RIWI CORP.

CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

For the years ended December 31, 2024 and 2023

(Expressed in United States dollars)

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Independent Auditor's Report

To the Shareholders of RIWI Corp.

Opinion

We have audited the consolidated financial statements of RIWI Corp. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board and Interpretations (collectively "IFRS Accounting Standards").

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Accounting for acquisition transactions

Description of the key audit matter

The Company completed two acquisition transactions during the year. Management determined that the acquisition of the CoolTool Inc. is an asset acquisition and the acquisition of TheoremReach Inc. is a business combination. Management is required to exert judgement in assessing the accounting determination, and significant estimation is required in calculating consideration paid to commensurate the acquisition transactions and in allocating consideration to the assets acquired and liabilities assumed.

Refer to Note 3(a) of the consolidated financial statements for the significant judgments and estimates applied by management when assessing the accounting for the acquisition transactions and in allocating the purchase price to assets acquired and liabilities assumed. Notes 3(c) and 3(d) include relevant accounting policies adopted by management and specific details of the acquisition of CoolTool Inc. and TheoremReach Inc. are included in Note 4 and Note 5 respectively.

How the key audit matter was addressed in the audit

Our procedures included the following, amongst others:

- Assessing management's analysis and conclusion of the accounting treatment in accordance with the relevant IFRS Accounting Standards, and corroborating the facts therein;
- Assessing the business rationale for the acquisition transactions and performing a detailed review of the relevant transaction documents to understand the terms, facts and circumstances related to the acquisition transactions;
- Assessing management's purchase price allocation, including the applied valuation methodology and supporting future oriented cash flow forecasts.
- Examined the significant estimates applied in the future oriented cash flow forecasts, including revenue growth rates, profitability margins, attrition and royalty rates, and a discount factor;
- Professionals with specialized skill and knowledge in the field of valuation assisted in evaluating the reasonableness of the applied valuation methodology and in examining the attrition and royalty rates and the discount factor; and
- Reviewing the adequacy of the disclosures in the consolidated financial statements, including disclosures related to significant judgements and estimates.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the consolidated financial statements and our auditor's report thereon, included in Managements' Discussion and Analysis (the "MD&A").

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the MD&A prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Rob Scupham.

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia
April 28, 2025

RIWI CORP.
Consolidated Statements of Financial Position
As at December 31, 2024 and December 31, 2023

		December 31, 2024		December 31, 2023
Assets				
Current assets				
Cash and cash equivalents (Note 6)	**$**	**1,845,224**	$	3,094,542
Accounts receivable (Note 13(a))		**1,636,810**		637,894
Unbilled revenue (Note 10(b))		**112,069**		81,948
Contract costs		**38,082**		43,182
Prepaid expenses and other assets		**128,921**		53,571
Total current assets		**3,761,106**		3,911,137
Property and equipment		**24,652**		3,116
Intangible assets (Note 7)		**1,496,485**		151,381
Goodwill (Note 7)		**1,047,092**		-
Total assets	**$**	**6,329,335**	$	4,065,634
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities	**$**	**1,179,152**	$	472,703
Acquisition holdbacks payable (Note 5)		**775,991**		-
Deferred revenue (Note 10(b))		**1,092,815**		902,884
Notes payable (Note 8)		**58,073**		-
Total current liabilities		**3,106,031**		1,375,587
Long-term liabilities				
Long-term portion of notes payable (Note 8)		**967,473**		-
Deferred tax liability (Note 15)		**215,270**		-
Total liabilities		**4,288,774**		1,375,587
Shareholders' equity				
Share capital (Note 9)		**4,940,930**		4,940,930
Contributed surplus (Note 9)		**2,990,225**		2,833,137
Accumulated deficit		**(5,890,594)**		(5,084,020)
Total shareholders' equity		**2,040,561**		2,690,047
Total liabilities and shareholders' equity	**$**	**6,329,335**	$	4,065,634

Approved and authorized for issuance on behalf of the Board on April 28, 2025.

'Greg Wong" (signed)	*'Annette Cusworth" (signed)*
Greg Wong	Annette Cusworth
Chief Executive Officer	Chair of the Audit Committee

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

RIWI CORP.
Consolidated Statements of Changes in Equity
For the years ended December 31, 2024 and 2023
(Expressed in U.S. dollars)

	Number of Shares	Share Capital Amount	Contributed Surplus	Accumulated Deficit	Total Equity
Balance, December 31, 2022	18,004,428	$ 4,940,930	$ 2,477,931	$ (4,270,679)	$ 3,148,182
Share-based payment expense	-	-	355,206	-	355,206
Net loss and comprehensive loss for the period	-	-	-	(813,341)	(813,341)
Balance, December 31, 2023	18,004,428	4,940,930	2,833,137	(5,084,020)	2,690,047
Share-based payment expense	-	-	157,088	-	157,088
Net loss and comprehensive loss for the period	-	-	-	(806,574)	(806,574)
Balance, December 31, 2024	18,004,428	$ 4,940,930	$ 2,990,225	$ (5,890,594)	$ 2,040,561

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

RIWI CORP.
Consolidated Statements of Loss and Comprehensive Loss
For the years ended December 31, 2024 and 2023
(Expressed in U.S. dollars)

	2024	2023
Revenues (Note 10)	**$ 5,138,098**	$ 4,184,877
Operating expenses		
General and administrative (Note 11)	**1,766,770**	2,048,520
Operations (Note 11)	**2,769,225**	1,730,930
Technology costs (Note 11)	**491,834**	349,440
Sales and marketing (Note 11)	**676,390**	657,348
Total operating expenses	**5,704,219**	4,786,238
Operating loss before other income/(expense)	**(566,121)**	(601,361)
Other income/(expense)		
Interest income	**71,195**	92,942
Interest expense	**(19,596)**	-
Gain on asset disposal	**-**	971
Impairment of goodwill	**-**	(291,074)
Other expenses (Note 11)	**(211,151)**	(37,228)
Total other income/(expense)	**(159,552)**	(234,389)
Net loss before income taxes	**(725,673)**	(835,750)
Income tax expense/(recovery) (Note 15)	**80,901**	(22,409)
Net loss and comprehensive loss for the year	**$ (806,574)**	$ (813,341)
Net loss per share		
Basic and diluted	**$ (0.04)**	$ (0.05)
Weighted average number of common shares outstanding		
Basic and diluted	**18,004,428**	18,004,428

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

RIWI CORP.
Consolidated Statements of Cash Flows
For the years ended December 31, 2024 and 2023
(Expressed in U.S. dollars)

