

CANPR TECHNOLOGY LTD.

Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2025

(Expressed in Canadian Dollars)

CANPR TECHNOLOGY LTD.

Condensed Interim Consolidated Statements of
Financial Position as at August 31, 2025 (expressed in
Canadian Dollars – unaudited)

	Notes	As at August 31, 2025	As at May 31, 2025
Assets			
Current:			
Cash and cash equivalents		68,859	116,223
Term deposits	5	1,025,000	1,325,000
Accounts receivable and other assets	6	6,394,953	5,262,445
Total current assets		7,488,812	6,703,678
EQUIPMENT			
	7	10,594	11,419
RIGHT-OF-USE ASSETS			
	8	145,569	160,126
DEFERRED TAX ASSET			
	21	46,225	250,991
Total Non-Current Assets		202,388	422,536
Total Assets		7,691,200	7,126,214
Liabilities			
Current:			
Accounts payable, accruals and others	9	2,079,256	1,805,413
Line of credit		893,772	1,156,110
Lease liability	8	42,750	56,754
Total Current Liabilities		3,015,778	3,018,277
Long term			
LEASE LIABILITY	8	87,413	87,413
Total Liabilities		3,103,191	3,105,690
Shareholders' Equity (Deficiency)			
Share capital	10	6,137,871	6,137,871
Warrants	10	9,498	9,498
Contributed surplus	10	(9,498)	(9,498)
Option reserve	10	71,642	54,987
Deferred share units	10	1,161,168	971,414
Accumulated deficit		(2,782,672)	(3,143,748)
Total Shareholders' Equity (Deficiency)		4,588,009	4,020,524
Total Liabilities and Shareholders' Equity (Deficiency)		7,691,200	7,126,214

Approved by the Board of Directors

/s/ Akshat Soni

Akshat Soni,
Director and CEO

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

CANPR TECHNOLOGY LTD.

Condensed Interim Consolidated Statement of Profit (Loss) and Comprehensive Profit (Loss)

As at August 31, 2025 (expressed in Canadian Dollars – unaudited).

	Notes	<u>Three months ended</u>	
		<u>August</u> <u>31,2025</u>	<u>August</u> <u>31,2024</u>
Revenue		2,020,507	1,379,038
Cost of sales		594,437	730,188
Gross Profit		1,426,070	648,850
Operating Expenses			
Marketing and advertising		29,088	94,994
Professional fees		70,998	151,902
Salaries and wages		466,837	501,318
Office and general		90,678	140,488
Stock-based compensation		206,410	74,863
Total Expenses		864,011	963,565
Operating Profit (Loss)		562,059	(314,715)
Other income/ (expense):			
Other (gain)/loss		-	(3,559)
Interest income		3,783	(13,859)
Reverse takeover listing fees	1	-	(1,547,915)
Net Profit (Loss) and Comprehensive Profit (Loss) from continuing operations		565,842	(18,45,212)
Current tax		-	-
Deferred income tax		(204,766)	-
Net Profit (Loss) and Comprehensive Loss		361,076	(1,845,211)
Net Profit (Loss) per share - basic and diluted		0.02	(0.01)
Weighted average number of shares outstanding – basic and diluted		16,132,947	12,194,381

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

CANPR TECHNOLOGY LTD.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency)

For the three months ended August 31, 2025 and August 31, 2024. (expressed in Canadian Dollars – unaudited)

Description	Numbers of Common Shares	Share capital	Warrants	Options Reserve	Deferred Share Units	Contributed Surplus	Accumulated Deficit	Total
	#	\$	\$	\$	\$	\$	\$	\$
Balance as August 31, 2024	3,542,264	18,016,249	668,384	-	-	4,072,811	(22,756,691)	753
Issuance of common shares upon Amalgamation	35,383,714	4,562,204	-	-	-	-	-	45,62,204
Share Based compensation	-	-	-	35,080	39,783	-	-	74,863
Warrants issued	-	-	264,166	-	-	(264,166)	-	-
Stock Options Exercise	1,364,835	27,297	-	-	-	-	-	27,297
Effect of Reverse takeover	-	(16,468,620)	(668,384)	-	-	(40,072,811)	21,196,825	(12,990)
Net Loss and comprehensive loss	-	-	-	-	-	-	(1,845,211)	(1,845,211)
Balance as at August 31, 2024	40,290,828	6,137,130	264,166	35,080	39,783	(264,166)	(3,405,077)	2,806,916

Description	Numbers of Common Shares	Share capital	Warrants	Options Reserve	Deferred Share Units	Contributed Surplus	Accumulated Deficit	Total
	#	\$	\$	\$	\$	\$	\$	\$
Balance as at May 31, 2025	40,327,898	6,137,871	9,498	54,987	971,414	(9,498)	(3,143,748)	4,020,524
Share-based compensation	-	-	-	16,655	189,754	-	-	206,409
Net profit (loss) and comprehensive profit (loss)	-	-	-	-	-	-	361,076	361,076
Balance as at August 31, 2025	40,327,898	6,137,871	9,498	71,642	1,161,168	(9,498)	(2,782,672)	4,588,009

