



(formerly Scryb Inc.)

Interim Consolidated Financial Statements
For the Three and Six Months ended March 31, 2026, and 2025
(Unaudited – prepared in Canadian dollars)

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NorthPalm Capital Corp.

(formerly Scryb Inc.)

Management's Responsibility of Financial Reporting

March 31, 2026

Notice of No Auditor Review of Condensed Interim Consolidated Financial Statements

In accordance with National Instrument 51-102, Part 4, subsection 4.3(a), no auditor review has been performed on these interim financial statements. They have been prepared solely by management and approved by the Board, with the independent auditor not performing any review in accordance with the standards established by Chartered Professional Accountants of Canada. The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company on May 22, 2026.

NorthPalm Capital Corp.

Consolidated Interim Statements of Financial Position (Unaudited - expressed in Canadian dollars)

As at	March 31, 2026	September 30, 2025
		(Restated - Note 23)
Assets		
Current Assets		
Cash	\$ 22,910	\$ 794,573
Other receivables (note 6)	28,197	104,901
Due from Glow LifeTech Corp. (note 8)	-	50,000
Prepaid expenses	175,823	301,381
Investments in marketable securities (note 9)	165,780	300,000
Investments in digital assets (note 10)	212,614	-
Due from Cybeats Technologies Corp. (note 7)	-	1,194,406
	605,324	2,745,262
Non-Current Assets		
Investment in associates (note 7)	8,639,993	9,321,830
Property, plant and equipment (note 11)	945	1,417
Right-of-use asset	-	88,526
Reclamation bonds (note 13)	86,763	86,172
Total assets	9,333,025	12,243,207
Current Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	520,741	867,886
Current portion of lease liability (note 12)	-	88,886
Due to related parties (note 18)	102,067	342,332
Current portion of government loans (note 14)	70,000	146,161
Current portion of convertible debenture (note 16)	44,502	110,578
	737,310	1,555,844
Non-Current Liabilities		
Government loans (note 14)	98,197	107,910
Lease liability (note 12)	-	8,171
Convertible debentures (note 16)	404,149	907,002
Total Liabilities	1,239,656	2,578,927
Shareholders' Equity		
Capital stock (note 15 (a))	8,057,771	44,472,952
Contributed surplus (note 15 (b))	575,874	22,020,034
Warrant reserve (note 15 (c))	1,032,961	3,693,094
Equity component of convertible debenture	51,986	85,636
Deficit	(1,625,223)	(60,607,436)
Total Shareholders Equity	8,093,369	9,664,280
Total Liabilities and Shareholders Equity	\$ 9,333,025	\$ 12,243,207

Note 2 - Principles of Consolidation

Note 23 - Restatement of Comparative Figures

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

"James Van Staveren"

Chief Executive Officer & Director

"Graeme Parker"

Director

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

NorthPalm Capital Corp.

Consolidated Interim Statements of Income (Loss) and Comprehensive Income (Loss) For the Three and Six Months Ended March 31, 2026, and 2025 (Unaudited - expressed in Canadian dollars)

	Three months ended		Six months ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	(Restated - Note 23)			
Investment Income (Loss)				
Net realized gains (losses) on sale of investment in associates (note 7)	\$ 23,964	\$ 13,156	\$ (46,043)	\$ 1,371,285
Net realized gains (losses) on sale of marketable securities (note 9)	(27,075)	2,762	(28,415)	(8,343)
Net unrealized gains (losses) on marketable securities (note 9)	(29,156)	147,885	34,986	147,885
Net unrealized gains (losses) on digital assets (note 10)	(129,573)	-	(129,573)	-
Fee and advisory income	6,667	-	6,667	-
Interest income	-	13,700	30,630	30,166
	(155,173)	177,503	(131,748)	1,540,993
Operating Expenses				
Operating, general and administrative	59,048	229,470	76,323	479,014
Finance expenses	65,416	152,544	128,736	302,768
Professional & consulting fees	210,504	258,660	300,661	878,996
Salaries and wages	150,478	123,869	248,394	691,357
Investor relations, advertising, and marketing	14,944	8,440	17,660	59,622
Share-based compensation (note 15b)	38,003	144,908	81,962	144,908
Transfer agent and filing fees	9,330	6,384	13,289	13,359
Amortization and depreciation	236	23,840	8,408	304,114
Net Income (Loss) from Operations	(703,132)	(770,612)	(1,007,181)	(1,333,145)
Other Comprehensive (Income) Expense				
Product sales	-	-	-	(208,437)
Proportionate share of loss in FRR prior to sale	-	-	-	355,920
Equity share of loss in Cybeats after change in control	99,103	542,408	636,583	542,408
Net (gain) on loss of control of Cybeats Technologies Corp.	-	-	-	(9,299,995)
Non-recurring settlement fees	-	1,050	21,000	216,140
Net (gain) on extinguishment (note 16)	(121,381)	-	(97,889)	-
Net loss on lease termination	-	-	33,120	-
Debt forgiveness	25,228	(99,836)	25,228	(155,582)
Net Income (Loss) and Comprehensive Income (Loss)	\$ (706,082)	\$ (1,214,234)	\$ (1,625,223)	\$ 7,216,401
Net (Loss) Attributable to Non-Controlling Interest	\$ -	\$ (377,968)	\$ -	\$ (377,968)
Net Income (Loss) Attributable to Scryb Inc. Shareholders	\$ (706,082)	\$ (836,266)	\$ (1,625,223)	\$ 7,594,369
Income (loss) per share				
Basic and diluted (note 19)	\$ (0.01)	\$ (0.03)	\$ (0.03)	\$ 0.24
Weighted average number of common shares outstanding, basic and diluted***	47,078,402	32,169,266	47,062,380	31,568,210

* Certain expenses have been reclassified to conform with the current presentation.

** Includes consolidated revenues and expenses with Cybeats Technologies Corp. to the date control ceased (note 7)

*** 10:1 share consolidation effective August 13, 2025; all weighted average shares outstanding adjusted to reflect.

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

NorthPalm Capital Corp.

Consolidated Interim Statements of Changes in Shareholders' Equity

For the Three and Six Months Ended March 31, 2026, and 2025

(Unaudited - expressed in Canadian dollars)

	Capital Stock	Warrant Reserve	Contributed Surplus	Equity Component of Convertible Debenture	Deficit	Total Equity to Shareholders of NorthPalm Capital Corp.	Non-Controlling Interests	Total Equity	
Balance - October 1, 2024	29,115,747	\$ 43,307,617	\$ 2,876,463	\$ 21,577,704	\$ -	\$ (66,985,857)	\$ 775,926	\$ (2,746,106)	\$ (1,970,180)
Expiration of warrants	-	-	(216,329)	216,329	-	-	-	-	-
Units issued from private placement, net of costs	2,969,600	375,709	366,691	-	-	742,400	-	742,400	
Shares issued from the settlement of debt	233,400	116,700	-	-	-	116,700	-	116,700	
Proceeds from issuance of convertible debenture	-	-	-	-	103,436	103,436	-	103,436	
Share-based compensation	-	-	-	144,908	-	144,908	-	144,908	
Contributions from non-controlling interests	-	-	-	-	807,409	807,409	837,759	1,645,168	
Net loss for the period	-	-	-	-	7,594,369	7,594,369	(377,968)	7,216,401	
Disposal of equity due to loss of control	-	-	-	-	-	-	2,286,315	2,286,315	
Balance - March 31, 2025	32,318,747	\$ 43,800,026	\$ 3,026,824	\$ 21,938,941	\$ 103,436	\$ (58,584,079)	\$ 10,285,148	\$ -	\$ 10,285,147
Balance - October 1, 2024	29,115,747	\$ 43,307,617	\$ 2,876,463	\$ 21,577,704	\$ -	\$ (66,985,857)	\$ 775,926	\$ (2,746,106)	\$ (1,970,180)
Expiration of warrants	-	-	(216,329)	216,329	-	-	-	-	-
Units issued from private placement, net of costs	17,679,255	1,118,656	1,032,960	-	-	2,151,616	-	2,151,616	
Shares issued from the settlement of debt	233,400	46,680	-	-	-	46,680	-	46,680	
Proceeds from issuance of convertible debenture	-	-	-	-	85,636	85,636	-	85,636	
Share-based compensation	-	-	-	226,002	-	226,002	-	226,002	
Net loss for the period	-	-	-	-	6,378,422	6,378,422	(542,860)	5,835,561	
Disposal of equity due to loss of control	-	-	-	-	-	-	3,288,966	3,288,966	
Balance - September 30, 2025*	47,028,402	\$ 44,472,952	\$ 3,693,094	\$ 22,020,034	\$ 85,636	\$ (60,607,436)	\$ 9,664,280	\$ -	\$ 9,664,280
Shares issued on the exercise of options	50,000	11,340	-	(5,340)	-	6,000	-	6,000	
Expiration of warrants	-	-	(449,060)	449,060	-	-	-	-	
Share-based compensation	-	-	-	81,962	-	(81,962)	-	-	
Debenture settlement	-	-	-	-	(33,650)	(33,650)	-	(33,650)	
Reduction in stated capital	-	(36,426,521)	(2,211,073)	(21,969,842)	-	60,607,436	-	-	
Net loss for the period	-	-	-	-	-	(1,543,261)	-	(1,543,261)	
Balance - March 31, 2026	47,078,402	\$ 8,057,771	\$ 1,032,961	\$ 575,874	\$ 51,986	\$ (1,625,223)	\$ 8,093,369	\$ -	\$ 8,093,369

* 10:1 share consolidation effective August 13, 2025; all common shares outstanding adjusted to reflect.

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

NorthPalm Capital Corp.