	2024	2023
Operating activities		
Net loss for the period	**$ (806,574)**	$ (813,341)
Non-operating interest income	**(71,195)**	(92,942)
Non-operating interest expense	**19,596**	-
Items not involving cash		
Amortization	**136,045**	63,419
Impairment of goodwill	**-**	291,074
Deferred tax expense	**80,901**	(37,337)
Share-based payment expense	**157,088**	355,206
	(484,139)	(233,921)
Changes in non-cash operating working capital:		
Accounts receivable	**196,831**	197,992
Unbilled revenue	**(30,121)**	(17,485)
Contract costs	**5,100**	(43,182)
Prepaid expenses and other assets	**(65,931)**	37,007
Accounts payable and accrued liabilities	**(304,455)**	131,228
Deferred revenue	**158,835**	604,453
Net cash provided/(used) by operating activities	**(523,880)**	676,092
Investing activities		
Interest income	**71,195**	92,942
Additions of property and equipment	**(3,279)**	(3,187)
Proceeds from disposal of capital assets	**-**	971
Acquisition of business, net of cash acquired (Note 4, 5)	**(1,589,885)**	-
Net cash provided by investing activities	**(1,521,969)**	90,726
Financing activities		
Issuance of notes payable (Note 8)	**873,515**	-
Repayment of notes payable (Note 8)	**(8,584)**	-
Interest expense	**(19,596)**	-
Lease payments	**-**	(17,305)
Net cash used by financing activities	**845,335**	(17,305)
Change in cash and cash equivalents	**(1,200,514)**	749,513
Effect of exchange rates on cash and cash equivalents	**(48,804)**	(5,689)
Cash and cash equivalents, beginning of the period	**3,094,542**	2,350,718
Cash and cash equivalents, end of the period	**$ 1,845,224**	$ 3,094,542

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

1. NATURE OF OPERATIONS

RIWI Corp. ("RIWI" or the "Company") is a public company and its shares are all common shares listed on the TSX Venture Exchange (TSXV: RIWI). The Company was originally incorporated under the laws of Canada pursuant to the Canada Business Corporations Act on August 17, 2009. The Company's head office is located at 33 Bloor Street East, 5th Floor, Toronto, Ontario, M4W 3H1 and RIWI's registered office is located at Suite 4100, 66 Wellington St W, Toronto, Ontario, M5K 1B7.

RIWI is a global trend-tracking and prediction technology firm. The Company's patented, cloud-based software solutions provide a global digital intelligence platform to clients seeking real-time consumer and citizen sentiment data anywhere in the world in order to improve business performance, evaluate program effectiveness, enhance customer engagement, and to monitor and reduce emerging threats and violent conflict.

These consolidated financial statements of the Company for the year ended December 31, 2024 (the, or these, "Financial Statements") have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

2. BASIS OF PRESENTATION

These Financial Statements have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board and Interpretations (collectively "IFRS Accounting Standards") and were authorized for issuance by RIWI's Board of Directors on April 28, 2025.

These Financial Statements have been prepared on the historical cost basis, consistent with the Company's material accounting policies except for financial instruments that are classified as fair value through profit or loss (FVTPL), which are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The Company's functional and reporting currency is the United States Dollar.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Use of estimates and judgments

The preparation of these Financial Statements in conformity with IFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies regarding certain types of assets, liabilities, revenues and expenses. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future period affected. Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts are as follows:

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(a) Use of estimates and judgments (continued)

(i) Asset carrying values and impairment charges
The assessment of any impairment of property and equipment, and intangible assets, is dependent upon estimates of recoverable amounts that take into account factors, such as economic and market conditions and the useful lives of assets, that are determined through the exercise of judgment. The Company tests for impairment whenever events or changes in circumstances indicate the carrying amount of the assets may not be recoverable. The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. Key estimates and judgements used by management when calculating the recoverable amount include the Company's future cash flows and the discount rate used.

(ii) Business combinations
In order to determine the acquisition date fair values of the assets acquired and liabilities assumed in a business combination, the Company uses appropriate valuation techniques which are generally based on a forecast of the total expected future net discounted cash flows and a discount rate that would be assumed by a market participant. See Notes 4 and 5 details regarding the estimates.

Information about judgments made in determining if the business combinations are asset acquisitions or business combinations is disclosed in Notes 4 and 5.

(iii) Measurement of share-based compensation
Management determines costs for share-based payments using market-based valuation techniques. The fair value of the share awards are determined at the date of grant using the Black-Scholes Method. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors.

(iv) Revenue
The Company exercises judgement in measuring its progress towards complete satisfaction of its performance obligations in project revenue contracts, which are satisfied over time. RIWI uses the output method to measure progress for performance obligations associated with project revenues for which revenue is recognized over time. Each of the Company's project revenue contracts is comprised of one performance obligation comprising a number of milestones, and the Company assesses the stage of completion of satisfying the performance obligation at each milestone as well as the consideration to be allocated to each milestone.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(a) Use of estimates and judgments (continued)

(v) Going concern assumption

The Financial Statements have been prepared on a going concern basis, which assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities in the normal course of business. Management has made a critical judgement in concluding that the going concern basis is appropriate. In making this judgement, management considered: the Company's cash flow forecasts for the next 12 months; the Company's ability to defer or decrease discretionary expenditures; and, the impact of current economic conditions, including political and fiscal instability in the Company's most significant market.

Although the Company incurred a net loss and comprehensive loss of $806,574 in 2024, it has a net positive working capital position and management believes it has sufficient resources to continue operations for at least 12 months from the approval date of these Financial Statements.

Accordingly, these Financial Statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities that may be necessary if the Company were unable to continue as a going concern.

(b) Basis of consolidation

These consolidated Financial Statements include the accounts of the Company and its subsidiaries.

A subsidiary is an entity controlled by the Company. The financial statements of the subsidiaries are included in the consolidated Financial Statements from the date that control commences until the date that control ceases. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Intercompany balances and transactions are eliminated upon consolidation and preparation of these Financial Statements. The Company’s subsidiaries and their jurisdictions of incorporation are as follows:

Subsidiary	Jurisdiction of Incorporation	Functional Currency	RIWI Ownership %
Research on Mobile ("ROM")	France	US Dollar	100%
RIWI US Corp	United States	US Dollar	100%
TheoremReach, Inc. ("TR")	United States	US Dollar	100%

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(c) Asset acquisitions

The Company accounts for transactions that do not meet the definition of a business under IFRS 3 Business Combinations as asset acquisitions. In such cases, the acquisition is treated as the purchase of individual assets and liabilities rather than a business combination.

In determining whether a transaction constitutes a business, the Company applies the optional concentration test and evaluates whether substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If the concentration test is not met, the Company assesses whether the acquired set of activities and assets includes, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

For asset acquisitions, the cost of the transaction, including directly attributable acquisition costs, is allocated to the identifiable assets acquired and liabilities assumed based on their relative fair values at the acquisition date. No goodwill is recognized in an asset acquisition.