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

CANPR TECHNOLOGY LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

Condensed Interim Consolidated Statements of cash flows
For the three months ended August 31, 2025 and August 31, 2024

	<u>Three Month ended</u> <u>August 31, 2025</u>	<u>Three Month ended</u> <u>August 31, 2024</u>
Operating Activities		
Net Profit (Loss) for the period ended	\$ 361,076	\$ (1,845,211)
<i>Items not affecting cash:</i>		
Listing Fees	-	1,547,564
Stock-based compensation	206,410	74,863
Interest expense on loans and lease liability	-	-
Amortization of equipment	824	760
Depreciation of right-of-use assets	14,557	14,557
	582,867	(207,467)
<i>Changes in operating assets and liabilities:ss</i>		
Accounts receivable and other assets	(1,132,498)	(573,125)
Shares subscription security deposit	-	1,384,440
Accounts payable and current liabilities	273,843	43,111
Deferred tax asset	204,766	-
Cash (used in) from operating activities	(71,022)	768,204
Investing Activities		
Term deposits	300,000	(300,000)
Cash (used in) from investing activities	300,000	(300,000)
Financing Activities		
Issuance of common shares	-	27,297
Lease payments	(14,004)	(14,557)
Line of credit	(262,338)	-
Cash (used in) from financing activities	(276,342)	13,291
Cash and cash equivalents, beginning of year	116,223	72,689
Cash and cash equivalents at end of year	68,959	346,717

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CANPR TECHNOLOGY LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

1. GENERAL INFORMATION

CANPR Technology Ltd, (formerly, General Assembly Holdings Limited, see Note 1a), (the “Company” or “CANPR”) was incorporated on June 30, 2017, with the registered office located at 331-333 Adelaide Street West, Toronto, ON, M5V 2G5. The Company was listed on TSX Venture (the “TSXV”) and began trading on June 3, 2021, under the trading symbol “GA”. The shares halted trading on TSXV on November 22, 2023.

CanPR Technology Inc. (“CanPR”) was incorporated on June 20, 2022, as 14140656 Canada Inc. under the Canada Business Corporations Act; CanPR formally changed its name to CanPR Technology Inc. in January 2023. The registered office of CanPR is currently located at 1202-90 Burnhamthorpe Road West, Mississauga, ON, L5B 3C3. CanPR was set up to help immigrants in their journey towards becoming permanent residents of Canada.

The Company signed a Letter of Intent (“LOI”) on November 20, 2023 with CanPR, followed by a Merger Agreement on March 25, 2024, and completed an RTO with CanPR on June 24, 2024, whereby GA would continue the operations of CanPR as detailed below and formerly changed its name to CANPR Technology Ltd. Trading resumed on the TSXV on June 27, 2024, under the new trading symbol “WPR”.

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 CanPR’s commitment to providing applicants with post-landing support, giving new immigrants a competitive edge through the benefits derived from these offerings.

CanPR 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.

(a) Reverse takeover

On November 20, 2023, General Assembly Holdings Ltd (“GA”), entered into a Letter of Intent (“LOI”) with CanPR Technology Inc. (“CanPR”). On March 25, 2024, GA entered into a Merger Agreement (“MA”) with CanPR and 15772311 Canada Ltd (“SubCo”), which superseded and replaced the LOI. The merger agreement outlined proposed terms and conditions pursuant to which GA, CanPR and SubCo would effect a business combination that would result in a reverse takeover of GA by the shareholders of CanPR (the “RTO”).

Pursuant to the terms of the merger agreement, GA acquired 100% of the issued and outstanding shares of CanPR by way of a “three cornered” amalgamation pursuant to which CanPR and SubCo amalgamated to form a wholly owned subsidiary of the resulting issuer.

Prior to the closing of the RTO, GA consolidated pre-RTO GA shares on a 50 to 1 basis, whereby each fractional share was rounded down to the nearest whole GA post-consolidation share. GA had a total of 3,542,264 GA post-consolidation common shares outstanding prior to the RTO close, as well as 17,810 GA Options, 13,800 GA RSUs and 72,518 GA Warrants.

In addition, prior to closing of the RTO, there were 16,460,000 CanPR shares, 4,641,265 CanPR Subscription receipts which convert on a 1:1 basis, \$1,577,500 in CanPR SAFEs which convert into 1,719,452 CanPR shares and 1,030,524 CanPR units, and 1,006,500 CanPR options to acquire 1,006.500 CanPR shares at an exercise price of \$0.02 per CanPR share.

