

Notice to Reader

Please be advised that the unaudited condensed consolidated interim financial statements for the three and six-months ended June 30, 2025 and 2024 (the “Interim Financial Statements”) are being refiled on SEDAR+ as the prior version was inadvertently filed without including the approving director’s signature at the bottom of page 2.



CLIP MONEY INC.

**UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND SIX-MONTHS ENDED JUNE 30, 2025 AND 2024**

(Expressed in U.S. Dollars, unless otherwise noted)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

Clip Money Inc.

Condensed Consolidated Interim Statements of Financial Position

As at June 30, 2025 and December 31, 2024

(Unaudited, expressed in US dollars)

	Note	June 30, 2025	December 31, 2024
Assets			
Current assets			
Cash and cash equivalents		\$ 1,701,854	\$ 1,997,516
Receivables		569,495	639,860
Prepaid expenses		67,238	68,835
Total current assets		2,338,587	2,706,211
Non-current assets			
Property and equipment, net	3	554,944	552,667
Right-of-use assets, net	4	4,295,806	4,520,634
Intangible assets, net	5	1,808,908	1,808,009
Total assets		\$ 8,998,245	\$ 9,587,521
Liabilities			
Current liabilities			
Trade and other payables	6	\$ 1,848,531	\$ 1,275,445
Current portion of long-term government loans	8	9,685	8,737
Lease liabilities	4	1,708,478	1,548,138
Derivative liability	9	790,235	572,462
Total current liabilities		4,356,929	3,404,782
Non-current liabilities			
Secured promissory note	10	935,000	175,000
Long-term lease liabilities	4	3,502,249	4,041,315
Long-term government loans	8	416,022	370,652
Convertible debt	9	12,309,596	9,531,679
Total liabilities		21,519,796	17,523,428
Shareholders' equity (deficit)			
Share capital	11	24,236,778	24,089,827
Contributed surplus		5,817,026	5,842,161
Accumulated other comprehensive loss		(435,500)	(182,346)
Accumulated deficit		(42,139,855)	(37,685,549)
Total shareholders' equity (deficit)		(12,521,551)	(7,935,907)
Total liabilities and shareholders' equity (deficit)		\$ 8,998,245	\$ 9,587,521

Going concern (note 1)

Subsequent event (note 20)

Approved and authorized for issue by the Board of Directors on August 22, 2025.

Joseph Arrage
Director

Peter Dorsman
Director

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

Clip Money Inc.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

For the three and six months ended June 30, 2025 and 2024

(Unaudited, expressed in US dollars)

	Note	Three months ended		Six months ended	
		June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Revenue					
Revenue		\$ 1,349,587	\$ 387,955	\$ 2,322,293	\$ 687,131
Cost of revenue		1,147,057	715,973	2,156,614	1,461,926
Gross profit (loss)		202,530	(328,018)	165,679	(774,795)
Operating expenses					
General and administrative		82,094	92,459	163,337	177,022
Sales and marketing		22,423	65,633	69,734	86,650
Salaries and benefits		855,732	865,982	1,830,916	1,808,063
Depreciation and amortization	3,4,5	530,290	496,470	1,058,806	951,356
Professional fees		228,761	193,424	428,703	371,354
Loss from operations		(1,516,770)	(2,041,986)	(3,385,817)	(4,169,240)
Other (expense) income					
Finance expenses, net	14	(687,616)	(448,549)	(1,327,315)	(877,045)
Foreign exchange gain (loss)		(127,871)	78,081	(127,215)	220,249
Fair value gain (loss) on derivative liability	9	158,232	(73,286)	386,041	(56,916)
Net loss		(2,174,025)	(2,485,740)	(4,454,306)	(4,882,952)
Other comprehensive income (loss)					
Foreign exchange translation adjustment		(253,160)	(62,557)	(253,154)	(182,313)
Comprehensive loss		\$(2,427,185)	\$(2,548,297)	\$ (4,707,460)	\$ (5,065,265)
Net loss per share	13	\$ (0.02)	\$ (0.02)	\$ (0.04)	\$ (0.05)
Weighted average common shares outstanding	13	105,171,376	105,164,194	105,171,376	105,164,194

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

Clip Money Inc.

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

For the six months ended June 30, 2025 and 2024

(Unaudited, expressed in US dollars)

	Number of Common Shares	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total
Balance, January 1, 2025	105,164,194	\$ 24,089,827	\$ 5,842,161	\$ (182,346)	\$ (37,685,549)	\$ (7,935,907)
Stock options – value of service received	-	-	88,448	-	-	88,448
Restricted stock units – value of service received	-	-	33,368	-	-	33,368
Conversion of RSU's	216,657	146,951	(146,951)	-	-	-
Other comprehensive loss	-	-	-	(253,154)	-	(253,154)
Net loss	-	-	-	-	(4,454,306)	(4,454,306)
Balance, June 30, 2025	105,380,851	\$ 24,236,778	\$ 5,817,026	\$ (435,500)	\$ (42,139,855)	\$(12,521,551)
Balance, January 1, 2024	104,947,537	\$ 23,942,305	\$ 5,347,110	\$ (94,458)	\$ (28,346,770)	\$ 848,187
Stock options – value of service received	-	-	370,690	-	-	370,690
Restricted stock units – value of service received	-	-	56,899	-	-	56,899
Conversion of RSU's	216,657	147,522	(147,522)	-	-	-
Other comprehensive income	-	-	-	(182,313)	-	(182,313)
Net loss	-	-	-	-	(4,882,952)	(4,882,952)
Balance, June 30, 2024	105,164,194	\$ 24,089,827	\$ 5,627,177	\$ (276,771)	\$ (33,229,722)	\$ (3,789,849)

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

Clip Money Inc.