Transaction costs incurred in connection with asset acquisitions have been expensed in the Consolidated Statements of Loss and Comprehensive Loss.

(d) Business combinations

Business combinations are accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values at the date of acquisition, of assets transferred, liabilities incurred or assumed, and equity instruments issued by the Company. The acquiree's identifiable assets and liabilities assumed are recognized at their fair value at the acquisition date.

Goodwill is initially measured as the excess of the consideration paid over the fair value of the net identifiable assets and liabilities. If the consideration is lower than the fair value of the net assets acquired, the difference is recognized in the Consolidated Statements of Loss and Comprehensive

The Company recognizes contingent consideration relating to its business acquisitions at fair value at the date the transaction closes and revalues the component of contingent consideration recognized as a liability at each subsequent reporting date and on settlement through earnings.

Acquisition related costs are expensed as incurred, except if they relate to the issue of debt or equity securities. Any goodwill that arises is tested annually for impairment.

(e) Cash and cash equivalents

Cash and cash equivalents consist of cash held on deposit in bank accounts and short-term guaranteed investments with original maturities less than ninety days that can be readily converted into cash.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(f) Intangible assets

Intangible assets, acquired separately, are capitalized when they meet the criteria in IAS 38 – Intangible Assets. Upon initial recognition, intangible assets are measured at cost. Intangible assets acquired through business combinations are measured at the fair value on the date of the acquisition and are subsequently assessed for indicators of impairment at each reporting date. The Company begins recognizing amortization when the asset is ready for its intended use. After commencing recognition of amortization, intangible assets are subsequently carried at cost less accumulated amortization and accumulated impairment losses. Costs are amortized using the straight-line method over the estimated useful life of the intangible asset.

The Company conducts an annual assessment of the residual values, useful lives and amortization methods being used for intangible assets, and any changes in estimates arising from the assessment are applied by the Company prospectively.

An intangible asset is derecognized upon disposal. Any gain or loss arising on disposal of the intangible asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the Consolidated Statements of Loss and Comprehensive Loss.

(g) Impairment

The Company's non-financial assets are assessed for indicators of impairment at each statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount of an asset or cash-generating unit ("CGU") exceeds its recoverable amount. Goodwill is tested for impairment annually in the fourth quarter or more often if events or circumstances indicate there may be an impairment. The Company groups its assets into CGUs for purposes of testing each CGU for impairment. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The Company has two CGUs, one being the assets of ROM and TR and the second being the assets of RIWI, which comprise 100% of the Company's assets excluding ROM and TR.

When testing for impairment of the CGUs, the recoverable amount of the CGU is estimated in order to determine the extent of the impairment, if any. An impairment exists if the carrying value of the CGU is in excess of the recoverable amount of the CGU. 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, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks 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 the Consolidated Statements of Loss and Comprehensive Loss for the period.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(g) Impairment (continued)

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 amount that would have been determined had no impairment loss been recognized for the asset (or CGU) in prior years. A reversal of an impairment loss is recognized immediately in the Consolidated Statement of Loss and Comprehensive Loss. Any impairments of goodwill are not reversed.

(h) Revenue, unbilled revenue and deferred revenue

The Company receives payments from customers based on previously agreed upon billing schedules, as established in each contract. The timing of revenue recognition, billings and cash collections might result in the recognition of: (i) accounts receivable; (ii) unbilled revenue; and (iii) deferred revenue on the Consolidated Statement of Financial Position.

Billing may occur after revenue recognition, resulting in the recognition of unbilled revenue until billing occurs. If the Company receives payments from customers before revenue is recognized, the payments are recognized as deferred revenue. Deferred revenue is recognized as revenue when the Company satisfies the performance obligation under the contract for which the deferred revenue was recognized.

Project revenues – Project revenue is recognized over time as RIWI’s performance in accordance with contracts does not create an asset with an alternative use and the Company has the right to payment for performance completed to date. These contracts are related to programs customized specifically for the customer. The Company recognizes project revenue over time based on the achievement of delivery milestones. Progress is determined based on completion of standard milestones (i.e. output method).

Transaction revenues – Transaction revenue is recognized when the RIWI platform matches a survey respondent with a third party survey and the respondent completes the survey. RIWI charges a fee for the survey being completed by the respondent and recognizes revenue when the survey results are provided to the third party customer.

Subscription revenues – Subscription revenue is generated when customers subscribe to receive a continuous data feed for a period of time, typically 12 months. This revenue is recognized on a monthly basis in equal amounts for the length of the contract as the performance obligation is being satisfied equally on a daily basis as the customer has continuous access to the data feed.

(i) Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(j) Share-based payments

The grant date fair value of share-based payment awards granted to employees (including directors, senior executives and consultants, which meet the definition of an "employee" under IFRS 2 Share-based Payment) is recognized as share-based payment expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the "vesting date"). The cumulative expense is recognized for equity-settled transactions at each reporting date reflecting the Company's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the Consolidated Statements of Loss and Comprehensive Loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period, and the corresponding amount is reflected in contributed surplus.

(k) Foreign currencies

Transactions in foreign currencies are translated to the Company's functional currency, U.S. Dollars, at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to the Company's functional currency at the period end exchange rate. Non-monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the date of the transaction. Foreign currency differences arising on translation of subsidiaries are recognized in the Consolidated Statements of Loss and Comprehensive Loss.

(l) Taxation

Income tax expense represents the sum of current income tax expense and deferred income tax expense. Current income tax expense is based on taxable income for the year. Income tax is recognized in the Consolidated Statements of Loss and Comprehensive Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current income tax is the expected income tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(l) Taxation (continued)

Deferred income tax assets and liabilities are recognized based on differences in the financial statement carrying amount for assets and liabilities and the associated tax balance. Deferred income tax liabilities are generally recognized for all taxable temporary differences. The amount of deferred income tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the Consolidated Statement of Financial Position date. Deferred income tax assets are generally recognized for all deductible temporary differences, unused tax credits carried forward and unused tax losses to the extent that it is probable that there will be taxable income against which deductible temporary differences can be utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities, when they relate to income taxes levied by the same taxation authority and when the Company intends to settle its current income tax assets and liabilities on a net basis.

(m) Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares are recognized as a deduction from equity.

The Company has adopted the relative fair value method with respect to the measurement of common shares and warrants issued as equity units. The relative fair value method requires an allocation of the net proceeds received based on the pro rata relative fair value of the components. When warrants are exercised, the applicable amounts are transferred from contributed surplus to share capital.

(n) Financial assets

On initial recognition, financial assets are classified as measured at amortized cost. The Company does not hold any financial assets measured at Fair Value Through the Statement of Profit or Loss (“FVTPL”), or Fair Value Through the Statement of Other Comprehensive Income (“FVTOCI”).