Consolidated Interim Statements of Cash Flows For the Six Months Ended March 31, 2026, and 2025 (Unaudited - expressed in Canadian dollars)

	March 31, 2026	March 31, 2025 (Restated - Note 23)
Cash flows from (used in) operating activities		
Net income (loss) for the period from continuing operations	\$ (1,625,224)	\$ 7,229,760
Items not affecting cash from operations:		
Amortization and depreciation	8,408	303,294
Net gain on loss of control of Cybeats Technologies Corp.	-	(9,299,995)
Net loss on sale of investments	46,043	(1,371,285)
Net loss on sale of marketable securities	28,415	8,343
Net loss on debt settlement	(25,228)	-
Interest and accretion, net	128,736	(19,303)
Interest earned on reclamation bond	(590)	-
Unrealized loss on investments on marketable securities	(34,986)	-
Unrealized loss on investments on digital assets	129,573	-
Share-based compensation	81,962	144,908
Contributions/transfers from non-controlling interests	-	(30,349)
Equity share of loss in Cybeats after change in control	636,583	542,408
Changes in non-cash working capital items:		
Increase in right of use assets	-	(190,445)
Decrease (increase) in prepaid expenses	125,558	(269,135)
Decrease in accounts receivable	82,704	(194,776)
Increase in accounts payable and accrued liabilities	(397,608)	(307,407)
Decrease in cash on loss of control of Cybeats Technologies Corp.	-	380,811
Net cash used in operating activities from continuing operations	(815,654)	(3,073,171)
Items not affecting cash from operations:		
Proportionate share of loss in FRR prior to sale	-	692,005
Net cash from operating activities from discontinued operations	-	692,005
Cash flows used in investing activities		
Net purchase of property, plant and equipment	-	(1,070)
Purchase of digital assets	(342,188)	-
Net purchases of marketable securities	205,077	158,612
Decrease in due from Cybeats Technologies Corp.	1,194,406	-
Increase in investment in Cybeats Technologies Corp.	(1,200,000)	-
Proceeds from sale Cybeats Technologies Corp. shares	1,199,210	-
Proceeds collected on the sale of FRR	-	1,900,000
Increase in due from related parties	-	(1,338,833)
Net cash from investing activities	1,056,505	718,709
Cash flows from (used in) financing activities		
Proceeds from private placement, net of issue costs	-	859,100
Proceeds from convertible debenture shares issued, net of issue costs	-	1,155,036
Conversion & repayment of convertible debenture units	(608,827)	-
Interest paid on convertible debenture	(55,106)	-
Decrease in short term debt	-	(235,000)
Net decrease in government loans	(91,849)	-
Increase (decrease) in due to related parties	(240,265)	(217,523)
Net increase (decrease) in lease liabilities	(16,467)	152,336
Net cash (used) from financing activities	(1,012,514)	1,713,949
Increase in cash for the period	(771,663)	51,492
Cash - beginning of period	794,573	158,986
Cash - end of period	\$ 22,910	\$ 210,478

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

1. NATURE OF OPERATIONS

NorthPalm Capital Corp. (formerly Scryb Inc.), referred to herein as “NorthPalm”, “the Company”, or “Scryb” as the context requires, is a Toronto-based investment company focused on building and scaling high-impact ventures in artificial intelligence, biotechnology, digital health, and cybersecurity.

Headquartered in Mississauga, Ontario, the Company was originally incorporated in British Columbia and amalgamated with ChroMedX on January 31, 2017. On May 7, 2026, it rebranded as NorthPalm Capital Corp. Its principal address is 1215 Queensway East, Suite 54, Mississauga, Ontario, L4Y 0G4.

2. BASIS OF PRESENTATION

Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as applicable to interim financial statements, including International Accounting Standard 34 (“IAS-34”) – Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”). The consolidated financial statements of the Company for the three and six months ended March 31, 2026, were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on May 22, 2026.

Principles of Consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries. The Company held a 51% controlling interest in Cybeats Technologies Corp. (“Cybeats”) and Cybeats Technologies Inc. up to November 29, 2024, at which point control was considered lost. On the date of loss of control, all of the assets and liabilities of Cybeats Technologies Corp. and Cybeats Technologies Inc. were derecognized. All significant intercompany balances and transactions have been eliminated on consolidation.

As of November 29, 2024, the Company’s position in Cybeats had been diluted to under 49% and as a result, management has determined it no longer holds a controlling interest in Cybeats. From the date control ceased, the Company has accounted for its investment in Cybeats using the Equity method of accounting.

Subsidiaries

Subsidiaries are entities over which the Company has control. Control is defined as when the Company is exposed or has rights to the variable returns from the subsidiary and has the ability to affect those returns through its power over the subsidiary. Power is defined as existing rights that give the Company the ability to direct the relevant activities of the subsidiary. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases.

Non-controlling interests

A non-controlling interest is initially recognized as the proportionate share of the identifiable net assets of the subsidiary on the date of its acquisition and is subsequently adjusted for the noncontrolling interest’s share in changes of the acquired subsidiary’s earnings and capital. Effects of transactions with non-controlling interests are recorded in equity if there is no change in control.

Basis of Measurement

These consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and Presentation Currency

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

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

(a) Equity method of accounting

Investments in associates and joint ventures are accounted for using the equity method in accordance with IAS 28 Investments in Associates and Joint Ventures. Under the equity method, the investment is initially recognised at cost and subsequently adjusted to recognise the Company's share of the post-acquisition profit or loss and other comprehensive income of the investee. Dividends received reduce the carrying amount of the investment. The Company assesses at each reporting date whether there is objective evidence that an investment accounted for using the equity method is impaired.

The Company applies the equity method of accounting for its investment in Cybeats. using financial statements prepared on a one-quarter lag. Management has determined that no significant transactions or events occurred during the intervening period that would require adjustment to the carrying value of the investment.

(b) Impairment

At each financial position reporting date, the carrying amounts of the Company's long-lived assets are reviewed to determine whether there is any indication that those assets are impaired at a cash generating unit level. If any such indication exists, the recoverable amount of the cash generating unit is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use, which is the present value of future cash flows expected to be derived. If the recoverable amount is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(c) Intangible assets

The Company records intangible assets at fair value at the date of acquisition. An intangible asset is capitalized when the economic benefit associated with an asset is probable and when the cost can be measured reliably. Intangible assets are carried at cost less accumulated depreciation and impairment losses. Cost consists of expenditures directly attributable to the acquisition of the assets. Intangible assets with finite lives are tested and amortized over the related benefit period. Those with indefinite lives are not amortized and are tested for impairment on an annual basis. The Company's intangible assets consist of patents, patent applications, software license and research and development costs that are amortized over their five-year estimated useful life.

(d) Share-based payments

The Company accounts for share-based payments using the fair value method. Under this method, compensation expense is measured at fair value on the date of grant using the Black Scholes option pricing model, and is recognized as an expense or capitalized, depending on the nature of the grant, with a corresponding increase in equity, over the period that the employees earn the options. The amount recognized as an expense is adjusted to reflect the number of share options expected to vest. The Black Scholes option pricing model requires the input of subjective assumptions, including the expected term of the option and stock price volatility.

For transactions with employees and others providing similar services, the Company measures the fair value of the services received by reference to the fair value of the equity instruments granted. For transactions with parties other than employees, the Company measures the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. When the Company cannot estimate reliably the fair value of the goods or services received, it measures their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted.

(e) Foreign currency translation

The Company's functional and presentation currency is the Canadian dollar. Foreign currency transactions are initially recorded in the functional currency at the transaction date exchange rate. At closing date, monetary assets and liabilities denominated in a foreign currency are translated into the functional currency at the closing date exchange rate, and non-monetary assets and liabilities at the historical rates. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in profit or loss.

(f) Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains the primary measurement categories for financial assets: measured at amortized cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit and loss ("FVTPL").

Below is a summary showing the classification and measurement bases of financial instruments;

Asset or Liability	Measurement
Cash	Fair value
Other receivables	Amortized cost
Investment in Glow LifeTech Corp.	Fair value
Loan receivable	Amortized cost
Due from related parties	Amortized cost
Reclamation bonds	Amortized cost
Due from Glow LifeTech Corp.	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Due to related parties	Amortized cost
Government loans	Amortized cost
Short term debt	Amortized cost
Convertible debentures	Amortized cost

Financial assets

Financial assets are classified as either financial assets at FVTPL, amortized cost, or FVTOCI. The Company determines the classification of its financial assets at initial recognition.

(i) Financial assets recorded at FVTPL

Financial assets are classified as FVTPL if they do not meet the criteria of amortized cost or FVTOCI. Gains or losses on these items are recognized in profit or loss.

(ii) Amortized cost

Financial assets are classified as measured at amortized cost if both of the following criteria are met and the financial assets are not designated as at FVTPL: 1) the object of the Company's business model for these financial assets is to collect their contractual cash flows; and 2) the asset's contractual cash flows represent "solely payments of principal and interest".

(iii) Fair Value through other comprehensive income

Investments recorded at fair value through other comprehensive income (FVOCI) On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to measure the investment at FVOCI whereby changes in the investment's fair value (realized and unrealized) will be recognized permanently in OCI with no reclassification to profit or loss. The election is made on an investment-by-investment basis.

Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or at amortized cost. The Company determines the classification of its financial liabilities at initial recognition.

(i) Amortized cost

Financial liabilities are classified as measured at amortized cost unless they fall into one of the following categories: financial liabilities at FVTPL, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition, financial guarantee contracts, commitments to provide a loan at a below-market interest rate, or contingent consideration recognized by an acquirer in a business combination.

(ii) Financial liabilities recorded FVTPL

Financial liabilities are classified as FVTPL if they fall into one of the five exemptions detailed above.

Transaction costs

Transaction costs associated with financial instruments, carried at FVTPL, are expensed as incurred, while transaction costs associated with all other financial instruments are included in the initial carrying amount of the asset or the liability.

Subsequent measurement

Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized in profit or loss. Instruments classified as amortized cost are measured at amortized cost using the effective interest rate method. Instruments classified as FVTOCI are measured at fair value with unrealized gains and losses recognized in other comprehensive income.

Derecognition

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

(f) Cash

Cash consists of deposits in banks.

(g) Revenue recognition

Revenue from contracts with customers are based on IFRS 15: Revenue from Contracts with Customers and revenue is recognized when it has satisfied its performance obligation to the customers over time or at a single point in time. The company transfers control of a good or service over time and therefore satisfies a performance obligation and recognizes revenue over time. Revenue is recognized at a point in time when customers obtain control of the product.