Condensed Consolidated Interim Statements of Cash Flows For the three and six months ended June 30, 2025 and 2024 (Unaudited, expressed in US dollars)

	Note	Three months ended		Six months Ended	
		June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
CASH FROM OPERATING ACTIVITIES					
Net loss		(\$2,174,025)	(\$2,485,740)	(\$4,454,306)	(\$4,882,952)
Items not affecting cash:					
Depreciation of property and equipment	3	57,444	50,287	111,681	100,213
Depreciation of right-of-use assets	4	370,224	298,440	733,362	590,471
Amortization of intangible assets	5	102,622	147,602	213,763	306,279
Accretion and interest on convertible debt	9	511,078	309,222	942,889	617,841
Change in fair value of derivative liability	9	(158,232)	73,286	(386,041)	56,916
Government loan settlement fee	8	544	-	27,771	-
Interest on government loans	8	1,506	1,837	2,871	6,400
Interest on lease liabilities	4	170,793	162,697	349,274	327,796
Effects of foreign exchange		157,643	(337,398)	138,269	(419,960)
Stock options – value of service received		40,459	177,121	88,448	370,690
Restricted share units issued for services		21,667	25,771	33,368	56,899
Changes in working capital items:					
(Increase) decrease in prepaid expenses		(4,921)	204,478	1,597	13,969
Increase in receivables		(161,292)	(55,171)	70,365	(26,189)
Decrease in due / advances from customers		-	(2,302)	-	(92,099)
Increase (decrease) in trade and other payables		361,052	(71,343)	573,086	118,222
Decrease in deferred revenue		(212,500)	-	-	-
Cash used in operating activities		(915,938)	(1,501,213)	(1,553,603)	(2,855,504)
CASH FROM INVESTING ACTIVITIES					
Additions to property and equipment	3	(36,946)	(25,676)	(84,633)	(30,929)
Additions to intangible assets	5	(66,675)	(89,928)	(118,936)	(200,573)
Initial direct costs capitalized on right-of-use assets	4	(561)	(1,203)	(561)	(1,203)
Direct costs for termination of right-of-use assets	4	21,716	183,954	21,442	(46,245)
Cash provided by (used in) investing activities		(82,466)	67,147	(182,688)	(278,950)
CASH FROM FINANCING ACTIVITIES					
Proceeds from secured promissory note	10	935,000	-	1,035,000	-
Proceeds from convertible debt	9	-	-	1,972,243	-
Payment of secured promissory note		(275,000)	-	(275,000)	-
Payment of convertible debt	9	(77,170)	-	(120,263)	-
Payment of lease liabilities	4	(597,245)	(413,805)	(1,152,047)	(872,561)
Payment of government loans	8	(3,001)	(7,405)	(5,887)	(10,852)
Cash provided by (used in) financing activities		(17,416)	(421,210)	1,454,046	(883,413)
Effect of exchange rate changes		(30,872)	35,179	(13,417)	158,723
Increase (decrease) in cash and cash equivalents		(1,046,692)	(1,820,097)	(295,662)	(3,859,144)
Cash and cash equivalents, beginning of period		2,748,546	4,111,262	1,997,516	6,150,309
Cash and cash equivalents, end of period		\$1,701,854	\$2,291,165	\$1,701,854	\$2,291,165

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

Clip Money Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2025 and 2024

(Unaudited, expressed in US dollars, unless otherwise noted)

1. NATURE OF OPERATIONS AND GOING CONCERN

Nature of operations

Clip Money Inc. and its wholly owned subsidiary, Clip Money USA Inc. together (the “Company”), are principally in the business of providing a proprietary deposit network to businesses and financial institutions located across North America. The common shares of the Company are traded on the TSX Venture Exchange under the stock symbol “CLIP.V”.

Incorporation

Clip Money Inc. was incorporated on October 12, 2018, under the Canada Business Corporations Act. The Company’s registered office is located at 333 Bay Street, Bay Adelaide Centre – West Tower, Suite 3400 Toronto, ON M5H 2S7.

Going Concern

These consolidated financial statements have been prepared using IFRS® Accounting Standards as issued by International Accounting Standards Board (“IFRS”) that are applicable to a going concern, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company’s future operations are dependent upon its ability to attain profitable operations and generate funds therefrom, and to continue to obtain equity investment or debt sufficient to meet current and future obligations.

The Company incurred a net loss for the six months ended June 30, 2025 of \$4,454,306, has an accumulated deficit of \$42,139,855 and incurred negative cash flows from operations of \$1,553,603. There is material uncertainty about the appropriateness of the use of the going concern assumption because the Company has experienced operating losses and negative cashflow from operations since inception and has not yet achieved profitability from the commercialisation of its products which casts significant doubt on the Company’s ability to continue as a going concern. As the Company is working on developing markets and building its distribution network, it will require additional financing to meet its working capital requirements. Thus far, the Company has demonstrated a successful track record of raising funds through equity-based private placements and convertible note offerings. The Company will continue to leverage these capital markets tools as well as additional options as they become available.

These consolidated financial statements do not reflect adjustments in the carrying values of the Company’s assets and liabilities, revenues and expenses, and the consolidated statements of financial position classifications used, that would be necessary if the going concern assumptions were not appropriate. Such adjustments could be material. The Company’s ability to obtain additional financing is enough to assume that the Company will continue as a going concern, however there is no certainty this will occur in the future at terms acceptable to the Company.

Clip Money Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2025 and 2024

(Unaudited, expressed in US dollars, unless otherwise noted)

2. BASIS OF PREPARATION

(a) Statement of compliance

These condensed consolidated financial statements of the Company for the three and six months ended June 30, 2025 and 2024 have been prepared by management in accordance with IFRS® Accounting Standards as issued by International Accounting Standards Board (“IASB”).

These condensed consolidated financial statements were approved and authorized for issue by the Board of Directors on August 22, 2025.

(b) Basis of presentation

These consolidated financial statements have been prepared on the historical cost basis except for the derivative liabilities which have been recorded at fair value.

(c) Principles of consolidation

The Company consolidates its interest in entities which it controls. Control is achieved over an entity when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. All intercompany balances and transactions have been eliminated on consolidation. The subsidiary (the “Subsidiary”) of the Company that has been consolidated is as follows:

<u>Name of entity</u>	<u>Principal place of business</u>	<u>% ownership</u>	<u>Functional currency</u>
Clip Money USA Inc.	United States	100%	US dollar

(d) Presentation currency

The Company used the following exchange rates as at and for the six months ended June 30, 2025:

Statement of Financial Position	Non-shareholders' equity	0.7330
Statement of Financial Position	Share capital	0.7693
Statement of Financial Position	Contributed surplus	0.7561
Statement of Financial Position	Accumulated other comprehensive Income	Calculated
Statement of Financial Position	Accumulated deficit	0.7517
Statement of Loss and Comprehensive Loss	All accounts except for foreign exchange translation adjustment	0.7095

Clip Money Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2025 and 2024

(Unaudited, expressed in US dollars, unless otherwise noted)

(e) BASIS OF PREPARATION (continued)

(d) Presentation currency (continued)

The Company used the following exchange rates as at and for the year ended December 31, 2024 and for the six months ended June 30, 2025:

Statement of Financial Position	Non-shareholders' equity	0.6950
Statement of Financial Position	Share capital	0.7695
Statement of Financial Position	Contributed surplus	0.7561
Statement of Financial Position	Accumulated other comprehensive Income	Calculated
Statement of Financial Position	Accumulated deficit	0.7605
Statement of Loss and Comprehensive Loss	All accounts except for foreign exchange translation adjustment	0.7300

(e) Functional and presentation currency

The Company's functional currency is the Canadian dollar. The functional currency for its Subsidiary is US dollars. For financial reporting purposes, the consolidated financial statements of the Company have been presented in US dollars, the presentation currency. Foreign currency transactions are translated into functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translations of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in the consolidated statements of loss and comprehensive loss.