The Company recognizes cash and cash equivalents, accounts receivable and unbilled revenue initially when they are originated. All other financial assets are initially recognized when the Company becomes a party to the contractual provisions of the instrument. All accounts receivable without a significant financing component as defined in IFRS 15 are initially measured at their transaction prices as defined in IFRS 15. All other financial assets are initially measured at fair value plus transaction costs that are directly attributable to its acquisition.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(n) Financial Assets (continued)

Subsequent to initial recognition, financial assets classified as measured at amortized costs are measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognized in the Consolidated Statements of Loss and Comprehensive Loss. Any gain or loss on derecognition is recognized in the Consolidated Statements of Loss and Comprehensive Loss.

Under IFRS 9 Financial Instruments, the loss allowance for accounts receivable must be calculated using the expected lifetime credit loss and recorded at the time of initial recognition. There is no loss currently recognized.

(o) Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities. All financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or, where appropriate, a shorter period.

(p) Related party transactions

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

(q) Future accounting policy changes

At the date of the authorization of these Financial Statements, several new, but not effective Standards and amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Company.

(Expressed in U.S. dollars)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(q) Future accounting policy changes (continued)

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. The International Accounting Standards Board issued IFRS 18 - Presentation and Disclosure in the Financial Statements (“IFRS 18”), in April 2024 which is effective for annual reporting periods beginning on or after January 1, 2027. Management is currently assessing the impact of future adoption of IFRS 18 to these consolidated Financial Statements.

4. ASSET ACQUISITION - COOLTOOL INC.

On April 24, 2024, the Company acquired the majority of the assets and specific liabilities of CoolTool Inc. ("CoolTool"). This transaction is accounted for as an asset acquisition as the assets acquired met the concentration test under IFRS 3. In consideration for the acquisition, the Company paid $292,000 in cash and granted the vendors a variety of earn-outs of up to three years following acquisition valued at zero on the acquisition date based on the projected revenue of CoolTool and customer acquisition targets ("the CoolTool Earn-out Payments"). The CoolTool Earn-out Payments are payable on an annual basis in cash.

The following table shows the allocation of the purchase consideration to assets acquired and liabilities assumed including a summary of the identifiable classes of consideration transferred, and amounts by category of assets acquired and liabilities assumed at the acquisition date:

	Final Allocation
Purchase consideration	
Fair value of cash consideration	$ 292,000
Total purchase consideration	$ 292,000
Assets acquired and liabilities assumed	
Software technology	$ 295,506
Property and equipment	27,590
Deferred revenue	(31,096)
Total purchase price allocated	$ 292,000

The software technology acquired is amortized on a straight-line basis over the estimated useful life of 7 years. The property and equipment acquired is amortized on a straight-line basis over the estimated useful life of 3 years.

Acquisition costs of $48,323 have been expensed in the Consolidated Statements of Loss and Comprehensive Loss as part of Other Expenses.

(Expressed in U.S. dollars)

5. BUSINESS ACQUISITION - THEOREMREACH, INC.

On October 10, 2024, the Company purchased 100% of the shares of TheoremReach, Inc. for an aggregate purchase price of $2,525,991, which includes excess working capital delivered on closing of $125,991. Consideration is a combination of cash paid on closing plus additional amounts owing as of December 31, 2024 based on certain holdbacks, as well as an earnout of up to $1 million if a profitability target is met in 2025. TheoremReach is a survey monetization platform that connects app and website developers seeking user monetization with researchers seeking insights. The Company acquired TheoremReach to strengthen the revenue and profitability of its Respondent Marketplace segment and achieve cost synergies. The goodwill results from synergies that are expected by combining the operations of RIWI and TheoremReach, including increased revenues from cross-selling and cost efficiencies. The following table represents the purchase price allocation based on the fair value of the assets acquired and liabilities assumed at the date of acquisition, with any excess allocated to goodwill.

	Final Allocation
Purchase consideration	
Fair value of cash consideration	$ 1,750,000
Holdbacks payable	650,000
Working capital adjustment payable	125,991
Total purchase consideration	$ 2,525,991
Assets acquired and liabilities assumed	
Cash	$ 252,115
Accounts and other receivables	1,195,748
Software technology	926,541
Customer relationships	249,768
Goodwill	1,047,092
Accounts payable	(553,511)
Factoring loan	(457,393)
Deferred tax liability	(134,369)
Total purchase price allocated	$ 2,525,991

The estimated remaining useful lives of the technology and customer relationships were determined to be five and seven years, respectively. The goodwill is not amortized and will be tested for impairment yearly or earlier if there are indications of impairment. Goodwill is not tax deductible.

The Company's significant assumptions used in determining the acquisition-date fair values of intangible assets included the estimated discount rate, and estimated cash flows attributable to the specific acquired intangible assets, which included assumptions for customer attrition rate, technological obsolescence factor, and royalty rate.

(Expressed in U.S. dollars)

5. BUSINESS ACQUISITION - THEOREMREACH, INC. (continued)

No adjustments have been made to the contingent earnout liability subsequent to the acquisition date.

As of December 31, 2024, the Company owes the vendor $775,991 based on certain holdbacks in the agreement as well as an overage of cash and working capital delivered on closing.

For the period of October 10, 2024 through December 31, 2024, TheoremReach generated $779,706 in revenue and a net loss of $17,947.

Acquisition costs of $81,608 have been expensed in the Consolidated Statements of Loss and Comprehensive Loss as part of Other Expenses.

6. CASH AND CASH EQUIVALENTS

	December	
	2024	2023
Cash	**$ 1,845,224**	$ 762,847
Short-term deposits	**-**	1,831,695
Short-term investments	**-**	500,000
	$ 1,845,224	$ 3,094,542

Short-term investments represented a non-redeemable term deposit which earned annual interest of 5.5%, and matured June 3, 2024.

7. INTANGIBLE ASSETS AND GOODWILL

Intangible assets consist of a patent, domain names, trademarks, website, software acquired and customer relationships.

The Company owns US Patent #8,069,078. This patent, which expires in July 2030, relates to a method of obtaining a representative online polling sample or ad test globally. The Company classified the patent as a finite life intangible asset and is amortizing it using the straight-line method over 20 years.

The Company purchased Internet domain names in 2017 which have strategic value for ongoing intellectual property development. The Company classified the domain names as finite life intangible assets and is amortizing them using the straight-line method over 10 years.

In 2020, RIWI obtained the trademarks of the word mark “RIWI” in the US and the EU, and in 2021, obtained the trademark in Canada. The Company classified the trademarks as finite life intangible assets. The Company is amortizing the trademarks using the straight-line method over 10 years.