Upon closing of the RTO, each pre-RTO CanPR shareholder was entitled to 1.483517 post-RTO resulting issuer shares; this ratio resulted in CanPR shareholders owning 90.9% of the Resulting issuer shares. In addition, CanPR Options and CanPR SAFE warrants were exchanged on the same basis.

CANPR TECHNOLOGY LTD.**Notes to the Condensed Interim Consolidated Financial Statements**

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

On June 24, 2024, GA completed the RTO with CanPR; the effects of the RTO are described as follows:

1. GA issued 24,418,687 resulting issuer shares at a deemed price of \$0.42 per share in exchange for all of the issued and outstanding CanPR shares.
2. GA issued 6,885,393 resulting issuer shares at a deemed price of \$0.42 per shares in exchange for all of the CanPR Subscription Receipts, 4,079,634 resulting issuer shares at a deemed price of \$0.42 per share in exchange for all issued and outstanding CanPR SAFEs, 1,528,797 resulting issuer warrants exercisable at \$0.90 exchanged for all CANPR SAFE Warrants, and 1,493,159 resulting issuer options exchanged for all issued and outstanding CanPR Options.
3. CanPR became a wholly owned subsidiary of the Resulting Issuer, and the Resulting Issuer will carry on the business of CanPR.
4. The corporate name of the Resulting Issuer was effected as “CanPR Technology Ltd.”

Upon close, CanPR Technology Ltd. had 38,925,978 common shares issued and outstanding and 3,021,956 common shares reserved for issuance, comprised of 1,528,797 warrants and 1,493,159 options.

For accounting purposes, the acquisition was considered to be a reverse takeover under IFRS 3 as the shareholders of CanPR obtained control of GA. However, as GA does not meet the definition of a business as defined by IFRS 3, it has been accounted for as a share-based payment transaction in accordance with IFRS 2. The accounting for this transaction resulted in the following:

- The consolidated financial statements of the combined entity are issued under the legal parent, GA, but are considered a continuation of the financial statements of the legal subsidiary, CanPR.
- As CanPR is deemed to be the acquirer for accounting purposes, its assets and liabilities are included in the consolidated financial statements at their historical carrying amounts.
- The fair value of the purchase consideration was determined in accordance with IFRS 2 – share-based payment, with the difference between the fair value of the consideration transferred and the fair value of GA’s net assets acquired being recorded as a listing expense. These shares were assigned a value of \$0.63 per share, which was determined by the value of the recent financing realized through private placements. In addition, with GA’s outstanding warrants, options, and RSUs, the fair value of consideration effectively transferred was valued at \$1,547,629. Legal fees in the amount of \$37,335 were incurred and expensed in the consolidated statement of profit (loss) and comprehensive profit (loss).

	Number	Amount
<i>Consideration:</i>		
Common shares	3,542,264	\$1,504,282
Warrants	72,518	\$25,544
Options	17,810	\$9,395
RSUs	13,800	\$8,694
		\$1,547,915
<i>Identifiable net assets acquired:</i>		
Cash		\$286
Allocated to listing expense		\$1,547,629
		\$1,547,915

CANPR TECHNOLOGY LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

2. BASIS OF PREPARATION

Statement of Compliance

These consolidated 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 consolidated financial statements were authorized for issuance by the Board of Directors of the Company on 30 October, 2025.

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

Going Concern Assumption

These consolidated 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 consolidated 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 August differ from those shown in these consolidated financial statements.

During the 3 months period ended August 31, 2025, the Company earned a net profit of \$361,076 (August 31, 2024, \$1,845,211). As at August 31, 2025, the Company has an accumulated deficit of \$2,782,672 (August 31, 2024, deficit of \$3,143,748). The Company has been able to make a turnaround and run profitable operations. The accumulated deficit is mainly a result of non-cash and non-operating expenses from reverse takeover listing expenses and stock-based compensation. The company generated an operating profit in the year ending May 31, 2025, and the trend continued in the first quarter ending August 31, 2025. This mitigates the concerns in regard to continue as a going concern but on the contrary provides immense confidence to the management that it will be able to eliminate the accumulated losses in the future.

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 consolidated 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 August 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 consolidated financial statements are in relation to the assumption that the Company will continue as a going concern.

CANPR TECHNOLOGY LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

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 August 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.

Uncertain tax treatments are assessed based on whether it is probable the taxation authority will accept the tax treatment. The Company measures the effect using either the most likely amount or expected value, whichever better predicts the resolution.

Stock-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.

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.

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 16 to the consolidated financial statements.

Useful lives of property and equipment

Management is depreciating the computer equipment, furniture & fixture and office equipment on a straight-line basis over their useful lives of 5 years.

The Right-of-use ("ROU") asset is amortised on a straight-line basis over the lease term of 4 years.

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.

CANPR TECHNOLOGY LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

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 consolidated financial statements for each reporting period. The consolidated 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.