The financial statements of the Company, which conducts the majority of its operations in its Subsidiary in USD, are translated from their functional currency into the presentation currency as follows: assets and liabilities are translated at the exchange rates at the period end date, revenue, expenses, and other income (expense) are translated at the average exchange rate for the period and shareholders' equity are translated based on historical exchange rates. Translation adjustments are not included in determining net loss but are included as a foreign exchange translation adjustment to other comprehensive income, a component of shareholders' equity. This approach ensures that the financial performance of the Company is accurately reflected in the Company's consolidated financial statements. The Company has decided on USD as the presentation currency since it is more helpful to investors of Company. Most investors are based in US and transact in US currency and hence expect to see the consolidated financial statements in USD.

(f) Use of estimates and judgments

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Clip Money Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2025 and 2024

(Unaudited, expressed in US dollars, unless otherwise noted)

2. BASIS OF PRESENTATION (continued)

Management has applied significant judgments, estimates and assumptions related to the following:

i. Calculation of share-based payments

The Company measures the cost of equity-settled transactions using the Black Scholes Options Pricing Model. This model also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

ii. Convertible debt with derivative liabilities

In determining the fair value for the convertible debt conversion feature considered to be a derivative liability, the Company uses various valuation techniques, which include the Monte Carlo model, and makes estimates of the expected volatility of the shares, risk-free interest rate, effective discount rate, share price, and major event expected date and probability (as the conversion feature is dependent on these estimates). The expected volatility is based on volatilities of comparable companies. The risk-free rate assumed in valuing the conversion feature is based on the Canadian treasury yield curve in effect at the time of grant for the expected term of the convertible debentures issued. The discount rate is based on the estimated rate for a debenture without a conversion feature. The major event expected date and probability are based on management's best estimate at the time of valuation based on current internal Company information and market conditions. Changes to these estimates could result in the fair value of the derivative liability being less than or greater than the amount recorded.

The identification of the financial liability and the equity instrument components embedded within a convertible debenture requires significant judgment given that it is based on the interpretation of the substance of the contractual arrangement. The determination of the fair value is also an area of significant judgment given that it is subject to various inputs, assumptions and estimates including contractual future cash flows, discount rates, credit spreads and volatility.

iii. Fair value of financial instruments

The fair values attributed to the different components of a financial transaction are determined using valuation techniques. The Company uses judgment to select the methods used to make certain assumptions and in performing the fair value calculations in order to determine (a) the values attributed to each component of a transaction at the time of their issuance; (b) the fair value measurements for certain instruments that require subsequent measurement at fair value on a recurring basis; and (c) for disclosing the fair value of financial instruments subsequently carried at amortized cost. These valuation estimates could be significantly different because of the use of judgment and the inherent uncertainty in estimating the fair value of these instruments that are not quoted in an active market.

iv. Leases

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow a similar amount at a similar term with a similar security. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity specific estimates. The Company also makes certain assumptions whether it expects to exercise any renewal options on the leases.

Clip Money Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2025 and 2024

(Unaudited, expressed in US dollars, unless otherwise noted)

2. BASIS OF PRESENTATION (continued)

v. *Going concern*

The evaluation of the Company's ability to continue as a going concern, which is dependent on the Company's ability to raise additional financing in order to cover its operating expenses for the upcoming year, requires significant judgment-based assumptions including the probability that future events are considered reasonable according to the circumstances. Please refer to Note 1 for further information.

vi. *Intangible assets*

Significant judgments are made in determining the useful lives, costs to be capitalised and recoverable amounts of the Company's intangible assets, and in evaluating whether certain occurrences represent objective evidence of impairment. Estimates of the recoverable amounts of the intangible assets rely on certain factors such as future cash flows and discount rates. Judgments on costs to be capitalised depend on time spent by the developer and the nature of activity performed i.e., maintenance or development. Future cash flows are based on sales projections and costs which are estimated based on forecasted results while discount rates are based on the Company's cost of capital. Future outcomes may be materially different than those assumptions used in the impairment assessment and therefore could have a significant effect on the results of the Company. Management uses its judgment to determine whether costs incurred meet the criteria to be recorded as an intangible asset.

vii. *Recognition of deferred tax assets and measurement of income tax expense*

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on assessment of the Company's ability to use the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. If changes were made to management's assessment regarding the Company's ability to use future tax deductions, the Company could be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

Clip Money Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2025 and 2024

(Unaudited, expressed in US dollars, unless otherwise noted)

3. PROPERTY AND EQUIPMENT

Details of the Company's property and equipment are as follows:

Cost	
Balance, January 1, 2024	\$ 1,015,512
Additions	122,574
Foreign currency translation	(87,967)
Balance, December 31, 2024	1,050,119
Additions	84,633
Foreign currency translation	60,220
Balance, June 30, 2025	\$ 1,194,972
Accumulated depreciation	
Balance, January 1, 2024	\$ (330,878)
Depreciation	(203,070)
Foreign currency translation	36,496
Balance, December 31, 2024	(497,452)
Depreciation	(111,681)
Foreign currency translation	(30,895)
Balance, June 30, 2025	\$ (640,028)
Net book value	
At December 31, 2024	\$ 552,667
At June 30, 2025	\$ 554,944

Clip Money Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2025 and 2024

(Unaudited, expressed in US dollars, unless otherwise noted)

4. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Right-of-use assets

The Company has lease agreements for ClipDrop boxes at various shopping mall locations and retail stores. Leases generally have lease terms between 1 year to 6 years with an option to renew the leases after that date.