(Expressed in U.S. dollars)

7. INTANGIBLE ASSETS AND GOODWILL (continued)

In 2022, the Company acquired technology and customer relationships in its acquisition of ROM. These assets are being amortized using the straight-line method over 5 and 7 years respectively. In 2024, the Company acquired technology in its acquisition of the majority of the assets of CoolTool Inc. (see note 4). This asset is being amortized using the straight-line method over 7 years. In 2024, the Company acquired technology and customer relationships in its acquisition of TheoremReach, Inc. (see note 5). These assets are being amortized using the straight-line method over 5 and 7 years respectively.

Cost	Patent	Domain names	Trade-marks	Website	Software Technology	Customer relationships	Goodwill	Total
Balance, Dec. 31, 2022	$ 21,239	$ 80,810	$ 7,016	$ 16,568	$ 93,000	$ 61,000	$ 291,074	$ 570,707
Impairment of goodwill	-	-	-	-	-	-	(291,074)	(291,074)
Balance, Dec. 31, 2023	21,239	80,810	7,016	16,568	93,000	61,000	-	279,633
Additions due to acquisition (Note 4, 5)	-	-	-	-	1,222,047	249,768	1,047,092	2,518,907
Balance, Dec. 31, 2024	**$ 21,239**	**$ 80,810**	**$ 7,016**	**$ 16,568**	**$1,315,047**	**$ 310,768**	**$ 1,047,092**	**$ 2,798,540**

Accumulated Amortization	Patent	Domain names	Trade-marks	Website	Software Technology	Customer relationships	Goodwill	Total
Balance, Dec. 31, 2022	$ 14,425	$ 44,109	$ 2,474	$ 12,801	$ 9,300	$ 4,357	$ -	$ 87,466
Amortization	908	8,081	716	3,767	18,600	8,714	-	40,786
Balance, Dec. 31, 2023	15,333	52,190	3,190	16,568	27,900	13,071	-	128,252
Amortization	909	8,080	717	-	100,328	16,677	-	126,711
Balance, Dec. 31, 2024	**$ 16,242**	**$ 60,270**	**$ 3,907**	**$ 16,568**	**$ 128,228**	**$ 29,748**	**$ -**	**$ 254,963**

Net Book Value	Patent	Domain names	Trade-marks	Website	Software Technology	Customer relationships	Goodwill	Total
Balance, Dec. 31, 2023	$ 5,906	$ 28,620	$ 3,826	$ -	$ 65,100	$ 47,929	$ -	$ 151,381
Balance, Dec. 31, 2024	**$ 4,997**	**$ 20,540**	**$ 3,109**	**$ -**	**$1,186,819**	**$ 281,020**	**$ 1,047,092**	**$ 2,543,577**

Amortization in the amount of $126,711 has been included under general and administrative expenses for the year ended December 31, 2024 (2023 – $40,786).

As at December 31, 2024, the Company assessed the goodwill recorded in connection with the acquisition of TheoremReach for impairment. The key assumptions used in the estimation of the recoverable amounts for CGUs are management's cash flow projections based on expectations of revenue growth and expense and margin changes which are based on data from both external and internal sources. Cash flows were projected over a five-year period including considerations of past experience and actual operating results.

(Expressed in U.S. dollars)

7. INTANGIBLE ASSETS AND GOODWILL (continued)

The following significant unobservable inputs, all of which are classified as level 3 on the fair value hierarchy, are subject to volatility and several uncontrollable factors which would significantly affect the present value of the discounted cash flow, were used by management as part of this model:

(a) Revenue growth rate - represents the ability of the Company to generate revenue
(b) Gross margin - calculated as a percentage of revenue
(c) Weighted average cost of capital - calculated as weighted average cost of the Company's cost of equity and cost of debt

The following key assumptions were used to determine the recoverable amount for the impairment test performed at December 31, 2024:

	Pre-Tax Discount Rate	Terminal Value Multiple	Revenue Growth Rate 2025-2029	Terminal Revenue Growth Rate
Assumptions	20%	5.6x	5% - 15%	2%

The recoverable amount of the CGU exceeded its carrying amount, and no impairment loss was recognized.

Management performed sensitivity analyses and concluded that no reasonably possible change in key assumptions would result in the carrying amount exceeding the recoverable amount.

As at December 31, 2023, the Company assessed the goodwill recorded in connection with the acquisition of ROM for impairment. The key assumptions used in the estimation of the recoverable amounts for CGUs are management's cash flow projections based on expectations of revenue growth and expense and margin changes which are based on data from both external and internal sources. Cash flows were projected over a five-year period including considerations of past experience and actual operating results.

Based on ongoing forecasts of profitability in the ROM CGU being lower than forecast at the time of acquisition, the Company determined the carrying value of the ROM CGU was $814,815 compared to a recoverable amount (calculated using the value in use method) of $537,015. As a result of the ROM CGU carrying value exceeding its recoverable amount as at December 31, 2023, the Company recognized an impairment loss of $291,074, which was allocated entirely to goodwill.

(Expressed in U.S. dollars)

8. NOTES PAYABLE

	December 31, 2024	December 31, 2023
Promissory Note A (CAD $991,262)	**$ 688,903**	$ -
Promissory Note B (CAD $199,131)	**138,391**	-
Promissory Note C	**198,252**	
	1,025,546	-
Less: current portion of notes payable	**(58,073)**	**-**
Long-term portion of notes payable	**$ 967,473**	$ -

Pursuant to the acquisition of TR on October 10, 2024, the Company issued two notes to RIWI management and one note to a vendor of TR. The terms of these notes are as follows:

Promissory Note A

Principal Amount	C $1,000,000
Interest Rate	12% per annum, payable monthly
Repayment	Equal monthly instalments of principal and interest
Term	10 years

Promissory Note B

Principal Amount	C $200,000
Interest Rate	12% per annum, payable monthly
Repayment	Equal monthly instalments of principal and interest
Term	10 years

Promissory Note C

Principal Amount	US $200,000
Interest Rate	12% per annum, payable monthly
Repayment	Equal monthly instalments of principal and interest
Term	10 years

The promissory notes are secured by all of the Company's present and future property and assets and any proceeds thereof. The Company has a prepayment privilege subject to a prepayment penalty equal to 2% of the principal amount then outstanding at the time of such repayment.

The outstanding principal amount of the notes payable together with accrued interest are immediately due and payable upon demand by the lenders upon the occurrence of an event of default.

(Expressed in U.S. dollars)

9. SHARE CAPITAL, STOCK OPTIONS AND CONTRIBUTED SURPLUS

The Company's authorized share capital consists of an unlimited number of common shares without par value. The Company has 18,004,428 common shares outstanding as of December 31, 2024 as indicated below:

	Number of Common Shares	Common Shares
Outstanding, December 31, 2022	18,004,428	$ 4,940,930
Issuance of common shares	-	-
Outstanding, December 31, 2023	18,004,428	4,940,930
Issuance of common shares	-	-
Outstanding, December 31, 2024	**18,004,428**	**$ 4,940,930**

The Company has a stock option plan under which it is authorized to grant options to directors, employees, and consultants enabling them to acquire in aggregate up to maximum of 3,600,885 shares of the Company. Under the plan, the exercise price of each option shall equal the market price of RIWI's common share on grant date, a minimum price, or a discounted amount of the Company's common share price as calculated on the date of grant. The options can be granted for a maximum term of five years and are subject to vesting provisions as determined by the Board of Directors of the Company. During the year ended December 31, 2024, no shares were issued as a result of stock options being exercised (no shares issued for the year ended December 31, 2023).