(h) Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of loss and comprehensive loss during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in profit or loss in the period.

Amortization is calculated on a straight-line basis at the following annual rates:

Laboratory and technical equipment	3 years
Office furniture and equipment	3 years
Computer equipment	2 years

(i) Income taxes

Income tax on profit or loss for the year comprises of current and deferred tax. Current tax is the expected tax paid or payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax paid or payable in respect of previous years.

Deferred tax is recorded using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. The effect on deferred income tax assets and liabilities of a change in income tax rates is recognized in the period that includes the date of the enactment or substantive enactment of the change. Deferred tax assets and liabilities are presented separately except where there is a right of set off within fiscal jurisdictions.

(j) Basic and diluted income (loss) per share

Basic income (loss) per share has been calculated using the weighted average number of common shares outstanding during the year. Diluted income (loss) per share has been calculated using the weighted average number of common shares that would have been outstanding during the respective period had all of the stock options and warrants outstanding at year end having a dilutive effect been converted into shares at the beginning of the year and the proceeds used to repurchase the Company's common shares at the average market price for the year. If these computations prove to be antidilutive, diluted income (loss) per share is the same as basic income (loss) per share.

(k) Comprehensive income (loss)

Comprehensive income (loss) consists of net income (loss) and other comprehensive income (loss) and represents the change in shareholders' equity which results from transactions and events from sources other than the Company's shareholders. Accumulated other comprehensive income (net of income taxes) is included on the consolidated statements of financial position as a component of common shareholders' equity.

(l) Investment in associates

Investments in associates are accounted for using the equity method based on the Company's ability to exercise significant influence over the operating and financial policies of the investee.

Investments of this nature are recorded at original cost and adjusted periodically to recognize the Company's proportionate share of the associate's net income or losses after the date of investment, additional contributions made, and dividends received. Investments are written down when there has been a significant or prolonged decline in fair value.

(m) Leases

All leases are accounted for by recognizing a right-of-use asset and a lease liability except for leases of low value assets and leases with a duration of twelve months or less. Lease liabilities are measured at the present value of the contractual payments due to the lessor over the term of the lease with the discount rate determined by using the incremental borrowing rate on commencement of the lease. Right-of-use assets are amortized on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if this is judged to be shorter than the remaining lease term.

(n) Research and development costs

Research and development costs incurred in connection with new projects, including those undertaken through partnerships or joint ventures, are expensed as incurred in accordance with IAS 38 Intangible Assets. This policy applies to all costs related to the research phase, where activities are focused on exploring new technologies, concepts, or processes, and where outcomes remain highly speculative with no guarantee of success or long-term viability. Such costs include, but are not limited to, personnel expenses, materials, equipment, and fees paid to external partners or collaborators. Development costs are only capitalized if they meet strict criteria, including technical feasibility, the intention and ability to complete the project, and the likelihood of generating future economic benefits.

(o) 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 the exchange amount.

(p) Future presentation changes

New accounting standards issued but not yet effective

IFRS 18 – Presentation and Disclosure in Financial Statements

The IASB issued *IFRS 18 Presentation and Disclosure* in Financial Statements in April 2024. This standard replaces IAS 1 and introduces changes to the presentation of items in the statement of profit or loss (including required subtotals for operating profit and profit before financing and income taxes), enhanced principles for aggregation and disaggregation, and disclosure requirements for management-defined performance measures.

IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The Company has not early adopted IFRS 18 and is currently assessing the impact of these presentation changes on its financial statements.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of these consolidated financial statements in conformity with IFRS requires that management make estimates and assumptions about future events that affect the amounts reported in the consolidated financial statements and related notes to the consolidated financial statements. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

(i) Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and are, but are not limited to, the following:

Share based payments and warrants

The fair value of stock options and warrants issued are subject to the limitation of the Black Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

Useful life of intangible assets

Management has exercised their judgment in determining the useful life of its patents, patent applications, software license and research and development costs. The estimate is based on the expected period of benefit of the patent and the expected life of the product in the marketplace.

(ii) Critical accounting judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are, but are not limited to, the following:

Determination of functional currency

In accordance with IAS 21, The Effects of Changes in Foreign Exchange Rates, management has determined that the functional currency of the Company is the Canadian dollar.

Evaluation of going concern

In assessing the Company's ability to continue as a going concern, management exercised significant judgement in determining whether conditions or events exist that would give rise to a material uncertainty. This assessment considered the Company's liquidity position, cash burn rate, asset realizability, its recently demonstrated capacity to raise new equity, lack of any material litigation risk and the nature of operations as an investment holding company. While the Company has incurred substantial net losses in prior periods, management concluded that these historical results are not indicative of current or future losses. In addition, the Company believes that its largest investment Cybeats is financially independent and no longer relies on the resources of NorthPalm.

As at the reporting date, the Company holds approximately \$9.3 million in liquid assets, primarily in publicly traded securities, and has reduced its annualized cash burn rate to under \$1,200,000. The Company's liabilities are all being paid on time and are dramatically lower than in prior years and prior to the de-consolidation of Cybeats in November 2024. In addition, management considered the liquidity and marketability of its largest investment, Cybeats, which has demonstrated sustained daily trading liquidity sufficient to fund the Company's annual cash requirements within a short period if required. Based on these factors, management determined that there is no material uncertainty related to events or conditions that may cast doubt on the Company's ability to continue as a going concern for at least twelve months from the reporting date.

Impairment of intangible assets

Management has exercised their judgment in determining if the patents are impaired. The judgment is based on the expected future benefit of the intangible assets and intellectual property.

Income taxes

Management has exercised their judgment in determining the provision for future income taxes. The judgment is based on the Company's current understanding of the tax law as it relates to the transactions and activities entered into by the Company.

5. CHANGE IN ACCOUNTING POLICY

NorthPalm accounts for its investment in Cybeats using the equity method. Under the current policy, the equity pickup of Cybeats' results is based on the same reporting period as those of the Company. In the three months ended December 31, 2025, it was determined that Cybeats' quarterly information for the same quarter end will not be available until well after the deadline for NorthPalm's quarterly results release. It was also determined that to estimate such results for this quarter and to release such results in advance of Cybeats' normal public disclosure would be inappropriate and impracticable. The Company anticipates similar issues in future reporting periods.

Accordingly, the Company determined that the most appropriate financial statements of Cybeats to use for purposes of NorthPalm's equity accounting would be the most recently publicly released quarterly results of Cybeats which would be on a three-month lagged basis from NorthPalm's reporting dates. Adjustments will be made by NorthPalm for the effects of significant transactions or events that occur between the date of Cybeats financials and those of NorthPalm. The company has voluntarily changed its policy with respect to accounting for the equity pickup in Cybeats and the new policy will be implemented retroactive to November 29, 2024, which was the date that NorthPalm began equity accounting for its investment in Cybeats.

For the three and six months ended March 31, 2026, the Company has equity accounted for Cybeats using Cybeats' most recently publicly released results for the three months period ended December 31, 2025. Cybeats' results for the period January 1, 2026, to March 31, 2026, will be recognized in the subsequent interim reporting period of NorthPalm, in accordance with IAS 28.34–35 Investment in Associates and Joint Ventures. All future financial reports of NorthPalm will include equity accounting for its investment in Cybeats on this three-month lag basis.

The Company has restated its prior financial statements to reflect the recognition of the results of Cybeats on this three-month lag basis (see note 23). The effect of the policy change has resulted in the comparative three-month period ended March 31, 2025, profit being adjusted to remove the previously reported equity loss of \$333,348. This adjustment also resulted in a corresponding increase in the investment in Cybeats by the same amount.

The company has determined that it did not require restatement of equity accounting for other investments that it had previously accounted for on an equity basis as information for these other investments was always available on a timely and practicable basis.

6. OTHER RECEIVABLES

As at March 31, 2026, and year ended September 30, 2025, receivables were comprised of the following:

	March 31 2026	September 30 2025
HST receivable	20,664	104,901
Other receivables	7,533	-
	28,197	104,901

7. INVESTMENT IN ASSOCIATES

As at March 31, 2026, and 2025, Investment in Associates were comprised of the following:

	March 31 2026	March 31 2025
		(Restated - note 23)
Equity investment in Cybeats Technologies Corp.	8,639,993	9,049,720
	8,639,993	9,049,720

Cybeats Technologies Corp.

As of March 31, 2026, NorthPalm held 74,858,950; representing 34.78% of the issued and outstanding common shares of Cybeats, a publicly traded company listed on the CSE.

On November 29, 2024, Cybeats completed its non-brokered private placement, issuing 10,408,750 units at \$0.16 per unit, for gross proceeds of \$1,665,400, along with the issuance of 3,125,000 common shares to settle \$500,000 in advances owing to the Company. This financing resulted in a significant dilution of Company's ownership interest in Cybeats, reducing it from 59.2% to 49.2%. In accordance with the principals of consolidation under *IFRS 10 Consolidated Financial Statements*, management determined that this event constituted a loss of control over Cybeats effective November 29, 2024. The Company continues to hold significant influence in Cybeats and has accounted for its position in Cybeats as an investment in associate using the equity method of accounting since that date.

For the deconsolidation of Cybeats from the Company's consolidated financial statements, the carrying value of Cybeats' net assets and liabilities was derecognized as of the date of control ceased. As that date, the Company held 60 million shares in Cybeats with a fair market value of \$0.15 per unit totaling \$9,000,000 and warrants with a fair value of \$21,258 calculated using the Black-Scholes option pricing model. The resulting gain on loss of control on the net assets and liabilities disposed of and fair value of the retained investment was recognized in the statements of loss and comprehensive loss and reported in the financial statements for the period ended December 31, 2024.

The Company's retained interest in Cybeats was carried at fair value as of the deconsolidation date and subsequently adjusted under the equity method, with the Company's share of Cybeats' losses recognized in the Company's consolidated statement loss and comprehensive loss. As at March 31, 2026, this investment continues to represent the Company's most significant associate holding.