The Company has not made any re-assessment related to the extension option as at June 30, 2025. Right-of-use assets recognized and the changes are as follows:

Balance, January 1, 2024	\$ 4,638,698
Additions	1,731,252
Lease terminated	(351,153)
Depreciation expense	(1,213,753)
Foreign currency translation	(284,410)
Balance, December 31, 2024	4,520,634
Additions	431,232
Lease terminated	(30,903)
Depreciation expense	(733,362)
Foreign currency translation	108,205
Balance, June 30, 2025	\$ 4,295,806

Lease liabilities

Lease liabilities recognized, and movements are as follows:

Balance, January 1, 2024	\$ 5,518,750
Additions	1,728,776
Lease terminated	(394,652)
Payments	(1,929,041)
Interest expense	674,240
Foreign currency translation	(8,620)
Balance, December 31, 2024	5,589,453
Additions	430,671
Lease terminated	(9,461)
Payments	(1,152,047)
Interest expense	349,274
Foreign currency translation	2,837
Balance, June 30, 2025	\$ 5,210,727

Clip Money Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2025 and 2024

(Unaudited, expressed in US dollars, unless otherwise noted)

4. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

The IBR used in the calculations of the lease obligation was 11.0% to 19.5% (2024 – 11.0% to 19.5%). The minimum lease payments for the next five years are expected to be as follows:

Minimum payments under lease liabilities	
Within 1 year	\$ 2,267,735
2 to 3 years	3,220,335
4 to 5 years	798,491
Over 5 years	20,900
	6,307,461
Effect of discounting	(1,096,734)
Present value of minimum lease payments	5,210,727
Less: current portion	(1,708,478)
Non-current portion of lease liabilities	\$ 3,502,249

Payments for short-term leases of \$80,976 (2024 - \$24,295) are expensed as incurred in cost of revenue in the statement of loss and comprehensive loss for the six months ended June 30, 2025.

Commitments

In the second quarter of 2025, the Company entered into lease agreements with several mall operators to install ClipDrop boxes at shopping centers across the United States. These agreements allow for installation at 24 new locations with anticipated installations in the third quarter of 2025.

Clip Money Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2025 and 2024

(Unaudited, expressed in US dollars, unless otherwise noted)

5. INTANGIBLE ASSETS

Details of the Company's intangible assets and its carrying amounts are as follows:

	Clip Platform	Patents	Applications & Dashboards	Total
Cost				
Balance, January 1, 2024	\$ 2,203,392	\$ 34,631	\$ 1,243,804	\$ 3,481,827
Additions, internally generated	205,462	-	136,418	341,880
Foreign currency translation	(187,958)	(2,799)	(107,083)	(297,840)
Balance, December 31, 2024	2,220,896	31,832	1,273,139	3,525,867
Additions, internally generated	92,602	5,417	20,917	118,936
Foreign currency translation	124,503	1,920	70,307	196,730
Balance, June 30, 2025	\$ 2,438,001	\$ 39,169	\$ 1,364,363	\$ 3,841,533
Accumulated amortization				
Balance, January 1, 2024	\$ (432,255)	\$ (3,167)	\$ (869,178)	\$ (1,304,600)
Amortization	(223,708)	(1,401)	(319,762)	(544,871)
Foreign currency translation	45,681	323	85,609	131,613
Balance, December 31, 2024	(610,282)	(4,245)	(1,103,331)	(1,717,858)
Amortization	(115,676)	(728)	(97,359)	(213,763)
Foreign currency translation	(37,196)	(256)	(63,552)	(101,004)
Balance, June 30, 2025	\$ (763,154)	\$ (5,229)	\$ (1,264,242)	\$ (2,032,625)
Net book value				
At December 31, 2024	\$ 1,610,614	\$ 27,587	\$ 169,808	\$ 1,808,009
At June 30, 2025	\$ 1,674,847	\$ 33,940	\$ 100,121	\$ 1,808,908

6. TRADE AND OTHER PAYABLES

Trade and other payables consist of the following:

	June 30, 2025	December 31, 2024
Trade payables	\$ 920,055	\$ 626,337
Accrued liabilities	252,030	292,590
Accrued bonuses	669,900	344,990
Government remittances payable	6,546	11,528
Total	\$ 1,848,531	\$ 1,275,445

Clip Money Inc.

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7. DEFERRED REVENUE

During the first quarter of 2025, Clip received \$250,000 from a strategic partner to integrate with their systems, which was completed in the second quarter of 2025.

8. GOVERNMENT LOANS

In 2020, the Company received a \$60,837 (\$83,000 CAD) loan from the Regional Relief and Recovery Fund from Economic Development Canada. This loan bears 0% interest. No principal payments were required prior to April 1, 2023. The loan was recognized at a value based on an estimated market interest rate of 10%.

In 2023, the Company received a \$7,330 (\$10,000 CAD) loan from Business Development Bank of Canada ("BDC"). In 2024, the Company received the balance of this loan, \$359,159 (\$490,000 CAD) available. This loan bears variable interest of 1% plus the BDC's floating base rate for a current rate of 8.05% (2024 – 8.55%). Interest only payments are due monthly. The principal is due in a lump sum in November 2026 or can be paid in advance at the Company's discretion. The loan is secured with a General Security Agreement in all present and after-acquired personal property, subject to existing and future registered charges.

The balance of the loans as at June 30, 2025 and December 31, 2024 is as follows:

	June 30, 2025	December 31, 2024
Economic Development Loan – interest free, unsecured, discounted 10%	\$ 29,153	\$ 31,901
BDC Loan – Floating base variable plus 1%, secured (general security on personal property)	396,554	347,488
	425,707	379,389
Amount payable within one year	(9,685)	(8,737)
Long-term government loans, end of year	\$ 416,022	\$ 370,652

Future payments required to be paid are as follows:

Year	Amount
Year 1	\$ 9,685
Year 2	407,254
Year 3	8,768
Total	\$ 425,707

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8. GOVERNMENT LOANS (continued)

Loan activity is as follows:

Balance, January 1, 2024	\$ 51,249
Accrued interest	18,320
Additions	340,538
Interest paid	(16,332)
Repayments	(11,534)
Foreign currency translation	(2,852)
Balance, December 31, 2024	379,389
Accrued interest	17,561
Loan settlement fee, due Nov 2026	27,771
Interest paid	(14,690)
Repayments	(5,887)
Foreign currency translation	21,563
Balance, June 30, 2025	\$ 425,707

9. CONVERTIBLE DEBT

Convertible Debentures issued in May and June 2023

On May 4, 2023, the Company closed the first tranche (“Tranche 1”) of a non-brokered private placement (“Private Placement”) of approximately 483 note units of the Company (each a “Note Unit 1”) at a price of CAD\$1,000 per note unit for gross proceeds of \$356,529 (CAD\$483,668). The Company incurred \$11,057 of issuance costs related to Tranche 1.

