outstanding – May 31, 2023	1,006,500	\$ 0.02	4.59
	Number of Stock Options Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Life (Year)
Granted	-	\$ -	-
Exercised	-	\$ -	-
Forfeited	-	\$ -	-
Expired	-	\$ -	-
Outstanding – May 31, 2024	1,006,500	\$ 0.02	3.59

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As at May 31, 2024, details of the issued and outstanding stock options are as follows:

Expiry Date	Number of Stock Options Outstanding	Exercise Price	Number of Stock Options Exercisable
January 1, 2028	1,006,500	\$ 0.02	941,500
Total	1,006,500	\$ 0.02	941,500

12. RELATED PARTY TRANSACTIONS

All transactions with related parties have occurred in the normal course of operations and are recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Key management personnel are defined as those individuals having authority and responsibility for planning, directing, and controlling the activities of the Company.

The Company's related party transactions for the year ended May 31, 2024, were all paid to key management personnel and were as follows:

	2024	2023
Salaries	\$420,710	46,286
Professional fees	8,000	13,000
Directors fees	52,500	-
Consulting fees, included in Cost of Sales	2,307,217	-
Total	2,735,927	59,286

As at May 31, 2024, included in accounts payable (Note 8) are amounts due to related parties in the amount of \$570,664 (2023 \$4,690) of which \$569,534 (2023 Nil) is due to a related party that is controlled by the President of the Company and \$1,130 (2023 \$4,690) is a related party that is owned by the Chief Financial Officer (CFO) of the company.

As at May 31, 2024, included in salaries and withholding tax (Note 9) is an amount of \$68,969 (2023 \$10,403) payable to the Officers, Directors and President of the Company.

As at May 31, 2024, included in accrued vacation pay (Note 9) is an amount of \$37,515 (2023 \$7,242) payable to the Officers and President of the Company.

All balances due to related parties and unsecured, non-interest bearing and due on demand.

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is in its cash and cash equivalents, accounts receivable. Cash and cash equivalents are managed through the use of a major bank which is a high credit quality financial institution as determined by rating agencies and accounts receivable are managed by management. The carrying amount of financial assets represents the maximum credit exposure.

Since its incorporation, the Company has not incurred any significant credit loss in respect of its accounts receivable. Based on consideration of all possible default events over the assets' contractual lifetime, the expected credit loss in respect of the Company's accounts receivable was insignificant as of May 31, 2024.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they become due. The Company currently settles its financial obligations out of cash. The Company's future liquidity is dependent on factors such as the ability to generate cash from operations and to raise money through debt or equity financing.

CANPR Technology Inc.

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As at May 31, 2024, 95% (2023 Nil) of the cost of sales was incurred from one service provider. This is a management decision; other providers of these services are available for the Company to utilize. In fiscal year 2025, the company is now utilizing the services of other providers.

The Company is exposed to liquidity risk on accounts payable and accrued liabilities to its suppliers, which arise in the normal course of operations and are due in less than one year. As of May 31, 2024, 78% (2023 various) of accounts payable were from three (2023 various) service providers. The Company manages liquidity risk by continuously monitoring actual and forecasted cash flows and budgets on all contracts to ensure there is adequate working capital on hand to meet its future obligations.

As at May 31, 2024, the Company's current assets exceeded current liabilities by \$2,914,178.

The Company has no current commitments for capital expenditures as of the date hereof. Accounts payable and accrued liabilities are due within the next twelve months. The investments received may be converted into common shares within the next twelve months.

Currency risk

The Company has minimal currency risk as all the Revenue is generated in Canadian currency and the expenses if any in non-Canadian Currency are booked based on the date of payment on the credit card thus leaving no exposure to Foreign Exchange Fluctuations. The Company's functional currency is Canadian dollars, and currency in which transactions are primarily denominated are Canadian.

As at May 31, 2024, the Company is not exposed to currency risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk arising from fluctuations in interest rates on its GIC.

14. CAPITAL MANAGEMENT

The Company's objective in managing capital is to ensure a sufficient liquidity position to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Company defines capital as net equity and debt, comprised of issued Shares and accumulated deficits. The Company seeks to ensure that it has sufficient cash resources to maintain its ongoing operations and finance its research and development activities, corporate and administration expenses, working capital, and overall capital expenditures. Since its inception, the Company has primarily financed its liquidity needs through private placements of Shares. The Company is not subject to externally imposed capital requirements and there were no changes to the Company's approach to capital management during the period.

15. INCOME TAXES

Income tax expenses differ from the amount that would be computed by applying Canadian statutory income tax rate of 26.5% to income before taxes. The reasons for the differences are as follows:

	2024	2023
Loss before taxes	\$(1,065,119)	(495,433)
Statutory tax rate	26.5%	26.5%
Expected tax recovery	(282,257)	(131,290)
Change in tax benefits not recognized	282,257	131,290
Net deferred tax recovery	-	-

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For the year ended May 31, 2024

The temporary differences that give rise to deferred income tax assets and liabilities are presented below at the expected future tax rate of 26.5%:

	2024	2023
Non-capital loss carryforward	(413,546)	(131,290)
Equipment	1309	-
Right of use asset	(2006)	-
	(414,243)	(131,290)
Deferred tax assets not recognized	414,243	131,290
Net deferred tax assets	-	-

The deductible temporary differences may be carried forward indefinitely. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilize the benefits therefrom.

As at May 31, 2023, the Company has income tax losses which are available to reduce future taxable income. The benefit of these losses has not been recognized on the financial statements. These losses expire as follows:

<u>Expiry</u>	<u>Amount</u>
2043	495,321
2044	1,065,119

16. SUBSEQUENT AND MATERIAL EVENTS

The Reverse Takeover Agreement (Note10) was completed on June 24, 2024, since all filing documents were accepted by TSX-V and the landmark achievement of Company shares started trading on TSX-V from June 27, 2024 under the Ticker "WPR".

The investors invested under Safe amounting to \$1,577,500 were issued 2,749,976 shares on June 24, 2024 increasing the Total Issued Capital to \$4,562,204.

On June 24, 2024 the Company changed its name to CANPR Technology Ltd.

17. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform to the current year's basis of presentation.