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The carrying value of net liabilities disposed on the date of loss of control comprised of the following:

Carrying Value of Net Liabilities Disposed (date of loss of control November 29, 2024):	
Cash	11,670
Accounts receivable	930,049
Prepaid expenses	441,787
Property, plant, and equipment	7,367
Accounts payable and accrued liabilities	(5,223,397)
Deferred revenues	(2,041,704)
Long-term payables	(2,040,988)
Investment in Cybeats Technologies Corp.	331,862
Deficit from controlling interests	(331,862)
Intellectual Property (net of accumulated amortization)	2,666,835
Non-controlling interest	3,619,911
Net Liabilities Disposed:	\$ 1,628,470

Using the equity method of accounting, NorthPalm has a share of Cybeats' equity loss based on the ownership in Cybeats. During the six months ended March 31, 2026, the Company recognized \$636,583 in losses from Cybeats as its share of equity loss.

	Six months ended	Fiscal year ended
	March 31, 2026	September 30, 2025
		<i>(Restated - Note 23)</i>
Opening balance	9,321,830	-
Addition - Investment (loss of control)	-	9,021,258
Addition - Settlement of Debt	1,200,000	1,429,903
(Sale) Purchase of Cybeats Shares	(1,245,253)	230,327
Share of equity loss (from November 29, 2024)	(636,583)	(1,359,658)
Closing Balance	8,639,993	9,321,830

Due from Cybeats Technologies Corp.

From time to time, the Company extended funds to Cybeats which were secured by a general security agreement ("GSA"). The advances bore interest at 10% per annum and were contractually due and payable by Cybeats on October 14, 2025. As at March 31, 2026, the outstanding principal and accrued interest was nil (September 30, 2025 - \$1,194,406).

Fionet Rapid Response Group

On August 19, 2020, the Company established a joint venture ("JV") with Fio Corporation ("Fio") to accelerate adoption and delivery of Fio's proven data-and-device platform. FRR Group is a recognized developer and marketer of a mobile software platform for delivering primary healthcare at the community level. On December 22, 2020, Fionet Rapid Response Group ("FRR") was incorporated in Ontario for the purposes of establishing the Joint Venture. As part of the Joint Venture agreement the Company invested \$1,500,000 into FRR through the provision of consulting services and provided a loan of \$500,000. Under the terms of the Joint Venture agreement, the Company received a 33% ownership in FRR along with 33% royalties on all FRR revenues related to individual testing, 20% royalties on all FRR revenues related to the FRR platform solutions, and 10% royalties on all FRR revenues related to data. Fio owned the remaining 67% ownership of FRR. The investment in associate had been initially recorded and recognized at its cost of \$1,500,000 less the Company's share of markup on certain consulting services provided. The loan to FRR bears interest at the annual rate of 8% with no fixed terms of repayment.

The Company also held a demand loan receivable from Fio Corp. as the result of advances to Fio Corp. This loan receivable was non-interest bearing and had no fixed terms of repayment. This demand loan receivable from Fio Corp. was fully repaid in the year ended September 30, 2025, as part of the sale of the FRR Joint Venture.

On December 6, 2024, the Company completed a transaction to sell its joint venture interest in FRR Group to a private corporate development company.

The Company will also be free to use technology developed by FRR Group on other potential projects, so long as they are not competitive to the business endeavors of the FRR Group.

	September 30, 2025
Opening balance - October 1, 2024	447,865
Share of equity loss up to the date of sale	(360,420)
Sale of investment in FRR	(87,446)
Ending balance - September 30, 2025	-

Raidian Inc.

The Company holds a 24% equity interest in Raidian Inc. The investment was initially recognized at a cost of \$600,000, comprising \$300,000 in cash consideration and \$300,000 credited for past services rendered and intellectual property assigned to Raidian. During the year ended September 30, 2025, the Company recognized its share of Raidian's losses under the equity method in accordance with *IAS 28 Investments in Associates and Joint Ventures*. Due to objective evidence of impairment—primarily the lack of progress on the project and uncertainty regarding future economic benefits—a full impairment loss was recorded on September 30, 2025, under *IAS 36 Impairment of Assets*, reducing the carrying amount of the investment to nil.

Opening balance - October 1, 2024	-
Addition - investment	300,000
Addition - Credit for past services & intellectual property assigned	300,000
Share of equity loss	(124,466)
Impairment loss on investment	(475,534)
Closing Balance - September 30, 2025	-

8. DUE FROM GLOW LIFETECH CORP.

From time to time, the Company has advanced funds to Glow LifeTech Corp. ("Glow"), a publicly traded company listed on the CSE. On March 31, 2026, the Company held 2,339,286 commons shares of Glow with a fair market value of \$128,661 (September 30, 2025 - 6,000,000, fair market value of \$300,000) representing or 1.29% of Glow's issued and outstanding common. As at March 31, 2026, there was no outstanding advances owing from Glow to the Company (September 30, 2025 - \$50,000 advances).

On November 29, 2024, in a settlement agreement with Glow, the Company received 19,260,352 common shares of Glow at an average price \$0.06 per share in settlement of \$1,070,273 in advances previously extended to Glow. On December 4, 2025, in a separate settlement agreement with Glow, the Company received 714,286 common shares of Glow at a deemed price \$0.07 per share in full settlement of the remaining \$50,000 in advances previously extended to Glow.

During the six months ended March 31, 2026, the Company revised the presentation of its investment in Glow LifeTech Corp. Accordingly, the investment has been reclassified and is now included within "Investments in Marketable Securities" in the consolidated statements of financial position (see note 9 for additional details).

9. INVESTMENTS IN MARKETABLE SECURITIES

All securities are classified as available-for-sale or trading securities depending on management's intent.

During the six months ended March 31, 2026, the Company revised the presentation of certain investment-related balances to better reflect the nature of its investment activities and align with its evolving investment strategy. Accordingly, the investment previously presented separately as "Investment in and due from Glow LifeTech Corp." has been reclassified to "Investments in marketable securities." Management reassessed the Company's relationship with Glow and concluded that the Company does not exercise significant influence over the investee. As a result, the investment continues to be accounted for as a financial asset measured at fair value through profit or loss ("FVTPL") in accordance with IFRS 9. Comparative figures have been reclassified to conform with the current period presentation. The reclassification had no impact on previously reported net loss, comprehensive loss, total assets, total liabilities, or shareholders' equity.

As at March 31, 2026, and 2025, the Company's investments in marketable securities are summarized as follows:

As at March 31, 2026			
Security	Book value	Fair Value	Unrealized Gain (Loss)
Glow LifeTech Corp. (GLOW.TO)	76,214	128,660	52,446
Solana Staking ETF (SOLA.TO)	54,580	37,120	(17,460)
Total	130,794	165,780	34,986

As at March 31, 2025			
Security	Book Value	Fair Value	Unrealized Gain (Loss)
Glow LifeTech Corp. (GLOW.TO)	152,115	300,000	147,885
Total	152,115	300,000	147,885

During the six months ended March 31, 2026, the Company had \$28,415 in net realized losses from the sale of marketable securities (March 31, 2025 – loss of \$8,343).

10. INVESTMENTS IN DIGITAL ASSETS

As at March 31, 2026, the Company's investments in digital assets are as follows:

As at March 31, 2026			
Digital Asset	Booke Value	Fair Value	Unrealized Gain (Loss)
DeLorean (\$DMC)	342,188	212,614	(129,573)
Total	342,188	212,614	(129,573)

The Company has not sold any digital assets since commencing its investment activities. Fair values are based on closing prices on major exchanges as of the reporting date. Due to the volatile nature of digital assets, significant price fluctuations can occur subsequent to the reporting date.

11. PROPERTY, PLANT AND EQUIPMENT

	Laboratory equipment \$	Office furniture & equipment \$	Computer equipment \$	Total \$
Cost				
As at September 30, 2024	44,426	204,574	14,338	263,338
Additions	-	-	1,890	1,890
Disposals	(44,426)	(9,124)	(970)	(54,519)
As at September 30, 2025	-	195,450	15,258	210,708
Disposals	-	(195,450)	(13,518)	(208,969)
As at March 31, 2026	-	-	1,740	1,740
	Laboratory equipment \$	Office furniture & equipment \$	Computer equipment \$	Total \$
Amortization for the period				
As at September 30, 2024	40,294	201,339	14,338	255,971
Disposals	(40,294)	(5,889)	(970)	(47,153)
Amortization for the period	-	-	472	472
As at September 30, 2025	-	195,450	13,841	209,291
Disposals	-	(195,450)	(13,518)	(208,969)
Amortization for the period	-	-	472	472
As at March 31, 2026	-	-	795	795
	Laboratory equipment \$	Office furniture & equipment \$	Computer equipment \$	Total \$
Net book value				
As at September 30, 2024	4,132	3,235	-	7,367
As at September 30, 2025	-	-	1,417	1,417
As at March 31, 2026	-	-	945	945

Up to the date control ceased on November 29, 2024, the Property, Plant and Equipment of Cybeats was fully consolidated within the Group's financial statements. Effective November 29, 2024, the Company lost its controlling interest over Cybeats, consequently, Cybeats is no longer included in the Group's consolidated financial statements in accordance with IFRS 10 (see note 7).

12. RIGHT-OF-USE ASSET & LEASE LIABILITY

Right-of-use assets consist of the lease for the Company's office space and is amortized over a period of 24 months. On October 31, 2025, the Company completed an early lease termination with a cash settlement of \$42,868, releasing it from any future lease obligations. The Company derecognized the right-of-use asset and lease liability, recognizing a \$33,120 loss on extinguishment.

The following is a summary of the lease liability as of March 31, 2026:

	Six months ended March 31, 2026	Fiscal year ended September 30, 2025
Opening Balance	88,526	25,573
Additions	-	163,433
Depreciation	(7,935)	(100,480)
Disposals	(80,591)	-
Ending Balance	-	88,526

The Company entered a 24-month lease agreement of a new office space on October 31, 2024. During the six months ended, March 31, 2026, the lease payments amounted to \$8,046.