On June 14, 2023, the Company closed the second tranche (“Tranche 2”) of a non-brokered private placement of approximately 3,420 note units (together with Note Unit 1, “Note Unit”) of the Company at a price of CAD\$1,000 per note unit for gross proceeds of \$2,572,043 (CAD\$3,420,046). The Company incurred \$101,930 of issuance costs related to Tranche 2.

Each Note Unit consists of one CAD\$1,000 convertible note (the “Note”), and 1,000 common share purchase warrants (the “Warrants”). Each Note issued under the Private Placement will be due and payable on the date that is 36 months from the date of issuance (the “Maturity Date”). On the Maturity Date, payment of the principal amount of each Note plus accrued and unpaid interest thereon will be satisfied in cash. Each Note will bear interest at the rate of 12% per annum, accruing monthly and in kind onto the principal amount of the Note and will be due and payable in full on the Maturity Date.

The Company may elect, at its sole discretion, to pay all or a portion of any accrued and unpaid interest in cash or shares of the Company.

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9. CONVERTIBLE DEBT (continued)

The principal amount of each Note Unit can be converted into common shares of the Company at the option of the holder, either in whole or in part, at any time up until the business day immediately preceding the Maturity Date. The conversion price for the Notes to common shares is CAD\$0.50 per share (the "Conversion Price"), subject to adjustments in specific events and approval from the TSXV. The Company has the option (but not the obligation) to force the conversion of the outstanding Note into common shares at the Conversion Price, if the daily volume weighted average trading price of the common shares on the TSXV is greater than CAD\$1.00 for 20 consecutive trading days. The Note Units shall, upon notice, automatically convert into common shares if the Company raises a minimum of US\$5 million in an equity financing, with the conversion price being the lesser of the CAD\$0.50 or 80% of the price per security of such financing (the "Qualified Financing"). The holder will further have the right to require the Company to convert Note Unit, at the lesser value of the Conversion Price or 80% of the price per Note Unit of a change of control (as defined in unsecured convertible note agreement). The price of such conversion will be subject to approval of the TSXV at time of conversion. Each Warrant issued under the Note Unit grants the holder the right to purchase one common share at an exercise price of CAD\$0.70 within 36 months following the issuance of the Note Units. The expiry date of the Warrants can be accelerated, at the option of the Company, if the Company's volume weighted average price per share is at or above \$1.40 on the TSXV for 20 consecutive trading days, leading to an expiration 30 days after the Company's announcement of the acceleration.

Each Note Unit and Warrant in combination was considered a compound financial instrument consisting of both liability and equity components. As the conversion feature may be converted into a varying number of shares due to the force conversion on a Qualified Financing, the conversion feature is considered a derivative liability (the "Conversion Feature"). One of the embedded conversion features was classified as equity. Each Note Unit is bifurcated into the Conversion Feature classified as a derivative liability measured at fair value through profit or loss, the host debt classified as a liability measured at amortized cost, and the Warrants along with one of the conversions features were classified as an equity component.

Accordingly, under IFRS, the Company is required to first value its derivative liability, followed by the convertible note principal, with the residual amount allocated to the equity component. The host debt component is fair valued using a discount rate that is based on the estimated rate for a debenture without a conversion feature. The debt component is subsequently accreted to the face value of the debt portions of the convertible debentures at the effective interest rate.

The derivative liability was valued using a Monte Carlo simulation. In applying the Monte Carlo simulation, the Company used the following key inputs and assumptions:

- the Company's share price;
- the Company will force convert if it has the opportunity;
- assumptions related to the likelihood of a Qualified Financing over different periods;
- the Company's historical volatility; and
- the risk-free rate.

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9. CONVERTIBLE DEBT (continued)

September 2023 Convertible Debentures

On September 21, 2023, the Company closed a non-brokered private placement of convertible debentures for gross proceeds of \$6,132,217, maturing on September 21, 2028 (the "September 2023 Debentures"), receiving \$5,100,000 from a strategic investor, and the remainder from a second investor. The Company incurred \$91,483 of issuance costs related to the issuance of the September 2023 Debentures. The September 2023 Debentures bear interest at a rate of 8%, non compounding and is fully payable on maturity. The September 2023 Debentures are convertible at CAD\$0.26 per common share, and upon conversion, any accrued interest is automatically forgiven. As of June 30, 2025, accrued interest for the September 2023 Debentures was \$856,906 (December 31, 2024 – \$585,537).

As a condition to a strategic investor subscribing for \$5.1 million worth of the September 2023 Debentures, the Company entered into an investor rights agreement with that investor which provides for, among other things, the investor's ability to participate in and/or consent to future debt or convertible debt financings above a given threshold.

As a condition to a particular investor subscribing for \$1 million worth of convertible notes in the second tranche of the private placement, the Company entered into an investor rights agreement with that investor which provides for, among other things, the investor's ability to participate in and/or consent to future debt or convertible debt financings above a given threshold. On September 21, 2023, the \$1 million worth of convertible notes were redeemed, and the investor rights agreement was terminated. As a result of the redemption, the Company incurred a loss on early extinguishment of convertible notes of \$271,340, of which \$168,534 were cash costs. The redemption of convertible notes issued in the second tranche of the private placement and issuance of new convertible note as part of non-brokered private placement of convertible debentures on September 21, 2023, worth \$1,032,579 was done as non-cash transaction.

September 2024 Convertible Debentures

On September 17, 2024, the Company closed a non-brokered private placement of convertible debentures for gross proceeds of \$2,800,000, maturing on September 17, 2029 (the "September 2024 Debentures"), receiving \$800,000 from a strategic investor (Note 19), and the remainder from a second investor. The Company incurred \$68,662 of issuance costs related to the issuance of the September 2024 Debentures. The September 2024 Debentures bear interest at a rate of 13% compounding annually. Half, or 6.5% per annum, is payable on a quarterly basis, starting December 17, 2024. The other half, or 6.5% per annum is payable on maturity. The September 2024 Debentures are convertible at CAD\$0.55 per common share.