The following tables reflect the movement and status of the Company's stock options:

	December 31, 2024		December 31, 2023	
Options Outstanding	**Number of Options**	**Weighted Average Exercise Price (CAD)**	Number of Options	Weighted Average Exercise Price (CAD)
Balance, beginning of the period	**2,762,271**	**$ 1.25**	1,837,917	$ 2.01
Options granted during the period	**544,936**	**0.75**	1,483,654	0.59
Options expired during the period	**(370,000)**	**3.25**	(390,000)	2.00
Options forfeited during the period	**(170,392)**	**0.77**	(169,300)	0.69
Balance, end of period	**2,766,815**	**$ 0.99**	2,762,271	$ 1.25

(Expressed in U.S. dollars)

9. SHARE CAPITAL, STOCK OPTIONS AND CONTRIBUTED SURPLUS (continued)

	Options Outstanding December 31, 2024		Options Exercisable December 31, 2024	
Exercise Price	Number of Options	Weighted Average Remaining Contractual Life (Years)	Number of Options	Weighted Average Remaining Contractual Life (Years)
$ 0.55	484,264	3.4	427,009	3.4
$ 0.58	456,470	3.5	456,470	3.5
$ 0.64	361,560	3.0	90,390	3.0
$ 0.75	544,936	4.3	-	-
$ 0.92	331,529	2.2	331,529	2.2
$ 1.70	354,104	1.7	177,052	1.7
$ 2.47	145,140	1.2	145,140	1.2
$ 3.56	88,812	0.4	88,812	0.4
	2,766,815	3.0	1,716,402	2.7

	Options Outstanding December 31, 2023		Options Exercisable December 31, 2023	
Exercise Price	Number of Options	Weighted Average Remaining Contractual Life (Years)	Number of Options	Weighted Average Remaining Contractual Life (Years)
$ 0.55	484,264	4.4	407,924	4.4
$ 0.58	456,470	4.5	342,353	4.5
$ 0.64	398,620	4.0	-	-
$ 0.80	133,332	3.5	33,333	3.5
$ 0.92	331,529	3.2	331,529	3.2
$ 1.70	354,104	2.7	177,052	2.7
$ 2.47	145,140	2.2	145,140	2.2
$ 3.25	370,000	0.4	370,000	0.4
$ 3.56	88,812	1.4	88,812	1.4
	2,762,271	3.2	1,896,143	2.9

Share-based compensation expense in the amount of $157,088 has been included under general and administrative expenses for the year ended December 31, 2024 (2023 - $355,206).

(Expressed in U.S. dollars)

9. SHARE CAPITAL, STOCK OPTIONS AND CONTRIBUTED SURPLUS (continued)

The Black-Scholes option pricing model used by the Company to determine fair values was developed for use in estimating the fair value of freely traded options, which are fully transferable and have no vesting restrictions. The Company's stock options are not transferable and cannot be traded and are subject to vesting restrictions and exercise restrictions under the Company's black-out policy which would tend to reduce the fair value of the Company's stock options. Changes to subjective input assumptions used in the model can cause a significant variation in the estimate of the fair value of the options.

All outstanding share options expected to vest were measured in accordance with IFRS 2, "Share-based Payment" at their market-based measure at the acquisition date. Options were priced using the Black-Scholes option pricing model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions, and behavioral considerations. Expected volatility is based on the historical share price volatility. The fair value has been estimated assuming no expected dividends and the weighted average assumptions on the table that follows.

	2024	2023
Weighted average grant date fair value	**$ 0.43**	$ 0.27
Risk-free interest rate	**3.67% - 3.89%**	3.17% - 4.03%
Expected life	**3.0 - 4.5 years**	3.0 - 4.5 years
Expected volatility	**99% - 108%**	101% - 196%
Forfeiture rate	**10%**	10%

Contributed surplus represents the amortized fair value of stock options granted under the stock option plan, determined using the Black-Scholes option pricing model. The fair value is amortized to the Consolidated Statements of Loss and Comprehensive Loss on a graded, vested basis over the vesting period with a corresponding increase to contributed surplus. Upon exercise of stock options, the consideration paid by the holder is included in share capital and the related contributed surplus associated with the stock options exercised is transferred into share capital.

(Expressed in U.S. dollars)

10. REVENUE

(a) Revenue streams

The Company generates revenue primarily from the provision of analytical solutions to its clients in the form of compilation, analysis and communication of real-time data. All the Company's revenue is generated from contracts from customers in relation to the Company's principal activities. The Company has three revenue streams; project revenue, subscription or recurring revenue, and transaction revenue. RIWI's revenue disaggregated by geographical locations is analyzed in Note 14.

	Year ended December 31	
	2024	2023
Project revenues	**$ 1,629,774**	$ 1,349,828
Subscription or recurring revenues	**1,668,245**	1,341,418
Transaction revenues	**1,840,079**	1,493,631
	$ 5,138,098	$ 4,184,877

(b) Unbilled revenue and deferred revenue

Unbilled revenue relates to RIWI's right to consideration for work completed but not yet billed. RIWI transfers unbilled revenue to accounts receivable on invoicing. A summary of unbilled revenue from contracts with customers and the significant changes in those balances during the year ended December 31, 2024 and 2023 follows.

	December 31	
Unbilled revenue	**2024**	2023
Balance, beginning of the period	**$ 81,948**	$ 64,463
Additions during the period	**314,445**	495,355
Reclassification of unbilled revenue to accounts receivable	**(284,324)**	(477,870)
	$ 112,069	$ 81,948

Deferred revenue primarily relates to advance consideration received from customers for services yet to be performed. Deferred revenue will be recognized as revenue over time as RIWI achieves the delivery milestones. A summary of deferred revenue from contracts with customers and the significant changes in those balances during the year ended December 31, 2024 and 2023 follows.