	Office & laboratory lease		Total
Balance, September 30, 2024	\$	-	\$ -
Right of use lease obligation	163,433		163,433
Interest expense	22,136		22,136
Lease payments	(88,511)		(88,511)
Balance, September 30, 2025	\$	97,058	\$ 97,058
Interest expense	249		249
Lease payments	(8,046)		(8,046)
Termination of lease obligation	(89,260)		(89,260)
Balance, March 31, 2026	\$	-	\$ -

The Company had recorded these leases as right-of-use assets and a lease liability in the statement of financial position as at March 31, 2026. At the commencement date of the lease, the lease liability was measured at the present value of the lease payments that were not paid at that date. The lease payments were discounted using an interest rate of 18%, which is the Company's incremental borrowing rate.

Maturity Analysis – Contractual Undiscounted Cash Flows			
As at		March 31, 2026	September 30, 2025
Less than one year		-	97,058
Total undiscounted lease obligation	\$	-	\$ 97,058

13. RECLAMATION BONDS

Prior to 2013, the Company (formerly Monarch Energy Limited – “Monarch”) was engaged in the exploration and development of petroleum, natural gas, and mineral properties. Due to challenges in securing financing to complete exploration and evaluation activities, and before determining the economic recoverability of its existing properties, Monarch exited this industry in early 2014 via a reverse takeover transaction. Under a Share Exchange Agreement, Monarch acquired all issued and outstanding shares of ChroMedX Corp. (subsequently renamed Relay Medical Corp., Scryb Inc., then NorthPalm Capital Corp.), shifting the Company's focus on the technology sector.

The Company continues holds reclamation bonds with the Alberta Energy Regulator as required by section 1.100(2) of the Oil and Gas Conservation Regulations and Directive 006: License Liability Rating Program and License Transfer Process. The reclamation bonds are held for the purposes of the future well abandonment, related to the business of the Company prior to the reverse takeover transaction. The Company believes it has performed all requested remediation work at the site and is currently engaged with the regulator for the return of these funds to the Company.

14. GOVERNMENT LOANS

Canadian Emergency Business Account (“CEBA”) Loan:

The Company applied for and received a CEBA loan for amounts totaling \$60,000. The CEBA loan was implemented by the Government of Canada to provide relief measures to small businesses adversely effected by COVID-19. Under the terms of the CEBA loan, proceeds received are interest free up until December 31, 2022. If a minimum of 66.7% of the principal balance is repaid on or prior to, December 31, 2022, the remaining 33.3% shall be forgiven. On January 12, 2022, the Government of Canada announced that the repayment deadline of December 31, 2022, for CEBA loans to qualify for the 33.3% forgiveness is being extended to December 31, 2023, for all eligible borrowers in good standing.

The Company has identified that they do not qualify for the CEBA loan and as a result, the Company has not recognized any grant revenue or interest benefit in the statement of loss and comprehensive loss in connection with this loan.

Regional Relief and Recovery Fund (“RRRF”) Loan:

On November 27, 2020, the Company applied for and received a RRRF loan for amounts totaling \$210,000. The RRRF loan was implemented by the Government of Canada to provide financial relief measures to small businesses in Southern Ontario adversely effected by COVID-19. Under the terms of the RRRF loan, proceeds received are interest free and repayable in sixty (60) equal monthly payments of \$3,500, commencing on January 15, 2023, with the last payment due December 15, 2027. The following table summarized the remaining obligations of the loan:

	March 31, 2026	September 30, 2025
Less than one year	70,000	161,000
Between one and two years	42,000	42,000
Longer than two years	7,000	7,000
	119,000	210,000

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In connection with the interest free term on the loan, the interest benefit has been valued at \$5,975 (September 30, 2025 - \$15,464) based on a fair market interest rate of 16.5% (September 30, 2025 - 16.5%). The continuity of the government loans as at March 31, 2026, are presented as follows:

	March 31, 2026	September 30, 2025
Opening Balance	254,071	238,607
Repayments	(91,849)	-
Accretion	5,975	15,464
Closing Balance	168,197	254,071
Current	70,000	146,161
Non-Current	98,197	107,910
Closing Balance	168,197	254,071

15. CAPITAL STOCK

(a) Common shares

Authorized

The authorized capital stock of the Company consists of an unlimited number of common shares and have no par value.

Issued and Outstanding	Number	\$
Balance - October 1, 2024	29,115,747	43,307,617
Shares issued from private placement (i)	17,679,255	1,118,656
Shares issued from the settlement of debt (ii)	233,400	46,680
Balance - September 30, 2025 (iii)	47,028,402	44,472,952
Shares issued from option exercise (iv)	50,000	11,341
Reduction in stated capital (v)	-	(36,426,521)
Balance - March 31, 2026	47,078,402	8,057,772

- i. On November 6, 2024, the Company closed a non-brokered private placement financing for gross proceeds of \$742,400 through the issuance of 2,969,600 Units (each "Unit") at a price of \$0.25 per unit. Each Unit is comprised of: (i) one common share in the capital of the Company (each a "Common Share"); (ii) one Common Share purchase warrant (each, a "Warrant"). Each whole Warrant entitles the holder to purchase one additional Common Share at an exercise price of \$0.50 on or before 18 months from the date of issuance.

On September 26, 2025, the Company completed a non-brokered private placement offering, issuing 14,709,700 Units (each "Unit") at a price of \$0.10 per Unit for gross proceeds of \$1,470,970. Each Unit is comprised of: (i) one Common Share in the capital of the Company (each a "Common Share"); (ii) one half of one Common Share purchase warrant (each, a "Warrant"). Each whole Warrant entitles the holder to purchase one additional Common Share at an exercise price of \$0.18 on or before 18 months from the date of issuance.

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-
- ii. On February 2, 2025, the Company settled \$116,700 in outstanding debts through the issuance of 233,400 Shares in order to preserve the Company's cash for working capital. The Shares under the Debt Settlement were issued at a price of \$0.50 per Share.
 - iii. On August 13, 2025, the Company completed the consolidation of its issued and outstanding common shares on the basis of one (1) new Common Share for every ten (10) old Common Shares. The post-consolidation Common Shares continue to trade on the CSE under the Company's existing name and trading symbol. The Common Shares presented represent the post-consolidated figures.
 - iv. During the period ended March 31, 2026, the Company issued 50,000 common shares from the exercise of 50,000 options at an average exercise price of \$0.12.
 - v. On March 31, 2026, the shareholders of the company approved a resolution to reduce various components of stated capital by up to \$61,144,914 and a corresponding reduction in the Corporation's accumulated deficit by an amount equal to the amount of such stated capital reductions. The amount of \$61,144,914 represents the accumulated deficit of the Company at September 30, 2025, most of which stemmed from former controlled business units. The primary purposes of the reduction were to; clean up the equity section of the balance sheet, eliminate the large historical accumulated deficit that had built up from prior operating years (majority of which related to losses incurred by former controlled business units), and improve the overall presentation of shareholders' equity.

The stated capital reduction amount was later reduced by the amount of prior period adjustments made in the current fiscal year relating to a voluntary change in accounting policy, thereby lowering the total accumulated deficit reduction available as at September 30, 2025, by \$537,478 to \$60,607,436 (see note 23). This transaction involved no cash movement. No funds were paid to or received from the Company or any shareholder in connection with the reduction.

The stated capital reduction was appropriately allocated as follows: \$36,426,521 from share capital, \$21,969,842 from contributed surplus, and \$2,211,073 from warrant reserves resulting in a total accumulated deficit reduction of \$60,607,436. The warrant reserves represent the fair value of the existing warrants issued and outstanding. This reallocation does not impact the economic value of the contractual terms of the warrants themselves.

(b) Stock option plan and share based compensation

The Company has a stock option plan under which it is authorized to grant options to directors, employees and consultants enabling them to acquire up to 20% of the issued and outstanding common shares of the Company. The board approves all option grants and sets the vesting period on each option issuance. The following table summarizes activity within the Company's stock option plan during the period:

	Number of Options Outstanding	Black-Scholes Value	Weighted Average Exercise Price
Balance - October 1, 2024	3,073,500	9,337,971	\$ 3.08
Granted (i)	5,230,000	226,002	0.22
Expired (ii)	(911,000)	(1,358,323)	2.04
Cancelled (iii)	(1,748,500)	(5,809,680)	3.61
Balance - September 30, 2025 (iv)	5,644,000	2,395,971	\$ 0.43
Granted (v)	-	81,962	-
Exercised (vi)	(50,000)	(5,340)	0.12
Expired (vii)	(310,000)	(859,360)	6.09
Reduction in share-based compensation reserve (viii)	-	(1,037,358)	-
Balance - March 31, 2026	5,284,000	575,874	\$ 0.29

- i. On February 19, 2025, the Company announced that it has granted an aggregate of 1,360,000 options to purchase common shares of the Company with an estimated fair value of \$144,908 exercisable at a price of \$0.50 per common share, vesting in 12 months from the date of issuance and expiring on February 2, 2028, to certain directors, employees, officers, and consultants of the Company.

On September 30, 2025, the Company announced that it has granted an aggregate of 3,870,000 options to purchase common shares of the Company with an estimated fair value of \$413,333 exercisable at a price of \$0.12 per common share, vesting within 18 months from the date of issuance and expiring on September 26, 2030, to certain directors, employees, officers, and consultants of the Company.

- ii. During the year ended September 30, 2025, 911,000 options had expired with an average exercise price of \$2.04.
- iii. During the year ended September 30, 2025, the Company cancelled 1,748,500 options held by former directors, employees, officers and consultants.
- iv. On August 13, 2025, the Company completed a 10:1 share consolidation of its issued and outstanding common shares (see note 15(a) iii). The options disclosed herein are presented on a post-consolidation (10:1 adjusted) basis.
- v. During the period ended March 31, 2026, a \$81,962 share-based compensation expense was recognized for the vesting of options granted in prior periods, measured at grant-date fair value using the Black-Scholes option pricing model.

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- vi. During the period ended March 31, 2026, 50,000 options were exercised at an average exercise price of \$0.12.
- vii. During the period ended March 31, 2026, 310,000 options had expired with an average exercise price of \$6.09.
- viii. During the period, the Company reduced its stated capital by \$60,607,436 pursuant to a special resolution of shareholders. The reduction was allocated across equity accounts, including a \$1,037,358 reduction in the share-based compensation reserve (see note 15a) v).