Convertible Debentures issued in February 2025

On February 24, 2025, the Company closed a non-brokered private placement of unsecured convertible notes for gross proceeds of \$2,000,000 (CAD\$2,840,000) from Cardtronics, Inc., a subsidiary of NCR Atleos and related party. The Company incurred \$27,757 of issuance costs related to the February 2025 Debenture. The February 2025 debenture accrues simple interest at 13% per annum, with quarterly cash interest payments. The principal and any unpaid interest are due on February 24, 2030. At Cardtronics' discretion, the principal and / or interest can be paid through cash, issuance of common shares at a conversion price of CDN\$0.55 or a combination of cash and common shares (with at least 50% of the principal converted into common shares).

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9. CONVERTIBLE DEBT (continued)

Financial Summary

The Company has allocated the initial allocations net of issuance costs, as follows:

Initial recognition (net of issuance costs)	Tranche 1	Tranche 2	September 2023 debenture	September 2024 debenture	Tranche 5
Derivative liability	\$ 121,141	\$ 886,029	\$ Nil	\$ Nil	\$ 562,326
Convertible debt	224,331	1,584,084	4,455,919	2,692,155	1,409,917
Contributed surplus (warrants)	Nil	Nil	Nil	Nil	Nil
Contributed surplus (equity portion of debt)	Nil	Nil	1,584,869	39,183	Nil
Total	\$ 345,472	\$ 2,470,113	\$6,040,788	\$2,731,338	\$1,972,243

Convertible debt and derivative conversion option liability recognized, and movements are as follows:

	Convertible debt	Derivative liability
Balance, January 1, 2024	\$ 6,240,341	\$ 607,215
Issuance of September 2024 Debentures, net of costs	2,692,155	-
Accretion expense	519,561	-
Fair value change on derivative liability	-	15,048
Repayments	(45,151)	-
Foreign currency translation	(716,499)	(49,801)
Accrued interest	841,272	-
Balance, December 31, 2024	\$ 9,531,679	\$ 572,462
Issuance of Tranche 5, net of costs	1,409,917	562,326
Accretion expense	313,063	-
Fair value change on derivative liability	-	(386,041)
Repayments	(120,263)	-
Foreign currency translation	545,374	41,488
	11,679,770	790,235
Accrued interest	629,826	-
Balance, June 30, 2025	\$ 12,309,596	\$ 790,235

As at June 30, 2025, \$1,797,094 (December 31, 2024 - \$1,167,268) of interest has been accrued and recorded within convertible debt.

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10. SECURED PROMISSORY NOTE

On October 28, 2024, Clip Money USA Inc, the Company's subsidiary, received a secured revolving promissory note for \$1,000,000. This note carries an interest rate of the term SOFR interest rate plus 3.5%. Interest only payments are payable monthly for the duration of the note and until paid in full or converted into permanent financing. The note matures in October 2027.

If moved to permanent financing, the promissory note would convert into a 24-month term loan. This loan would be paid in level monthly installments plus interest of the term SOFR interest rate plus 3.5% for a current rate of 7.84 as at June 30, 2025.

\$1,000,000 included in cash and cash equivalents are held as deposit against the secured promissory note. Restricted cash is subject to legal or contractual restrictions by third parties as well as restrictions as to withdrawal or use, including restrictions that require the funds to be used for a specified purpose and restrictions that limit the purpose for which the funds can be used. Accordingly, \$1,000,000 of cash is considered restricted.

Secured promissory note activity is as follows:

Balance, January 1, 2024	\$ -
Advances	175,000
Legal and origination fees	12,650
Legal and origination fees paid	(12,650)
Balance, December 31, 2024	175,000
Accrued interest	11,217
Advances	1,035,000
Interest paid	(11,217)
Repayments	(275,000)
Balance, June 30, 2025	\$ 935,000

11. SHARE CAPITAL

Authorized share capital

The Company is authorized to issue an unlimited number of common shares and an unlimited number of preferred shares, issuable in series. The par value of each share is \$0.0001.

Outstanding share capital

	Note	Number of Shares	Amount
Balance, January 1, 2024		104,947,537	\$ 23,942,305
Conversion of restricted stock units	a	216,657	147,522
Balance, December 31, 2024		105,164,195	24,089,827
Conversion of restricted stock units	b	216,657	146,951
Balance, June 30, 2025		105,380,852	\$ 24,236,778

- a. On June 25, 2024, 216,657 restricted stock units issued to executives of the Company, which vested on June 7, 2024, valued at \$147,522, were converted into common shares (see Note 12).

Clip Money Inc.

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- b. On June 24, 2025, 216,657 restricted stock units issued to executives of the Company, which vested on June 7, 2024, valued at \$146,951, were converted into common shares (see Note 12).

12. SHARE-BASED PAYMENTS

Stock options and Restricted Share Unit options (“RSU”s) may be granted to directors, officers, employees, and service providers of the Company on terms that the Governance, Human Resources and Compensation Committee (the “Plan Administrator”) may determine within the limitations set forth in the Equity Incentive Plan or by security regulators. Stock options and RSUs shall not be granted for a term exceeding 10 years. The Plan Administrator has the authority to determine the vesting terms applicable to the grants of stock options and RSUs.

Under the Equity Incentive Plan adopted on May 20, 2022, the Company may issue a combination of stock options and RSUs equal to no more than 10% of outstanding shares of the Company. Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share. The exercise price is determined when the options are granted and is usually based on the market value of shares on the grant date.

Stock Options

The following table summarizes the Company’s stock option activity for the period indicated:

	June 30, 2025		December 31, 2024	
	Options	Weighted Average Exercise Price	Options	Weighted Average Exercise Price
Balance, beginning of period	6,064,321	\$ 0.28 (0.39 CAD)	4,229,321	\$ 0.35 (0.48 CAD)
Granted	27,500	\$ 0.14 (0.19 CAD)	1,835,000	0.14 (0.20 CAD)
Balance, end of period	6,091,821	\$ 0.29 (0.39 CAD)	6,064,321	\$ 0.27 (0.39 CAD)

The fair value of the Company’s stock options was estimated using the Black-Scholes option pricing model using the following assumptions for the periods ended:

	June 30, 2025	December 31, 2024
Volatility	107% to 110%	107% to 110%
Risk-free interest rate	2.97% to 3.52%	2.97% to 3.52%
Expected life (years)	10 years	10 years
Dividend yield	Nil	Nil
Forfeiture rate	Nil	Nil
Vesting period	0 to 3 years	0 to 3 years

Volatility is calculated by using the historical volatility of other public companies that the Company considers comparable and that have adequate trading and volatility history.