(Expressed in U.S. dollars)

10. REVENUE (continued)

(b) Unbilled revenue and deferred revenue (continued)

Deferred revenue	December 31 **2024**	2023
Balance, beginning of the period	**$ 902,884**	$ 298,430
Additions during the period	**1,928,991**	1,976,203
Deferred revenue recognized as revenue during the period	**(1,739,060)**	(1,371,749)
	$ 1,092,815	$ 902,884

11. EXPENSES

(a) General and administrative

	Year ended December 31 **2024**	2023
Personnel costs	**$ 689,980**	$ 660,429
Director cash compensation	**170,550**	151,476
Consulting and professional fees	**305,681**	630,757
Share-based payment expense	**157,088**	355,206
Credit losses	**101,213**	-
Occupancy and office costs	**206,213**	243,618
Depreciation and amortization	**136,045**	63,419
Foreign exchange (gain) loss	**-**	(56,385)
	$ 1,766,770	$ 2,048,520

(b) Operations

	Year ended December 31 **2024**	2023
Personnel costs	**$ 221,875**	$ -
Third party consulting fees	**451,304**	-
Project costs	**866,138**	648,775
Transaction revenue costs	**1,229,908**	1,082,155
	$ 2,769,225	$ 1,730,930

In accordance with paragraph 41 of IAS 1 *Presentation of Financial Statements*, the Company has reclassified certain comparative amounts presented in the prior year Financial Statements to conform to the current year's presentation.

(Expressed in U.S. dollars)

11. EXPENSES (continued)

(b) Operations (continued)

Nature of the Reclassification
Comparative figures for the year ended December 31, 2023 have been reclassified in these Financial Statements to align with the presentation adopted for the year ended December 31, 2024. Specifically, project and transaction revenue cost amounts previously presented under Technology costs have been reclassified to Operations to better reflect the nature and function of the items within the Company's operations.

Reason for the Departure from Consistency
Management has determined that the previous presentation did not reflect the underlying economic substance of the transactions as clearly as the current format. Continuing with the prior year presentation would have resulted in misleading comparisons and impaired the usefulness of the financial statements to users. Therefore, this reclassification was deemed necessary to enhance clarity and comparability.

Financial Impact of the Reclassification
Project costs in the amount of $648,775 and transaction revenue costs in the amount of $1,082,155 were reclassified from Technology costs to Operations. There was no impact on the previously reported net loss, total comprehensive loss, total assets, total liabilities, or equity.

(c) Technology costs

	Year ended December 31	
	2024	2023
Personnel costs	**$ 200,785**	$ 215,850
Third party consulting fees	**291,049**	133,590
	$ 491,834	$ 349,440

(d) Sales and marketing

	Year ended December 31	
	2024	2023
Personnel costs	**$ 187,751**	$ 251,416
Third party consulting fees	**421,760**	231,138
Promotion and travel	**66,879**	96,469
Recruiting fees	**-**	78,325
	$ 676,390	$ 657,348

(Expressed in U.S. dollars)

11. EXPENSES (continued)

(e) Other expenses

	Year ended December 31	
	2024	2023
Acquisition costs	**$ 129,931**	$ 37,228
Foreign exchange loss	**81,220**	-
	$ 211,151	$ 37,228

12. RELATED PARTY TRANSACTIONS

For the year ended December 31, 2024, the Company provided compensation in the form of salaries and short-term benefits to directors, executives and related parties of the executives of the Company in the amount of $1,055,411 (2023 - $781,681). For the year ended December 31, 2024, the Company recognized share-based payment expenses in the amount of $156,921 (2023 - $331,608) for stock options granted to the directors and executives of the Company. Additionally, Neil Seeman, the Company's founder and a director of the Company, acted as a consultant for the Company and the Company incurred cash-based compensation of $45,154 for his consulting services in the year ended December 31, 2024 (2023 - $112,521).

As at December 31, 2024 the Company had notes payable to its CEO and CFO in the amounts of $688,903 and $138,391, respectively (2023 - $nil and $nil). Interest expense in the amount of $15,605 was paid on these notes payable for the year ended December 31, 2024 (2023 - $nil).

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at December 31, 2024, the Company's financial instruments are comprised of cash and cash equivalents, accounts receivable, unbilled revenue, accounts payable and accrued liabilities, acquisition holdbacks payable, contingent consideration payable and notes payable. With the exception of contingent consideration payable and notes payable, the carrying values of these financial instruments reflected in the Consolidated Statement of Financial Position are carrying amounts and approximate their fair values due to their short-term nature. These financial instruments are classified as follows:

- Cash and cash equivalents – amortized cost
- Accounts receivable – amortized cost
- Accounts payable and accrued liabilities – other financial liabilities
- Acquisition holdbacks payable – other financial liabilities
- Contingent consideration payable – other financial liabilities
- Notes payable – other financial liabilities

(Expressed in U.S. dollars)

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

The evaluation of the financial instruments that are measured subsequent to initial recognition at fair value are grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

• Level 1 of the fair value hierarchy includes unadjusted quoted prices in active markets for identical assets or liabilities;

• Level 2 of the hierarchy includes inputs that are observable for the asset or liability, either directly or indirectly; and

• Level 3 includes inputs for the asset or liability that are not based on observable market data.

With the exception of contingent consideration payable, the Company has no financial instruments measured at FVTPL.

The following is a discussion of the Company's risk exposures:

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's trade accounts receivable are due from customers and are subject to normal credit risk. The following table provides information regarding the aged trade receivables:

	Current	31-60 days	61-90 days	91 days +
December 31, 2024	47%	21%	15%	17%
December 31, 2023	40%	24%	28%	8%

The following table identifies customers comprising 10% or more of the Company's accounts receivable as at December 31, 2024 and December 31, 2023:

	December 31 2024	December 31 2023
Customer A	**19%**	39%
Customer B	**0%**	11%
Customer C	**32%**	7%

The Company applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables and contract assets are grouped based on similar credit risk and aging.

(Expressed in U.S. dollars)

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(a) Credit risk (continued)

The expected loss rates are based on the Company's historical credit losses experienced over the three year period prior to year end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Company's customers. The Company has identified the gross domestic product, unemployment rate and inflation rate as the key macroeconomic factors in the countries where the Company operates.

The Company has a $17,000 balance for expected credit losses as at December 31, 2024 (2023 - $nil). The Company recognized $101,213 in credit losses during the year ended December 31, 2024 (2023 - $nil).

The following table identifies customers comprising 10% or more of the Company's revenue for the year ended December 31, 2024 and December 31, 2023:

	December 31 2024	December 31 2023
Customer A	**20%**	14%

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they are due. The Company has in place a planning and budgeting process which helps determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives.

The Company's financial liabilities consist of the following:

- Accounts payable and accrued liabilities comprised of invoices and accruals payable to trade suppliers for operating expenses, wages and salaries payable, and other expenses and are paid within one year.
- Acquisition holdbacks payable consisting of holdbacks related to the acquisition of TR
- Contingent consideration payable related to earnouts on the acquisition of TR
- Notes payable comprised of promissory notes issued related to the acquisition of TR

The Company expects to fund these liabilities through the use of existing cash resources and its continuing operations.