The following common share purchase options are outstanding as at March 31, 2026:

Date of Grant	Number Of Options Outstanding	Exercise Price	Average Remaining life (years)	Expiry Date	Number Of Options Exercisable
April 26, 2021	19,000	5.000	0.07	April 26, 2026	19,000
July 22, 2021	35,000	2.500	0.31	July 22, 2026	35,000
May 17, 2022	125,000	2.000	1.13	May 17, 2027	125,000
February 19, 2025	1,285,000	0.500	1.89	February 19, 2028	1,285,000
September 30, 2025	3,820,000	0.120	4.49	September 26, 2030	1,476,667
	5,284,000	\$ 0.290	3.74		2,940,667

Share based compensation during the six months ended March 31, 2026, totaled \$81,962 (September 30, 2025 – \$226,002).

The fair value of options granted during the year ended September 30, 2025, was estimated at the date of grant using a Black Scholes Option Pricing Model with the following assumptions.

	Sep 30 2025	Feb 19 2025
Exercise price	0.12	0.50
Risk-free interest rate	2.74%	2.79%
Expected life of options	5 years	3 years
Annualized volatility	159%	157%
Dividend rate	Nil	Nil
Forfeiture rate	0%	0%

(c) Warrants

The following table summarizes warrants that have been issued, exercised or have expired during the six months ended March 31, 2026, and the fiscal year ended September 30, 2025:

	Number of Warrants Outstanding	Black-Scholes Value	Weighted Average Exercise Price
Balance - October 1, 2024	4,185,100	\$ 2,876,463	\$ 0.66
Granted (i)	10,794,150	1,032,960	0.27
Expired (ii)	(682,500)	(216,329)	1.50
Balance - September 30, 2025 (iii)	14,296,750	\$ 3,693,094	\$ 0.32
Expired (iv)	(3,502,600)	(449,060)	0.50
Reduction in warrant reserve (v)	-	(2,211,073)	-
Balance - March 31, 2026	10,794,150	\$ 1,032,960	\$ 0.27

- i. On November 6, 2024, the Company completed non-brokered private placement financing through the issuance of 2,969,000 units comprising of one Common Share and one Common Share purchase Warrant to purchase common shares of the Company. The warrants hold an estimated fair value of \$254,847, are exercisable at a price of \$0.50 per common share, expiring on May 6, 2026.

On September 26, 2025, the Company completed non-brokered private placement financing through the issuance of 14,709,700 units comprising of one Common Share and one half of one Common Share purchase Warrant to purchase common shares of the Company. The 7,824,550 warrants issued hold an estimated fair value of \$778,113, are exercisable at a price of \$0.18 per common share, expiring on March 26, 2027.

- ii. On November 10, 2024, a total of 682,500 warrants with a grant date of May 10, 2023, expired.
- iii. On August 13, 2025, the Company completed a 10:1 share consolidation of its issued and outstanding common shares (see note 15(a) iii). The warrants disclosed herein are presented on a post-consolidation (10:1 adjusted) basis.
- iv. On November 30, 2025, a total of 3,502,600 warrants with a grant date of May 31, 2024, expired.
- v. During the period, the Company reduced its stated capital by \$60,607,436 pursuant to a special resolution of shareholders. The reduction was allocated across equity accounts, including a \$2,211,073 reduction in the warrant reserve (see note 15a) v).

During the six months ended March 31, 2026, \$2,211,073 was reallocated from the warrant reserve to deficit as part of the shareholder-approved stated capital reduction (see Note 15(a) (i)). This amount represents the fair value of previously issued warrants and has no impact on the economic value or contractual terms of the current outstanding warrants.

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As at March 31, 2026, there were 10,794,150 (September 30, 2025 – 14,296,750) warrants outstanding with an average strike price of \$0.27. The following warrants are outstanding as at March 31, 2026:

Date of Issuance	Number of Warrants	Exercise	Fair	Expiry
	Outstanding	Price	Value	Date
November 6, 2024	2,969,600	0.50	254,847	May 6, 2026
September 26, 2025	7,824,550	0.18	778,113	March 26, 2027
	10,794,150		1,032,960	

The fair value of warrants granted during the year ended September 30, 2025, were estimated at the date of grant using a Black Scholes Pricing Model with the following assumptions:

Investor Warrants	September 2025
Exercise price	0.18
Risk-free interest rate	2.51%
Time to maturity	1.5 years
Annualized volatility	239%
Dividend yield	Nil

16. CONVERTIBLE DEBENTURE

On January 31, 2025, the Company completed a non-brokered private placement offering of secured convertible debentures for gross proceeds of \$1,175,300. The Debenture bears interest at an annual rate of 12% and the outstanding principal and interest can be converted into common shares of the Company at a conversion price of \$0.50 per Share. The Debentures will mature two years from the date of issuance (January 31, 2027), except for the Series One debenture issued to an affiliate of Plaza Capital (the "Lead Investor"), the lead investor in the Offering, which will mature one year from the date of issuance.

The Company used the residual value method to allocate the principal amount of the convertible debentures between the liability and equity components. The Company value the debt component of the convertible debentures by calculating the present value of the principal and interest payments, discounted at a rate of 18%, being management's best estimate of the rate that a non-convertible debenture with similar terms would bear. The equity component of the convertible debentures comprises the value of the Conversion Option, being the difference between the face value of the Debentures and the present value of the debentures upon issuance, which includes a derivative liability portion of \$81,667.

The following table disclosed the components associated with the convertible debenture transaction at initial recognition:

January 31, 2025	
Proceeds from the convertible debenture	1,175,300
Less: derivative liability component	(81,667)
Less: equity component	(89,521)
Loan Liability Component	1,004,112

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The change in the convertible debenture loan liability is as follows:

Value at initial recognition - January 31, 2025	1,004,112
Issuance cost	(47,133)
Interest	90,424
Accretion	79,334
Payments	(52,650)
Conversion	(56,507)
Balance - September 30, 2025	1,017,580
Less current portion	(110,578)
Long-term portion	907,002
Balance - October 1, 2025	1,017,580
Interest	46,516
Accretion	25,780
Payments	(641,225)
Balance - March 31, 2026	448,651
Less current portion	(44,502)
Long-term portion	404,149

Convertible Debenture – Lead Investor

Of the gross proceeds of \$1,175,100 raised under the Convertible Debenture financing, the lead investor subscribed for \$210,000. All material terms of the lead investor's debenture were consistent with those of the general investors, except for the following conversion rights.

The lead investor was entitled, at its option, to convert:

- the first \$80,000 of principal into common shares of Glow held by the Company at a conversion price of \$0.04 per Glow share; and,
- the remaining \$130,000 of principal into common shares of Glow held by the Company at a conversion price of \$0.06 per Glow share.

The accounting for this conversion option includes recognizing the derivative liabilities upon issuance of the debenture, with the remainder going towards the present value of the debt component along with a \$0 value assigned to the equity of the Company.

During the fiscal year ended September 30, 2025, the lead debenture holder exercised their option to convert \$80,000 of their debenture into common shares of Glow at a deemed price of \$0.04 per share. The conversion comprised of \$79,009 of principal and \$991 in accrued interest accrued. The Company completed the debenture conversion by transferring 2,000,000 shares of its investment in Glow to the lead holder.

On October 3, 2025, the Company repaid the remaining balance on the lead Investor's convertible debenture of \$130,991 principal plus accrued interest in cash.

As of March 31, 2026, there was no principal or accrued interest outstanding for the lead investor's convertible debenture.

Convertible Debenture – General Investors

On November 25, 2025, the Company entered into a debt settlement agreement with a debenture holder to fully settle their \$35,000 outstanding principal and \$3,429 of accrued interest in exchange for 680,000 common shares of Glow which were held by the company. Upon execution of the agreement, the carrying value of the debenture and related accrued interest were derecognized. The shares were then transferred, and the outstanding debenture obligation was extinguished on January 29, 2026.

During the six months ended March 31, 2026, the Company, pursuant to agreements reached with certain debenture holders, repaid aggregate principal amounts of \$344,300 together with accrued interest of \$55,106, thereby fully settling and extinguishing the related debenture obligations with those holders.

17. INCOME TAXES

A reconciliation of current income taxes at statutory rates as of the most recent taxation and corporate year ends are as follows:

	September 30, 2025	September 30, 2024
Net Income (loss) before income taxes	(1,625,225)	(14,773,033)
Combined federal and provincial tax rate	26.50%	26.50%
Expected income tax recovery at statutory rates	(430,685)	(3,914,854)
Share based compensation and other non-deductible expenses	158,253	828,063
Change in unrecognized deferred tax assets	272,432	3,086,791
Provision for income tax	-	-

Significant components of deductible and taxable temporary differences, unused tax losses and unused tax credits that have not been included on the statement of financial position are as follows:

	September 30, 2025	September 30, 2024
Exploration and evaluation assets	-	-
Share issuance costs	27,168	366,967
Capital assets	920,049	958,477
Investments and intangible assets	47,105	3,405,848
Non-capital losses	42,658,699	49,209,905
Total temporary differences	43,653,021	53,941,197

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the group can utilize the benefits there from. Non-capital loss carry-forwards expire as rated in the table below. The remaining deductible temporary differences may be carried forward indefinitely.

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As at year-ended September 30, 2025, the Company has non-capital losses of \$42,658,699 (2024 - \$49,209,905) that can be used to reduce future taxable income. These losses expire as follows:

	\$
2037	7,300,890
2038	4,114,186
2039	7,918,607
2040	4,714,585
2041	5,705,938
2042	3,798,535
2043	3,427,583
2044	3,236,383
2045	2,441,992
	<u>42,658,699</u>

18. RELATED PARTY TRANSACTIONS

Compensation

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company, and those of Cybeats up to the date of deconsolidation November 29, 2024. The Company has determined that key management personnel consist of executive and non-executive members of the Companies' Board of Directors, Corporate Officers and Vice Presidents.