Research and development expenditures

Expenditures on research are expensed as incurred. Research activities include formulation, design, evaluation and final selection of possible alternatives, products, processes, systems or services. Development expenditures are expensed as incurred unless the Company can demonstrate all of the following:

- (i) the technical feasibility of completing the intangible asset so that it will be available for use or sale.
- (ii) its intention to complete the intangible asset and use or sell it.
- (iii) its ability to use or sell the intangible asset.
- (iv) how the intangible asset will generate probable future economic benefits. The Company can also demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.
- (v) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (vi) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Scientific Research and Experimental Development (SR&ED) Program

The Scientific Research and Experimental Development (SR&ED) tax incentives are provided to businesses that conduct research and development in Canada, the company hired a consultant firm to identify the various developments of the company eligible for claiming tax incentives under SR&ED program.

The tax incentives received are recognized on the statement of profit/(loss) and comprehensive profit/(loss) when assessed by government authorities or when refunded or applied against corporate taxes owing for the year.

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 profit(loss) and comprehensive profit(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.

CANPR TECHNOLOGY LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

Term deposits

Term deposits 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.

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. 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.

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 August 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 August no longer exist or August 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, walk-ins and leads via social media. 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.

CANPR TECHNOLOGY LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

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.

The Company provides a service of application of various types of Canadian visas for individuals and families. The Company enters into Memorandums of Understanding (“MOUs”) with independent agents who source clients requiring immigration services. The Company acts as the principal in these arrangements because it controls the service, determines the price, and bears the risks and rewards associated with the performance obligation. Agents are paid a fee or commission for client sourcing but do not control the service. The Company does contract directly with clients who access the service independently. Under these arrangements, the Company provides professional immigration services and recognizes revenue when the performance obligations, being the submission of applications to Citizenship and Immigration Canada (CIC), is satisfied.

When clients register for immigration services, they are required to pay a deposit at the outset of the engagement. The Company records these amounts as security deposits (a contract liability) upon receipt, as they are refundable or subject to performance until the related service is rendered. Once the application is submitted to CIC, the deposit is no longer refundable and is reclassified from the security deposit liability to revenue in the statement of loss and comprehensive loss, consistent with the completion of the Company’s performance obligation.

Loss per share

Basic loss per share is computed by dividing net losses attributable to common shareholders by the weighted average number of common shares outstanding during the year. A 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 of August 31, 2025, all outstanding stock options are anti-dilutive.

Stock-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.

CANPR TECHNOLOGY LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

Related party transactions

Parties are considered 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 August 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.

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 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 consolidated 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 and lease liabilities

A lease is a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration (IFRS 16.9). At the commencement date, the Company recognizes a right-of-use ("ROU") asset and a lease liability. The ROU asset is initially measured at the amount of the lease liability, adjusted for any payments made, initial direct costs, and estimated restoration obligations, and is subsequently depreciated on a straight-line basis over the shorter of the asset's useful life or lease term. The lease liability is initially measured at the present value of lease payments and subsequently increased for interest and reduced by lease payments. Depreciation of ROU assets is presented within depreciation and amortization expense, and interest on lease liabilities is presented separately within finance costs.

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.

CANPR TECHNOLOGY LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

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 August 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.

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:

Financial Instrument	Classification / Measurement
Cash and cash equivalent	Amortized cost
Term deposits	Amortised cost
Accounts receivable and other assets	Amortized cost
Shares subscription security deposit	Amortized cost
Accounts payable	Amortized cost
Accrued liabilities	Amortized cost
Line of credit	Amortized cost
Lease liability	Amortized cost

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:

CANPR TECHNOLOGY LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

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.

Recent Accounting Pronouncements:

The accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

Presentation and Disclosure in Financial Statements ("IFRS 18"),

IFRS 18 has been issued to achieve comparability of the financial performance of similar entities. The standard, which replaces IAS 1, impacts the presentation of primary financial statements and notes, mainly the income statement where companies will be required to present separate categories of income and expense for operating, investing, and financing activities with prescribed subtotals for each new category. IFRS 18 will require management-defined performance measures to be explained and included in a separate note within the consolidated financial statements. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including consolidated financial statements, and requires retrospective application. The Company is currently assessing the impact of the new standard.

Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. The Company is currently assessing the impact of this amendment.

Implementation of IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information - and IFRS S2 – Climate-related Disclosures

The adoption of IFRS S1 and S2 will introduce new requirements surrounding sustainability and climate-related disclosures for annual reporting purposes. The Canadian Sustainability Standards Board proposed Canadian-specific modifications to the standards issued by the International Sustainability Standards Board in June 2023. The Canadian specific versions of IFRS S1 and S2 are expected to be available for voluntary adoption starting January 1, 2025. The Canadian Securities Administrators have not yet confirmed whether the new standards will be mandatory for Canadian reporting issuers. The Company is currently assessing the expected impact of adopting these standards.