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(b) Liquidity risk (continued)

The following table details the Company's contractual maturities for its financial liabilities, including interest payments, as at December 31, 2024:

	2025	2026	2027 and Beyond	Total
Accounts payable and accrued liabilities	$ 1,179,152	$ -	$ -	$ 1,179,152
Acquisition holdbacks payable	775,991	-	-	775,991
Notes payable	178,019	178,019	1,398,469	1,754,507
	$ 2,133,162	$ 178,019	$ 1,398,469	$ 3,709,650

The acquisition holdbacks payable consist of $400,000 related to an accounts receivable holdback, $250,000 related to a working capital holdback and $125,991 related to an overage of working capital delivered on closing.

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's net earnings or the value of financial instruments. The objective of the Company is to manage and mitigate market risk exposures within acceptable limits, while maximizing returns.

(i) Interest rate risk: The Company has cash balances and only fixed-rate interest-bearing debt, and is not exposed to any significant interest rate risk.

(ii) Foreign currency risk: The Company's activities are primarily conducted in foreign jurisdictions; a portion of the Company's cash and cash equivalents is denominated in Canadian dollars. The Company has not entered into foreign exchange rate contracts to mitigate this risk.

As at December 31, 2024 CAD$ financial instruments were converted at a rate of CAD$1.00 to USD$0.6950. Balances denominated in CAD$ as at December 31, 2024 were as follows:

	In CAD	Converted to USD
Cash and cash equivalents	$ 2,134,846	$ 1,483,718
Accounts receivable	$ 858	$ 596
Accounts payable and accrued liabilities	$ 473,581	$ 329,139
Notes payable	$ 1,190,351	$ 827,294

The estimated impact on net loss for the year ended December 31, 2024 with a +/- 10% change in exchange rates is approximately $33,000 (2023 – $98,000).

(Expressed in U.S. dollars)

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(d) Capital management

The Company's capital is defined to be shareholders' equity. The Company's objective in managing capital is to ensure it has adequate working capital to meet day to day needs and access to sources of capital sufficient to finance its operations and to make planned capital expenditures or capital acquisitions as opportunities present themselves. The Company manages its capital structure and makes changes to it in light of changes in economic conditions, anticipated or planned capital expenditures, opportunities for acquisitions and the risk characteristics of the underlying investments.

The Company is not subject to any externally imposed capital requirements.

14. SEGMENT REPORTING

The Company is required to disclose certain information regarding operating segments, products, services and geographic areas. Operating segments are defined as components of an enterprise for which separate financial information is available that is regularly evaluated by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The Company's chief operating decision maker is its Chief Executive Officer.

The sales revenue based on geographic location of customers for the year ended December 31, 2024 and 2023 is as follows:

	Year ended December 31	
	2024	2023
United States	**$ 3,093,452**	$ 2,829,221
Canada	**1,263,160**	800,898
Europe	**672,549**	458,174
Other	**108,937**	96,584
	$ 5,138,098	$ 4,184,877

	December 31 2024	December 31 2023
Total non-current assets held in Canada	**$ 31,992**	$ 41,468

(Expressed in U.S. dollars)

14. SEGMENT REPORTING (continued)

The Company had two operating segments for the year ended December 31, 2024, being the Company's Respondent Marketplace (RM) and the Company's RIWI operations excluding the RM segment. All of the Company’s transaction revenues were generated in the RM operating segment, and all other revenues were generated in the RIWI operating segment.

	Year ended Dec. 31, 2024		Year ended Dec. 31, 2023	
	RIWI	**RM**	RIWI	RM
Revenues	**$ 3,298,019**	**$ 1,840,079**	$ 2,691,246	$ 1,493,631
Net income/(loss)	**(835,872)**	**29,297**	(537,001)	(276,340)
Non-current assets	**349,677**	**2,238,504**	41,468	113,029
Total assets	**2,678,816**	**3,650,519**	3,529,710	535,924
Total liabilities	**1,900,445**	**2,388,329**	1,350,966	24,621
Interest income	**71,200**	**-**	92,942	-
Interest expense	**19,596**	**-**	-	-
Depreciation and amortization	**59,423**	**76,622**	36,105	27,314
Income tax expense (recovery)	**-**	**-**	1,989	(24,398)
Impairment of goodwill	**-**	**-**	-	291,074

(Expressed in U.S. dollars)

15. INCOME TAX

The following table reconciles the income tax expense and recovery at Canadian statutory income tax rates to the amounts recognized in the Consolidated Statements of Loss and Comprehensive Loss for the years ended December 31, 2024 and 2023:

	Year ended December 31	
	2024	2023
Pre-tax income for the year	**$ (725,673)**	$ (835,750)
Statutory tax rate	**26.50%**	26.50%
Income tax at statutory rate	**$ (192,303)**	$ (221,474)
Non-deductible expenses	**42,649**	169,503
Current year losses for which no tax assets were recognized	**128,131**	37,324
Recognition of previously unrecognized deferred tax assets	**-**	9,894
Adjustment for temporary differences	**80,901**	-
Others, including foreign exchange	**21,523**	(17,656)
Income tax expense/(recovery)	**80,901**	(22,409)
Current income tax	**-**	14,928
Deferred income tax	**80,901**	(37,337)
Income tax expense/(recovery)	**80,901**	(22,409)

Below is a summary of the movement of the deferred tax assets and liabilities during the years ended December 31, 2024 and 2023:

	Dec. 31, 2024	Recognized in net loss	Acquired in business combination	Dec. 31, 2023
Deferred tax asset - lease obligations	**$ -**	**$ -**	**$ -**	$ -
Deferred tax liability - right-of-use assets	**-**	**-**	**-**	-
Deferred tax liability - TheoremReach acquisition	**(215,270)**	**(80,901)**	**(134,369)**	-
Net deferred tax assets (liabilities)	**$ (215,270)**	**$ (80,901)**	**$ (134,369)**	$ -

(Expressed in U.S. dollars)

15. INCOME TAX (continued)

	Dec. 31, 2023	Recognized in net loss	Dec. 31, 2022
Deferred tax asset - lease obligations	$ -	$ (4,737)	$ 4,737
Deferred tax liability - right-of-use assets	-	4,737	(4,737)
Deferred tax liability - technology and customer relationships	-	37,337	(37,337)
Net deferred tax assets (liabilities)	$ -	$ 37,337	$ (37,337)

The Company has not recognized deferred tax assets in respect of the following temporary differences:

	December 31 2024	December 31 2023
Non-capital losses	**$ 2,282,699**	$ 2,029,890
Other deductible temporary differences	**27,469**	19,213
	$ 2,310,168	$ 2,049,103

The non-capital losses in Canada of $2,214,747 will expire between 2041 and 2044. Other deductible temporary differences do not expire. The non-capital losses in France of $67,952 do not expire.