During the six months ended March 31, 2026, \$289,962 (six months ended March 31, 2025 - \$800,035) was paid to key management and companies controlled by or related to key management of NorthPalm and Cybeats (up to the date of loss of control). During the six months ended March 31, 2026, no prepaid expenses were paid to related parties (March 31, 2026 - \$250,000).

Remuneration of key management of the Company for the six months ended March 31, 2026, and 2025, were as follows:

	March 31, 2026	March 31, 2025
Share based compensation	81,962	144,908
Salaries and Consulting fees	208,000	655,127
	<u>289,962</u>	<u>800,035</u>

Investment in Associates

The Company's investment in associates for accounting purposes includes Raidian, Cybeats, and, formerly, Glow and FRR Group. For further details on transactions and balances with associates, refer to note 6.

On January 31, 2025, the Company has assumed the obligations of Cybeats to a related party in the amount of \$614,116. In tandem with the assumption of debt, Cybeats issued a promissory note to the Company for the amount of the assumed debt. The aggregate outstanding amounts owed by Cybeats to the Company are included in a secured non-convertible debenture at interest rate of 10% per annum, which matured on October 14, 2025.

Amounts due to related parties as of March 31, 2026, totaled \$102,067 (September 30, 2025 - \$342,332). Interest paid to related parties during the six months ended March 31, 2026, was \$7,977 (March 31, 2025 - \$66,918).

19. FINANCIAL RISK FACTORS

The Company manages its exposure to a number of different financial risks arising from its operations as well as its use of financial instruments including market risks, credit risk and liquidity risk through its risk management strategy. The objective of the strategy is to support the delivery of the Company's financial targets while protecting its future financial security and flexibility.

Financial risks are primarily managed and monitored through operating and financing activities and, if required. The financial risks are evaluated regularly with due consideration to changes in the key economic indicators and up-to-date market information.

The Company's financial instruments primarily consist of cash, other receivables, loan receivable, reclamation bonds, investments in marketable securities, investments in digital assets, accounts payable and accrued liabilities, due to related parties, government loans, short term debt, and convertible debentures. The fair value of the Company's other receivables, loan receivable, due from related parties, accounts payable and accrued liabilities, due to related parties, government loans, and short-term debt approximate their carrying value, due to their short-term maturities or ability of prompt liquidation.

The Company's cash, investments in marketable securities, and investments in digital assets are recorded at fair value, under the fair value hierarchy, based on level one quoted prices in active markets for identical assets or liabilities. The Company's other receivables, reclamation bonds, accounts payable and accrued liabilities, government loans are measured at amortized cost.

The Company is exposed in varying degrees to a variety of financial instrument related risks.

Market Risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of the business. These market risks are evaluated by monitoring changes in key economic indicators and market information on an ongoing basis.

a) Interest Rate Risk

The Company has cash balances and is not at a significant risk to fluctuating interest rates. The Company's current policy is to invest excess cash in investment grade short term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. The Company monitors the credit worthiness of the debtor and is satisfied with the debtor's ability to repay the amount owing.

b) Foreign Currency Risk

As at March 31, 2026, the Company's expenditures are predominantly in Canadian dollars, and any future equity raised is expected to be predominantly in Canadian dollars and therefore is not at a significant risk to fluctuating exchange risks.

Liquidity Risk

Liquidity risk encompasses the risk that a company cannot meet its financial obligations in full. The Company's main source of liquidity is derived from its common stock issuances. These funds are primarily used to finance working capital, operating expenses, capital expenditures, and acquisitions.

The Company manages its liquidity risk by regularly monitoring its cash flows from operating activities and holding adequate amounts of cash and cash equivalents.

As at March 31, 2026, the Company held cash of \$22,910 (September 30, 2025 - \$794,573) to settle current liabilities of \$737,311 (September 30, 2025 - \$1,555,844).

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash. The Company has reduced its credit risk by investing its cash with Canadian chartered banks.

20. CAPITAL MANAGEMENT

As at March 31, 2026, the Company's capital stock was \$8,057,772 (September 30, 2025 - \$44,472,952). While the Company will need to raise additional funds to support the commercial and development activities, the Company is in a unique position to finance growth through its various holdings and amidst superior market conditions than previous years. There were extensive changes to the Company's capital management during the period, including cost-cutting and conservative approaches to capital uses and requirements.

The Company's objectives when managing capital are:

- a) To safeguard the Company's financial capacity and liquidity;
- b) To maintain a flexible capital structure which optimizes the cost of capital at an acceptable risk;
- c) To enable the Company to maximize growth by meeting its capital expenditure budget, to expand its budget to accelerate projects, and to take advantage of acquisition opportunities.

The Company regularly monitors and reviews the amount of capital in proportion to risk and future opportunities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

21. BASIC AND DILUTED LOSS PER SHARE

Basic loss per share has been calculated by dividing the net loss attributable to shareholders of NorthPalm per the financial statements by the weighted average number of shares outstanding during the year. The fully diluted loss per share would be calculated using a common share balance increased by the number of common shares that could be issued on the exercise of outstanding warrants and options of the Company. As the Company is in a loss position for the six months ended March 31, 2026, and 2025, this would be antidilutive.

22. SUBSEQUENT EVENTS

Stock Option Issuance

On April 14, 2026, the company issued 4,300,000 stock options under the terms of the Company's Omnibus Long-Term Incentive Plan to various employees, directors, officers and consultants of the Company and vest over 1 year for certain employees. Each option is exercisable at a price of \$0.12 for one common share of the Company for a period of three years from the date of the grant. The options and any common shares issued upon exercise of the options are subject to a four-month and one day resale restriction from the date of grant.

23. RESTATEMENT OF COMPARATIVE FIGURES

Voluntary change in accounting policy – restatement of comparative figures

Due to a voluntary change in accounting policy (see note 4 (iii)), the Company has restated its prior financial statements to reflect the recognition of the results of Cybeats using the equity method of accounting on a three-month lag basis.

The effect of the policy change has resulted in the comparative period profit being overstated by the amount of the equity pickup; \$333,348, as reported on March 31, 2025. Adjusting the equity pickup to incorporate a one-quarter lag would result in a reduction of net loss by \$333,348, and correspondingly an increase in the investment in Cybeats by the same. The net effect on the fiscal year ended September 30, 2025, is an overstated amount of equity pickup by \$537,480, and a resulting reduction in net loss by the same. The Company has restated its prior financial statements to reflect the recognition of the results of Cybeats on this three-month lag basis.

Presentation change - reclassification of comparative figures

During the current period, the Company revised the presentation of certain investment-related balances to better reflect the nature of its investment activities and align with the Company's evolving investment strategy as an investment issuer. Accordingly, comparative amounts previously presented as "Investment in Glow LifeTech" have been reclassified to "Investments in marketable securities" in the consolidated statements of financial position. In addition, realized and unrealized gains and losses previously presented separately in respect of Glow have been reclassified to net realized and unrealized gains (losses) on investments in marketable securities on the consolidated statements of net loss and comprehensive loss. The reclassification had no impact on previously reported net loss, comprehensive loss, total assets, total liabilities, or shareholders' equity. Management reassessed the Company's relationship with Glow LifeTech and concluded that the Company does not exercise significant influence over the investee.

Additionally, certain prior period amounts have been reclassified and reorganized in the restated Consolidated Interim Statement of Loss and Comprehensive Loss to conform to the current period's presentation. This reflects the Company's evolution into an investment-style entity, with investment gains/losses, fees and advisory income, and interest income presented first, followed by operating expenses and other income/expenses.

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NorthPalm Capital Corp. Consolidated Annual Statement of Financial Position Adjustments

As of period ended September 30, 2025	Original		Adjustment		Adjusted
Assets					
Current Assets					
Cash	\$	794,573	\$	-	\$ 794,573
Other receivables		104,901		-	104,901
Due from Glow LifeTech Corp.		50,000			50,000
Investment in Glow LifeTech Corp.		300,000	A	(300,000)	-
Investments in marketable securities		-	A	300,000	300,000
Prepaid expenses		301,381		-	301,381
Due from related parties		1,194,406		-	1,194,406
		2,745,262		-	2,745,261
Non-Current Assets					
Investment in associates		8,784,350	B	537,480	9,321,830
Property, plant and equipment		1,417			1,417
Right-of-use asset		88,526		-	88,526
Reclamation bonds		86,172		-	86,172
Total assets		11,705,727		537,480	12,243,207
Current Liabilities					
Current Liabilities					
Accounts payable and accrued liabilities		867,886		-	867,886
Current portion of lease liability		88,886		-	88,886
Due to related parties		342,332		-	342,332
Current portion of government loans		146,161		-	146,161
Current portion of convertible debenture		110,578			110,578
		1,555,845		-	1,555,844
Non-Current Liabilities					
Government loans		107,910		-	107,910
Lease liability		8,171		-	8,171
Convertible debentures		907,002			907,002
Total Liabilities		2,578,928		-	2,578,927
Shareholders' Equity					
Capital stock		44,472,952		-	44,472,952
Contributed surplus		22,020,034		-	22,020,034
Warrant reserve		3,693,094		-	3,693,094
Equity component of convertible debenture		85,636			85,636
Deficit		(61,144,914)	C	537,480	(60,607,436)
Total Shareholders Equity		9,126,800		537,480	9,664,280
Total Liabilities and Shareholders Equity	\$	11,705,727	\$	537,480	\$ 12,243,207

Adjustments

A - Management has determined the investment in Glow LifeTech is no longer considered a related party as a result, its investment in Glow LifeTech Corp. is no longer presented as an investment individually. The investment in Glow LifeTech Corp. is reclassified to Investments in marketable securities.

B - Adjustment for equity pickup losses from Cybeats for the fiscal ended September 30, 2025 to conform with change in accounting policy

C - Effect on accumulated deficit from removal of equity pickup for the fiscal year ended September 30, 2025.