IFRS 9 Financial Instruments ("IFRS 9") and IFRS 7 Financial Instruments: Disclosures ("IFRS 7")

In August 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7). These amendments updated classification and measurement requirements in IFRS 9 Financial Instruments and related disclosure requirements in IFRS 7 Financial Instruments: Disclosures. The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the 'solely payments of principal and interest' criterion, including financial assets that have environmental, social and corporate governance (ESG)-linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs and amended disclosures relating to equity instruments designated at fair value through

CANPR TECHNOLOGY LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

other comprehensive income. The amendments are effective for annual periods beginning on or after January 1, 2026 with early application permitted. The Company is currently assessing the effect of these amendments on the 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 August 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. REVENUE

Disaggregation of revenue

Revenue is earned exclusively from immigration services. The following table presents revenue disaggregated by nature of services and timing of recognition:

	Year ended August 31, 2025	Year ended August 31, 2024
Revenue type	\$	\$
Immigration services	2,020,507	1,379,038

All revenue is earned from Canadian operations.

Contract liabilities at the beginning and end were \$162,959 and \$60,145, respectively.

Significant judgments made in applying IFRS 15 include determining the timing of satisfaction of performance obligations, which occurs upon submission of applications to CIC, and assessing that the Company acts as the principal in arrangements involving independent agents.

5. TERM DEPOSITS

Term deposits comprise one-year cashable Government Investment Certificate is (GIC). The first one is for \$25,000 with an annual interest of 2% per annum maturing in March 2026 and the second GIC, for \$1,000,000 with an annual interest of 3% per annum maturing in August 2026. The GIC's have been held as security against the line of credit facilities (Note 10). Interest not accrued on \$1,000,000 GIC as subsequent to August 31, 2025 request to redeem it has been made

The interest accrued on these GIC's as at August 31, 2025, amounted to \$125 (May 31 2025 \$11,375) (Note 6) and the total interest income recognized in the interim period ended August 31, 2025 is \$3,750 (August 2024 \$13,859).

CANPR TECHNOLOGY LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

6. ACCOUNTS RECEIVABLE AND OTHER ASSETS

	Aug 31, 2025	May 31, 2024
	\$	\$
Trade receivables	6,324,383	5,158,504
Prepaid expenses	29,077	7,212
Deposits	17,589	17,589
HST receivable	23,779	67,875
Interest receivable (Note 5)	125	11,375
Total	\$6,394,953	\$5,262,455

Trade receivables are reported net of allowance for doubtful debts in the amount of \$Nil (2024 - \$Nil). The deposits consist of security paid for the office space of \$17,589.

7. EQUIPMENT

	Total
Cost	\$
Balance as at June 1, 2025	16,487
Additions	-
Balance as at August 31, 2025	16,487
Accumulated amortization	
Balance as at June 1, 2025	(5,068)
Additions	(825)
Balance as at August 31, 2025	(5,893)
Carrying amounts	
Balance as at August 31, 2025	10,594

8. RIGHT-OF-USE LEASED OFFICE**Lease Agreement for Office Space**

The Company has 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.

CANPR TECHNOLOGY LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

Right-of-Use Asset (Office Space)

	Total
Cost	\$
Balance as at June 1, 2025	232,911
Additions	-
Balance as at August 31, 2025	232,911
Accumulated amortization	
Balance as at June 1, 2025	(72,785)
Additions	(14,557)
Balance as at August 31, 2025	(87,342)
Carrying amounts	
Balance as at August 31, 2025	145,569

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

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
Balance as on June 1, 2025	\$144,167
Interest expense for the period	6,649
Lease payments made during the period	(20,653)
Closing balance at August 31, 2025	130,163

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.

Maturity Analysis of Lease Liability:

Maturity of Lease Payments	Amount
Less than one year	63,046
Less: Discounting adjustment	(20,296)
Present value	42,750
Between one and five years	137,804
Less: Discounting adjustment	(50,391)
Present value	87,413
Total lease payments	200,850
Less: Total Discounting adjustment	(70,687)
Present value of lease liability	130,163

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.

CANPR TECHNOLOGY LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	August 31, 2025	May 31, 2025
	\$	\$
Accounts payable	1,527,655	1,178,121
Accrued liabilities	69,309	72,225
Salaries and withholding taxes	292,725	268,678
Accrued vacation	129,426	123,430
Contract liabilities	60,144	162,959
Total	2,079,256	1,805,413

10. LINE OF CREDIT

The Company has a revolving line of credit facility up to \$1,000,000 secured by its GIC balance of the same amount (Note 5), which bears interest at 3.5% (GIC rate 3.0% plus 0.5%) and matures on August 26, 2026. On August 31, 2025, the outstanding balance was \$893,772 (May 31, 2025, \$863,260). A second line of credit of \$300,000 secured by its GIC balance of the same amount which bore interest at 5.5% (GIC rate 5.0% plus 0.5%) was redeemed on maturity as at August 31, 2025.