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12. SHARE-BASED PAYMENTS (continued)

The following table presents information related to stock options outstanding as at June 30, 2025:

Exercise Price	Number Outstanding	Weighted Average Remaining Contractual Life	Number of Options Exercisable
\$ 0.00 (0.00 CAD)	843,471	5.84	-
0.13 (0.18 CAD)	1,190,000	8.70	396,666
0.14 (0.19 CAD)	27,500	9.92	-
0.15 (0.20 CAD)	262,500	8.60	262,500
0.16 (0.22 CAD)	300,000	8.99	300,000
0.18 (0.24 CAD)	87,500	9.19	-
0.19 (0.26 CAD)	1,747,000	8.17	1,115,667
0.22 (0.30 CAD)	87,500	8.35	87,500
0.73 (1.00 CAD)	1,521,350	6.94	1,521,350
1.10 (1.50 CAD)	25,000	7.37	25,000
\$ 0.29 (0.39 CAD)	6,091,821	7.33	3,708,683

Restricted Share Units

Restricted share units ("RSUs") changes are as follows as at:

	June 30, 2025	December 31, 2024
Balance, beginning of period	216,698	433,355
Granted	1,425,000	
Redeemed	(216,667)	(216,657)
Balance, end of period	1,425,031	216,698

The compensation expense for RSUs issued in the normal course of business to employees was determined based on the fair value at the date of measurement using the Black Scholes option pricing model with the following weighted average assumptions for the periods ended:

	June 30, 2025	December 31, 2024
Volatility	109% - 126%	126%
Risk-free interest rate	3.35% - 4.95%	3.35%
Expected life (years)	10 years	10 years
Dividend yield	Nil	Nil
Forfeiture rate	Nil	Nil
Vesting period	1-3 years	3 years

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12. SHARE-BASED PAYMENTS (continued)

Warrants

The following table summarizes the Company's warrants activity for the periods indicated:

	Number of Warrants	Amount	Exercise Price
Balance, January 1, 2024	16,603,593	\$ 2,259,863	\$ 0.65 (0.83 CAD)
Balance, December 31, 2024	16,603,593	\$ 2,259,863	\$ 0.65 (0.83 CAD)
Expired – private placement	(4,045,213)	-	1.11 (1.50 CAD)
Expired – agents	(42,007)	-	0.74 (1.00 CAD)
Balance, June 30, 2025	12,516,373	\$ 2,259,863	\$ 0.50 (0.83 CAD)

The fair value of the warrants was determined based on the fair value of the options at the date of measurement using the Black Scholes option pricing model with the following weighted average assumptions for the periods indicated below:

	June 30, 2025	December 31, 2024
Volatility	102% to 126%	102% to 126%
Risk-free interest rate	2.64% to 4.05%	2.64% to 4.05%
Expected life (years)	2 to 3 years	2 to 3 years
Dividend yield	Nil	Nil

13. LOSS PER SHARE

Basic and diluted net loss per share attributable to common shareholders is determined as follows for the periods ended:

	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Numerator:				
Net loss attributable to shareholders - basic and diluted	\$ (2,174,025)	\$ (2,485,740)	\$ (4,454,306)	\$ (4,882,952)
Denominator:				
Weighted-average number of common shares	105,171,376	104,953,489	105,171,376	104,953,489

The Company's potentially dilutive securities, which include stock options, RSUs and warrants granted have been excluded from the computation of diluted net loss per share as the effect would be anti-dilutive. Therefore, the weighted-average number of common shares outstanding used to calculate both basic and diluted net loss per share attributable to common shareholders is the same.

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14. FINANCE EXPENSE

Details of the Company's financing income and expenses are as follows:

	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Financing income:				
Interest income	\$ 10,723	\$ 25,207	\$ 21,397	\$ 74,992
Financing expense:				
Secured promissory note fee (Note 10)	7,272	-	11,217	-
Accretion and interest on convertible debt (Note 9)	511,078	309,222	942,889	617,841
Interest on government loans (Note 8)	8,652	1,837	17,561	6,400
Government loan settlement fee (Note 8)	544	-	27,771	-
Interest on lease liabilities (Note 4)	170,793	162,697	349,274	327,796
Total	698,339	473,756	1,348,712	952,037
Net financing expenses	\$ 687,616	\$ 448,549	\$ 1,327,315	\$ 877,045

15. KEY MANAGEMENT COMPENSATION

Key management personnel are those persons having oversight or authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly. Key management compensation consists of independent board members and executive officers.

Share-based payments below are measured at the grant date fair value of the options and awards issued in the period. Key management compensation incurred for the three and six months ended June 30, 2025 and 2024 are as follows:

	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Short-term compensation	\$ 403,665	\$ 434,919	\$ 821,697	\$ 842,097
Share-based payments	51,359	121,367	96,612	252,971
Total	\$ 455,024	\$ 556,286	\$ 913,309	\$ 1,095,068

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16. SEGMENT REPORTING

The Company has one operating segment, which is providing a proprietary deposit network to businesses located across North America.

The Company's property and equipment, intangible assets and right-of-use assets are located in the following countries as stated below as at June 30, 2025 and 2024:

	Six months ended June 30, 2025	Six months ended June 30, 2024
Canada	\$ 1,884,878	\$ 2,157,817
United States	4,774,780	4,638,746
Total	\$ 6,659,658	\$ 6,796,563

The Company's revenues in the following countries for the three and six months ended June 30, 2025, and 2024 are stated below:

	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Canada	\$ 12,911	\$ 9,079	\$ 19,984	\$ 16,954
United States	1,336,676	378,876	2,302,309	670,177
Total	\$ 1,349,587	\$ 387,955	\$ 2,322,293	\$ 687,131

17. FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments that are measured at fair value use inputs which are classified within a hierarchy that prioritizes their significance. The three levels of the fair value hierarchy are:

- Level 1 ("L1") includes quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 ("L2") includes inputs that are observable other than quoted prices included within L1.
- Level 3 ("L3") includes inputs that are not based on observable market data (supported by little or no market activity).