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

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NorthPalm Capital Corp. Consolidated Interim Statement of Financial Position Adjustments

As of period ended March 31, 2025	Original		Adjustment	Adjusted
Assets				
Current Assets				
Cash	\$ 210,478		\$ -	\$ 210,478
Other receivables	1,766,655		-	1,766,655
Investment in Glow LifeTech Corp.	1,056,923	A	(1,056,923)	-
Due from Glow LifeTech Corp.	-	B	100,000	100,000
Investment in marketable securities	-	A	1,056,923	1,056,923
Prepaid expenses	259,285		-	259,285
Due from related parties	1,338,833		-	1,338,833
	4,632,174		100,000	4,732,174
Non-Current Assets				
Investment in associates	8,716,372	C	333,348	9,049,720
Due from Glow LifeTech Corp.	100,000	B	(100,000)	-
Property, plant and equipment	1,855			1,855
Right-of-use asset	150,769		-	150,769
Reclamation bonds	79,068		-	79,068
Total assets	13,680,237		333,348	14,013,586
Current Liabilities				
Current Liabilities				
Accounts payable and accrued liabilities	1,215,188		-	1,215,188
Current portion of lease liability	54,172		-	54,172
Due to related parties	1,098,441		-	1,098,441
Current portion of government loans	60,082		-	60,082
	2,427,883		-	2,427,883
Non-Current Liabilities				
Government loans	137,433		-	137,433
Lease liability	98,164		-	98,164
Convertible debenture shares to be issued	1,051,600		-	1,051,600
Total Liabilities	3,715,080		-	3,715,080
Shareholders' Equity				
Capital stock	43,800,026		-	43,800,026
Contributed surplus	21,938,941		-	21,938,941
Warrant reserve	3,026,824		-	3,026,824
Equity component of convertible debenture	103,436			103,436
Deficit	(58,904,068)	D	333,348	(58,570,721)
Total Equity to Shareholders of Scryb Inc.	9,965,159		333,348	10,298,506
Total Shareholders Equity	9,965,159		333,348	10,298,506
Total Liabilities and Shareholders Equity	\$ 13,680,237		\$ 333,348	\$ 14,013,586

Adjustments

A - Management has determined the investment in Glow LifeTech is no longer considered a related party as a result, its investment in Glow LifeTech Corp. is no longer presented as an investment individually. The investment in Glow LifeTech Corp. is reclassified to Investments in marketable securities.

B - Reclass of Due from Glow LifeTech Corp. to current assets due to the short-term nature of the advances.

C - Adjustment to remove equity pickup loss from Cybeats for the three months ended December 31, 2024 to conform with change in accounting policy.

D - Effect on accumulated deficit from removal of equity pickup for the three months ended December 31, 2024.

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

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NorthPalm Capital Corp. Consolidated Interim Statement of Loss and Comprehensive Loss Adjustments					
For the six months ended March 31, 2025	Original		Adjustment		Adjusted
Investment Income (Loss)					
Net realized gains (losses) on sale of investments in associates	\$	1,362,942	A.1	\$ 8,343	\$ 1,371,285
Net realized gains (losses) on sale of marketable securities		-	A.1	(8,343)	(8,343)
Unrealized gain on investment in Glow LifeTech Corp.		147,885	A.2	(147,885)	-
Unrealized gain on investment in marketable securities		-	A.2	147,885	147,885
Interest Income		30,166		-	30,166
		1,540,993		-	1,540,993
Operating Expenses					
Operating, general and administrative		479,014		-	479,014
Finance expenses		302,768		-	302,768
Professional & consulting fees		878,996		-	878,996
Salaries and wages		691,357		-	691,357
Investor relations, advertising, and marketing		59,622		-	59,622
Share-based compensation		144,908		-	144,908
Transfer agent and filing fees		13,359		-	13,359
Amortization and depreciation		304,114		-	304,114
Net Income (Loss) from Operations		(1,333,145)		-	(1,333,145)
Other Comprehensive (Income) Expense					
Product sales		(208,437)		-	(208,437)
Equity share of loss in Cybeats after change in control		875,756	B	(333,348)	542,408
Net (gain) on loss of control of Cybeats Technologies Corp.		(9,299,995)		-	(9,299,995)
Non-recurring settlement fees		216,140		-	216,140
Debt forgiveness		(155,582)		-	(155,582)
Net Income (Loss) before Discontinued Operations	\$	7,238,973		\$ 333,348	\$ 7,572,320
Income (Loss) from Discontinued Operations					
Proportionate share of (gain) loss in FRR prior to sale		355,920		-	355,920
Net Income (Loss) and Other Comprehensive Income (Loss)	\$	6,883,054		\$ 333,348	\$ 7,216,400
Net Income (Loss) Attributable to Non-Controlling Interest	\$	(377,968)		\$ -	\$ (377,968)
Net Income (Loss) Attributable to Scryb Inc. Shareholders	\$	7,261,023		\$ 333,348	\$ 7,594,369
Income (loss) per share					
Basic and diluted	\$	0.23		\$ 0.01	\$ 0.24
Weighted average number of common shares outstanding, basic and diluted		31,568,210		31,568,210	31,568,210

** Certain expenses have been reclassified to conform with the current presentation.*

Adjustments:

A - Management has determined the investment in Glow LifeTech is no longer considered a related party as a result, realized gains/losses from the sale of Glow LifeTech Corp. are reclassified to "realized gains/losses on sale of marketable securities", in addition unrealized gains/losses on the investment in Glow LifeTech are reclassified to "unrealized gain/loss on investment in marketable securities"

B - Adjustment to remove equity pickup loss from Cybeats for the six months ended March 31, 2025 to confirm with change in accounting policy.

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

NorthPalm Capital Corp.
Notes to the Consolidated Interim Financial Statements
For the Three and Six Months Ended March 31, 2026, and 2025
(Unaudited - expressed in Canadian dollars)

NorthPalm Capital Corp. Consolidated Interim Statement of Changes in Shareholders' Equity Adjustments

							Total Equity to Shareholders of Scryb Inc.	Total Equity
	Capital Stock		Warrant Reserve	Contributed Surplus	Equity Component of Convertible Debenture	Deficit		
Original - March 31, 2025	32,318,747	43,800,026	3,026,824	21,938,941	103,436	(58,904,068)	9,965,159	9,965,158
Adjustments								
A						333,348	333,348	333,348
Adjusted - March 31, 2025	32,318,747	\$ 43,800,026	\$ 3,026,824	\$ 21,938,941	\$ 103,436	\$ (58,570,720)	\$ 10,298,507	\$ 10,298,506

Adjustments:

A - Adjustment to remove equity pickup loss from Cybeats for the six months ended March 31, 2025 to confirm with change in accounting policy.

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

NorthPalm Capital Corp.
Notes to the Consolidated Interim Financial Statements
For the Three and Six Months Ended March 31, 2026, and 2025
(Unaudited - expressed in Canadian dollars)

NorthPalm Capital Corp. Consolidated Interim Statement of Cash Flow Adjustments					
Six months ended March 31, 2025	Original		Adjustments		Adjusted
Cash flows from (used in) operating activities					
Net income (loss) for the period from continuing operations	\$	6,896,412	A	333,348	\$ 7,229,760
Items not affecting cash from operations:					
Depreciation		64,464	B.1	238,830	303,294
Amortization		238,830	B.1	(238,830)	-
Net gain on the loss of control of Cybeats Technologies Corp.		(9,299,995)		-	(9,299,995)
Net loss on sale of investments		(1,362,942)	C.1	(8,343)	(1,371,285)
Net loss on sale of marketable securities		-	C.1	8,343	8,343
Interest and accretion, net		(23,049)	B.2	3,746	(19,303)
Share-based compensation		144,908		-	144,908
Unrealized loss on investments on marketable securities		-	C.2	(147,885)	(147,885)
Interest on government loans accretion		3,746	B.2	(3,746)	-
Contributions/transfers from non-controlling interests		(30,349)		-	(30,349)
Equity share of loss in Cybeats after change in control		875,756	A	(333,348)	542,408
Changes in non-cash working capital items:					
Increase in right of use assets		(190,445)		-	(190,445)
Increase in prepaid expenses		(269,135)		-	(269,135)
Increase (decrease) in accounts receivable		(194,776)		-	(194,776)
Increase in accounts payable and accrued liabilities		(307,407)		-	(307,407)
Decrease in cash on loss of control of Cybeats Technologies Corp.		380,811		-	380,811
Net cash used in operating activities from continuing operations		(3,073,172)		(147,885)	(3,221,056)
Items not affecting cash from operations:					
Proportionate share of loss in FRR prior to sale		355,920	B.3	336,085	692,005
Net gain on sale of FRR		336,085	B.3	(336,085)	-
Net cash used in operating activities from discontinued operations		692,005		-	692,005
Cash flows used in investing activities					
Net purchase of property, plant and equipment		(1,070)		-	(1,070)
Proceeds collected on the sale of FRR		1,900,000		-	1,900,000
Decrease (increase) in Investment in Glow LifeTech Corp.		(809,423)	C.2	147,885	(661,538)
Increase in due from related parties		(1,338,833)		-	(1,338,833)
Decrease in due from Glow LifeTech Corp.		968,035		-	968,035
Net cash used in investing activities		718,709		147,885	866,594
Cash flows from (used in) financing activities					
Proceeds from private placement, net of issue costs		859,100		-	859,100
Proceeds from convertible debenture shares issued, net of issue costs		1,155,036		-	1,155,036
Decrease in short term debt		(235,000)		-	(235,000)
Decrease in due to related parties		(217,523)		-	(217,523)
Net increase (decrease) in lease liabilities		152,336		-	152,336
Net cash from financing activities		1,713,948		-	1,713,949
Decrease in cash for the period		51,490		-	51,492
Cash - beginning of period		158,986		-	158,986
Cash - end of period	\$	210,476		-	\$ 210,478

Adjustments:

A - Adjustment to remove equity pickup loss from Cybeats for the six months ended March 31, 2025 to confirm with change in accounting policy.

B - Reclassed to conform with current presentation.

C - Management has determined the investment in Glow LifeTech is no longer considered a related party as a result, realized gains/losses from the sale of Glow LifeTech Corp. are reclassified to "realized gains/losses on sale of marketable securities", in addition unrealized gains/losses on the investment in Glow LifeTech are reclassified to "unrealized gain/loss on investment in marketable securities"

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