11. SAFE

The Company entered into a series of Simple Agreement(s) for Future Equity (“SAFE”) with several investors. The agreements provide each investor with the option to, on liquidation, either (i) convert the consideration originally advanced into common shares of the Company based on a stipulated formula determining the price of each common share, or (ii) receive the original consideration in cash.

During the year ended August 31, 2023, the Company received cash proceeds of \$691,000 and during the year ended August 31, 2024, additional proceeds of \$885,000, for total proceeds of \$1,577,000, under SAFE.

Prior to the completion of the reverse take-over (“RTO”) transaction, all outstanding SAFE amounts were converted into 2,749,976 equity shares of the Company in accordance with the terms of the agreements. Accordingly, no SAFE liabilities remained outstanding as at August 31, 2024.

During the period ending August 31, 2025, the Company did not enter into any SAFE.

12. DEFERRED STOCK UNITS*(a) General*

The Company’s Fixed Equity Incentive Plan allows the Company to award deferred share units to officers, employees, directors and consultants of the Company upon such conditions as the Board may establish, including the attainment of performance goals recommended by the Company’s compensation committee.

The purchase price for common shares of the Company issuable under each Deferred Share Unit (“DSU”) award, if any, shall be established by the Board at its discretion. Common shares issued pursuant to any DSU award must be made subject to vesting conditions based upon the satisfaction of service requirements, conditions, restriction, time periods or performance goals established by the board.

DSU’s are recognized as share-based compensation expense over the vesting period, which is no less than one year from the day of grant.

CANPR TECHNOLOGY LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

(b) Activity on DSU

On August 14, 2024, the Company issued 1,486,250 DSUs at \$0.57 per unit to certain directors and officers of the Company in respect of Q3 F2024, Q4 F2024, Q1 F2025 directors fees, as well as annual equity incentives to certain officers of the Company. Each DSU entitles the holder to receive one share and vest one year from the date of grant, on August 15, 2025.

In accordance with the service agreements, the Company also issues DSUs on a quarterly basis as part of director and officer compensation. During the three-month interim period ended August 31, 2025, the Company granted:

- 83,750 DSUs on August 31, 2025, at \$0.17 per unit

The fair value of DSUs is measured on the grant date based on the market price of the Company's common shares. Because DSUs have no exercise price and no option-like features, no option-pricing model (e.g., Black-Scholes) is required. For the interim period ended August 31, 2025, the weighted-average grant-date fair value of DSUs granted was \$0.35 per unit (2024 – \$0.35).

(c) Issued and outstanding

The Company's outstanding DSUs are as follows:

	For the 3 months ended August 2025	For the 3 months ended August 2024
Balance, beginning of period	3,085,000	-
Granted	83,750	1,486,250
Cancelled	-	-
Converted	-	-
Balance, end of period	3,168,750	1,486,250

During the period ended August 31, 2025, share-based compensation expense for the Company's DSUs was \$189,755 (August 31, 2024 \$39,781).

13. RESTRICTED STOCK UNITS

(a) General

The Company's Fixed Equity Incentive Plan allows the Company to award deferred share units to officers, employees, directors and consultants of the Company upon such conditions as the Board may establish, including the attainment of performance goals recommended by the Company's compensation committee.

The purchase price for common shares of the Company issuable under each Restricted Share Unit ("RSU") award, if any, shall be established by the Board at its discretion. Common shares issued pursuant to any DSU award August be made subject to vesting conditions based upon the satisfaction of service requirements, conditions, restrictions, time periods or performance goals established by the board.

The RSU's are recognized as share-based compensation expense over the vesting period, which is no less than one year from the day of grant.

CANPR TECHNOLOGY LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

(b) *Issued and outstanding*

The Company's outstanding RSUs are as follows:

	For the three months ended August 31, 2025	For the three months ended August 31, 2024
Balance, beginning of period	13,800	13,810
Granted	-	-
Cancelled	-	-
Converted	-	-
Balance, end of period	13,800	13,810

14. SHARE CAPITAL

The Company is authorized to issue unlimited number of common shares and special shares. As of August 31, 2025, the Company has not issued any common and special shares.

Reverse Takeover Transaction

On June 24, 2024, there was a reverse takeover, refer to Note 1 (a).

Stock Option Exercise

On August 1, 2024, 1,060,714 stock options were exercised for cash consideration in the amount of \$21,214.

On August 24, 2024, an additional 304,121 stock options were exercised for cash consideration in the amount of \$6,082.

On November 8, 2024, an additional 37,088 stock options were exercised for cash consideration in the amount of \$741.

Summary

As at August 31, 2025, the Company has a total of 40,327,898 (2024 40,290,828) common shares issued and outstanding.