As at June 30, 2025 and December 31, 2024, the fair value measurement for derivative liability has been categorized as a Level 2 based on the inputs to the valuation technique used. The valuation is based on forward rates considering the market price, rate of interest, credit spread and volatility.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents and receivables. Cash and cash equivalents consist of cash on hand deposited with reputable financial institutions which is closely monitored by management. Receivables are amounts typically received within 30 – 60 days from reputable sources. Management believes credit risk with respect to financial instruments included in cash and cash equivalents and receivables is minimal. Credit risk of receivables is mitigated through active collections management and working with organizations with good reputations and who are in good standing.

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17. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The Company's maximum exposure to credit risk is the carrying value of cash and receivables are as follows as at:

	June 30, 2025	December 31, 2024
Cash and cash equivalents	\$ 1,701,854	\$ 1,997,516
Receivables	569,495	639,860
Total	\$ 2,271,349	\$ 2,637,376

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying its financial obligations. The Company manages its liquidity risk by forecasting its operations and anticipating its operating and investing activities. The contractual cash flows of the Company's undiscounted financial liabilities are as follows:

As at June 30, 2025	Less than 1 year	1 year to 5 years	Greater than 5 years	Contractual Cash flows
Trade and other payables	\$ 1,848,531	\$ -	\$ -	\$ 1,848,531
Secured promissory note	-	935,000	-	935,000
Government loans	12,164	422,813	-	434,977
Convertible debt	-	14,341,070	-	14,341,070
Lease liabilities	2,267,735	4,018,826	20,900	6,307,461
	\$ 4,128,430	\$ 19,717,709	\$ 20,900	\$ 23,867,039

As at December 31, 2024	Less than 1 year	1 year to 5 years	Greater than 5 years	Contractual Cash flows
Trade and other payables	\$ 1,275,445	\$ -	\$ -	\$ 1,275,445
Secured promissory note	-	175,000	-	175,000
Government loans	11,534	373,439	-	384,973
Convertible debt	-	11,160,929	-	11,160,929
Lease liabilities	2,167,664	4,681,290	51,600	6,900,554
	\$ 3,454,643	\$ 16,390,658	\$ 51,600	\$ 19,896,901

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

Interest rate risk

Interest rate risk consists of a) the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, and b) to the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities. The Company is not exposed to any significant interest rate risk.

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17. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Concentrations risk

An approximately 64% (2024: 71%) of the revenue of the Company is earned from five customers (2024 – three customers).

Foreign currency risk

The Company is exposed to foreign currency risk due to the timing of its trade and other payables, receivables, lease liabilities and cash and cash equivalent balances. This risk is mitigated by timely payment of creditors and monitoring of foreign exchange fluctuations by management. The Company is exposed to unrealized foreign exchange risk through its CAD holdings.

A 10% change in the CAD foreign exchange rate would result in the following changes:

	June 30, 2025		December 31, 2024	
	Increase	Decrease	Increase	Decrease
Foreign currency risk				
Cash and cash equivalents	\$ (4,129)	\$ 4,542	\$ (17,150)	\$ 18,865
Receivables	(72)	79	-	-
Trade and other payables	30,704	(33,775)	20,334	(22,612)
Lease liabilities	348,095	(382,904)	425,286	(467,814)
Total	\$ 374,598	\$ (412,058)	\$ 428,470	\$ (471,561)

18. CAPITAL MANAGEMENT

The Company monitors “adjusted capital” which comprises of equity including share capital and deficit. The Company assesses capital requirements to maintain an efficient financing structure while avoiding unneeded debt. The Company manages its capital structure through assessing economic conditions and adjusting considering changes and risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may implement cost cutting and downsizing efforts in attempt to mitigate those risks.

The Company's objectives when maintaining capital are:

- to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company sets the amount of capital it requires in proportion to risk. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Clip Money Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2025 and 2024

(Unaudited, expressed in US dollars, unless otherwise noted)

19. RELATED PARTY TRANSACTION

Convertible Debentures issued in September 2024

On September 17, 2024, certain insiders of the Company participated in the convertible note debenture of the Company and subscribed for \$800,000 (CAD\$1,087,440) of the \$2,800,000 (CAD\$3,806,040) in aggregate principal amount of convertible notes that were issued by the Company.

Cardtronics, Inc.

Cardtronics Inc., a related party being a significant shareholder of the Company ("Cardtronics"), holds 27% (2023 – 27%) of the Company's issued share capital. As of June 30, 2025, Cardtronics Inc. has an outstanding convertible debenture with the Company in the amount of \$5,811,186 (CAD\$6,004,651). Additionally, there is an accrued accretion and interest payable of \$1,363,169 (CAD\$1,762,419) (2024 - \$800,661 or CAD\$1,152,071) associated with this debt (Note 9). As of June 30, 2025, the Company repaid \$71,357 (CAD\$97,352). The accretion and interest have been accrued in accordance with the terms of the convertible debt agreement outlined in Note 9, September Convertible Debenture. The Company has recognized this accretion and interest expense in the financial statements, assuming that payment is reasonably assured.

20. SUBSEQUENT EVENTS

Unsecured Note Financing

On July 18, 2025, the Company closed a non-brokered private placement of unsecured convertible notes for gross proceeds of \$3,000,000 (CAD\$4,125,900) from Cardtronics, Inc., a subsidiary of NCR Atleos and a related party.

The note accrues simple interest at 13% per annum, with quarterly cash interest payments. The principal and any unpaid interest are due on July 18, 2030. At Cardtronics' discretion, the principal and, or interest can be paid through cash, issuance of common shares at a conversion price of CDN\$0.55 or a combination of cash and common shares (with at least 50% of the principal converted into common shares).

Common Shares Issued

On July 18, 2025, the Company closed a non-brokered private placement of 6,876,500 common shares in the capital of the Company at a price of CAD\$0.20 per Common Share for gross proceeds of US\$1,000,000 (CAD\$1,375,300) to two insiders of the Company.

US Tariffs

In 2025, the United States government announced plans to impose a 25-50% tariff on most Canadian imports. Although the ultimate scope, timing and duration of these tariffs remains unclear, the connected impact of these announcements may cause continued economic uncertainty. While no adjustments have been made to these financial statements, it may be difficult to reliably measure the impact of this uncertainty on future accounting estimates, forecasts and financial results.