15. RESERVES**Warrants**

A summary of warrant transactions are as follows:

	Number of warrants	Weighted average exercise price	Warrants	Contributed surplus
Balance at May 31, 2025	1,582,797	\$ 0.89	9,498	(9,498)
Issued	-		-	-
Exercised	-		-	-
Expired	-		-	-
Balance at August 31, 2025	1,582,797	\$ 0.89	9,498	(9,498)

CANPR TECHNOLOGY LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

The following provides a summary of outstanding warrants at August 31, 2025:

Expiry Date	Number of warrants outstanding and exercisable	Exercise price	Weighted average remaining life (years)
June 3, 2031	54,000	\$ 2.50	6.50
Jun 24, 2026	1,528,797	0.90	1.03
Total	1,582,797	\$ 0.89	1.19

Stock Options

The Company has adopted an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company August, 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. No options issued during the period ending August 31, 2025.

The following table summarizes the continuity of stock options during the year ended August 31, 2025:

	Number of Options	Weighted average exercise price \$
Balance at May 31, 2025	3,706,546	\$ 0.41
Issued	-	-
Exercised	-	-
Expired	-	-
Balance at August 31, 2025	3,706,546	\$ 0.41

The following table provides additional information about the Company's stock options as at August 31, 2025:

Number of options outstanding	Exercise price	Expiry date	Weighted average remaining contractual life	Number of options exercisable
4,800	\$ 0.67	November 17, 2030	2.59	4,800
4,500	\$ 0.67	December 7, 2030	2.15	4,500
7,000	\$ 0.48	February 25, 2031	2.20	7,000
10	\$ 1.73	August 25, 2031	5.47	10
500	\$ 1.73	November 29, 2031	5.52	453
1,000	\$ 0.69	December 20, 2031	5.74	1,000
91,236	\$ 0.02	January 1, 2028	5.99	91,236
2,360,000	\$ 0.40	July 26, 2027	6.50	105,000
1,237,500	\$ 0.48	August 13, 2027	6.56	1,237,500
3,706,546	\$ 0.76		4.75	1,451,499

CANPR TECHNOLOGY LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

The 2,360,000 options to employees are exercisable as follows:

Vesting Date	Number of Options
July 26, 2024 available to exercise	52,500
January 26, 2025 available to exercise	52,500
July 26, 2025 available to exercise	1,415,000
January 26, 2026	52,500
July 26, 2026	787,500
Total	2,360,000

The remaining 1,346,546 options are to Directors and Officers and to the GA legacy holders. These are all available to exercise as at August 31, 2025.

The fair value of the options granted during the year was determined using the Black-Scholes pricing model using the assumptions as follows:

July 26, 2024, Option Grant:

Fair value	\$	0.3216
Share price	\$	0.4900
Exercise price	\$	0.4000
Expected volatility		100%
Expected life		2,833
Expected dividends		-
Risk free interest rate (based on government bonds)		3.110%

August 14, 2024 Option Grant:

Fair value	\$	0.3078
Share price	\$	0.4900
Exercise price	\$	0.4800
Expected volatility		100%
Expected life		2,917
Expected dividends		-
Risk free interest rate (based on government bonds)		3.110%

During the year ended August 31, 2025, stock-based compensation expense for options was \$16,656 (August 31, \$35,098).

CANPR TECHNOLOGY LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

16. 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 were all paid to key management personnel and were as follows:

	For three months ended August 31,2025	For three months ended August 31,2024
	\$	\$
Salaries and bonus	178,841	205,500
Director's fees	33,750	27,655
Consulting fees, included in cost of sales	-	263,607
Stock-based compensation expense directors and officers	206,410	-
Total	419,001	496,762

As at August 31, 2025, included in accounts payable (Note 10) are amounts due to related parties in the amount of \$196,857 (August 31, 2024 - \$130,609).

As at August 31, 2025, included in salaries and withholding tax (Note 9) is an amount of \$160,567 (August 31, 2024 - \$151,564) payable to the Officers and Directors.

As at August 31, 2025, included in accrued vacation pay (Note 9) is an amount of \$97,184 (August 31, 2024 - \$49,515) payable to the Officers of the Company.

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

17. INVESTMENT TAX CREDITS

The Company plans to file a SR&ED tax credits claim for the year ended May 31, 2025 in the amount of \$57,964. This will be recognized in the consolidated financial statements in the year the claim is assessed by Government authorities. Government authorities apply the expected investment tax credits claim towards any corporate taxes owing for the year.

18. 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.

As at August 31, 2025, 70% (2024 - 24%) of the Company's accounts receivables were past due more than 90 days, indicating an increased exposure to credit risk. Management monitors accounts receivable on a regular basis. An allowance to doubtful accounts is not recommended based on management's assessment of expected credit loss as management consider all the balances recoverable as at August 31, 2025. The increase in receivables past due more than 90 days is particularly attributable to delays in payment processing caused by government restrictions and strong controls in the Canadian Immigration sector.

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, collection of receivables and to raise money through debt or equity financing.

CANPR TECHNOLOGY LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

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 August 31, 2025, the management diversified the service providers and the exposure to the service providers were distributed amongst many (2024 95% from one service provider). The Company manages liquidity risk by continuously monitoring actual and forecasted cash flows and budgets to ensure there is adequate working capital on hand to meet its future obligations.

As at August 31, 2025, the Company has cash and cash equivalents of \$68,859 (August 31, 2024 - \$346,717), term deposits of \$1,025,000 (August 31, 2024 - \$1,325,000) and accounts receivable and other assets of \$6,394,953 (August 31, 2024 - \$2,170,475) to meet its working capital requirements. As at August 31, 2025, the Company's current assets exceeded current liabilities by \$4,473,034 (August 31, 2024 - \$2,734,759).

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.

	Contractual cash flows	Less than 1 year	1-3 years	4-5 years	After 5 years
	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities	2,079,256	2,079,256	-	-	-
Line of credit	893,772	893,772	-	-	-
Lease liability	130,163	42,750	87,413	-	-
	3,103,191	3,015,778	87,413	-	-

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 August 31, 2025, the Company is not exposed to currency risk.

Interest Rate Risk

The 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 not exposed to any interest rate risk arising from fluctuations as the interest rates on its line of credit are fixed at 3.5%

19. 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.

CANPR TECHNOLOGY LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

20. INCOME TAXES

Deferred Income Taxes

a) Components of Deferred Tax

The significant components of the Company's deferred tax assets and liabilities are as follows:

	August 31, 2025	May 31, 2025
<i>Deferred tax assets (liabilities):</i>		
Non-capital losses carried forward	34,519	241,868
Difference between NBV of assets and UCC for tax purposes	11,706	9,123
Net deferred tax asset	46,225	250,991
Deferred tax asset not recognized	-	-
	46,225	250,991

As at August 31, 2025, the company's deferred tax asset was \$42,225 (May 31, 2025 – \$250,991). The decrease reflects the utilization of the operating subsidiary, CanPR Technology Inc. ("CanPR") prior-year non-capital losses to offset taxable income generated during the three-month period ended August 31, 2025. The remaining deferred tax asset continues to be supported by management's forecast of future taxable profits.

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

b) Non-capital Losses

At August 31, 2025, the Company had non-capital loss carry forwards of approximately \$130,258 (May 31, 2025 - \$912,708). These losses may be carried forward and applied against future taxable income. The related deferred tax asset of \$46,225 (May 31, 2025 - \$250,991) has been recognized as management has determined it is probable that sufficient taxable profits will be available to utilize the losses before expiry.

In making this assessment, management considered that the Company's operating subsidiary, CanPR Technology Inc. ("CanPR"), generated taxable income during the year ended May 31, 2025, demonstrating its ability to generate future taxable profits on a standalone basis. Furthermore, management has demonstrated that the Company has continued to generate profits in the first quarter, further supporting the conclusion that it is probable that sufficient taxable profits will be available to realize the deferred tax asset.

As at August 31, 2025, the Company has income tax losses which are available to reduce future taxable income. The benefit of these losses has not been recognized in the consolidated financial statements. These losses expire as follows:

Expiry	Amount
Fiscal 2044	22,496
Fiscal 2045	107,763

21. LOSS PER SHARE

Basic loss per share is calculated using the weighted-average number of common shares outstanding during each year. Diluted loss per share assumes the conversion, exercise or issuance of all potential common share equivalents unless the effect is to reduce the loss or increase the income per share.

For purposes of this calculation, stock options, warrants and RSU's are considered to be potential common shares and are only included in the calculation of diluted loss per share when their effect is dilutive.

The net loss attributable to shareholders is \$2,782,672 (August 31, 2024 \$1,845,211), the weighted average common shares outstanding for the year ended August 31, 2025 were 16,132,947 (August 31, 2024 12,197,381) and the net profit(loss) attributable to shareholders basic and diluted is \$0.02 (Aug 31, 2024 (\$0.01)).

CANPR TECHNOLOGY LTD.**Notes to the Condensed Interim Consolidated Financial Statements**

For the three months ended August 31, 2025

(expressed in Canadian dollars – unaudited)

22. ECONOMIC DEPENDENCE

The Company began working with various RCIC (Regulated Canadian Immigration Consultant). Management has the option to change service providers as desired thereby minimizing dependence on any one service provider, reducing the disruption risk to negligible levels for its operations. The changing circumstances created by the Federal Government decisions has made the management of the company begin working with RCIC who are able to provide the openings in the changed business scenario. In the three month interim period ended August 31, 2025, the top four service providers provided 74% of the total services received from various RCIC (May 31, 2025 - five – 74%).