Form 51-102F4
Business Acquisition Report

Item 1 Identity of Company

1.1 Name and Address of Company

Spetz Inc. (the "**Company**")
40 King Street West
Suite 5800,
Toronto, Ontario, M5H 3S1

1.2 Executive Officer

Mitchell Demeter
Chief Executive Officer
Tel +1 (345) 936-9555

Item 2 Details of Acquisition

2.1 Nature of Business Acquired

The Company acquired (the "**Acquisition**") all of the issued and outstanding shares (the "**Shares**") of Sonic Strategy Inc. ("**Sonic Strategy**") on March 17, 2025. Sonic Strategy is a blockchain staking company focused on the Sonic blockchain. For additional information on the Acquisition, see the Company's news releases dated March 17, 2025, and the unaudited condensed interim consolidated financial report as of March 31, 2025.

2.2 Acquisition Date

March 17, 2025

2.3 Consideration

The Company acquired the Shares in consideration for the issuance of 13,999,999 common shares in the capital of the Company ("**Common Shares**") at a deemed price of CDN$0.375 per Common Share. The Company has also issued an aggregate of 700,000 Common Shares, at the same issue price, to two arm's length entities as an advisory fee.

2.4 Effect on Financial Position

Upon completion of the Acquisition, Sonic Strategy became a wholly-owned subsidiary of the Company. The business and operations of Sonic Strategy have been combined with those of the Company and are managed concurrently. Mr. Mitchell Demeter joined the Board of Directors of the Company in connection with the closing of the Acquisition.

2.5 Prior Valuations

Not applicable. No valuation was obtained or required in connection with the arm's length Acquisition.

2.6 Parties to Transaction

Not applicable. The Acquisition was not with an informed person (as defined in Section 1.1 of *National Instrument 51-102 Continuous Disclosure Obligations* ("**NI 51-102**")), associate, or affiliate of the Company.

2.7 Date of Report

May 29, 2025

Item 3 Financial Statements and Other Information

Pursuant to Part 8 of NI 51-102, the following financial statements are attached and form part of this Business Acquisition Report:

a) the audited financial statements for Sonic Strategy Inc. for the year ended March 31, 2023 and for the period from October 12, 2021 (incorporation) to March 31, 2022, included as Schedule "A" hereto; and

b) the audited financial statements for Sonic Strategy Inc. for the years ended March 31, 2025, and 2024, included as Schedule "B" hereto.

SCHEDULE "A"

Audited Financial statements for Sonic Strategy Inc. for the year ended March 31, 2023 and for the period from October 12, 2021 (incorporation) to March 31, 2022

[See Attached]

SONIC STRATEGY INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

AND FOR THE PERIOD FROM OCTOBER 12, 2021 (INCORPORATION) TO MARCH 31, 2022

(EXPRESSED IN CANADIAN DOLLARS)

Horizon
Assurance LLP

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Sonic Strategy Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sonic Strategy Inc. (the "Company"), which comprise the statements of financial position as at March 31, 2023 and 2022, and the statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the year ended March 31, 2023 and the period from October 12, 2021 (date of incorporation) to March 31, 2022, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2023 and 2022, and its financial performance and its cash flows for the year ended March 31, 2023 and the period from October 12, 2021 (date of incorporation) to March 31, 2022 in accordance with International Financial Reporting Standards ("IFRS").

Basis of Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to note 1 in the financial statements, which indicates that the Company incurred net losses during the year ended March 31, 2023 and the period from October 12, 2021 (date of incorporation) to March 31, 2022. As stated in note 1, these events or conditions, along with other matters as set forth in note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matter

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

Except for the matter of the Material Uncertainty Related to Going Concern described above, we have determined that there are no other key audit matters to communicate in our report.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

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

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

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

Horizon Assurance LLP

Chartered Professional Accountants
Licensed Public Accountants

May 28, 2025
Markham, Ontario

(Expressed in Canadian Dollars)

As at		**March 31, 2023**		**March 31, 2022**
ASSETS				
Current				
Cash	$	-	$	175,000
Due from related party (note 9)		25,050		25,050
Total assets	**$**	**25,050**	**$**	**200,050**
SHAREHOLDERS' EQUITY				
Share capital (note 4)	$	250,050	$	250,050
Contributed surplus (note 5)		74,618		19,734
Deficit		(299,618)		(69,734)
Total shareholders' equity	**$**	**25,050**	**$**	**200,050**

Nature of operations and going concern (note 1)

Approved on behalf of the Board:

"Mitchell Demeter"	*"Kalle Radage"*
Director	**Director**

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

(Expressed in Canadian Dollars)

For the year ended		March 31, 2023		March 31, 2022*
Expenses				
Consulting (note 9)		275,000		50,000
Interest (note 10)		1,644		-
Share-based compensation (note 5)		54,884		19,734
Operating loss		(331,528)		(69,734)
Other income (expenses)				
Gain from loan forgivenesss (note 10)		101,644		-
Loss before income taxes	**$**	**(229,884)**	**$**	**(69,734)**
Income taxes (note 11)		-		-
Net loss and comprehensive loss	**$**	**(229,884)**	**$**	**69,734**
Net loss per share - basic/diluted	$	(0.04)	$	(0.01)
Weighted average number of common shares outstanding, basic and diluted		5,250,000		5,204,412

** For the period from October 12, 2021 (incorporation) to March 31, 2022*

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

(Expressed in Canadian Dollars)

For the year ended		March 31, 2023		March 31, 2022*
Operating activities				
Net loss for the period	$	(229,884)	$	(69,734)
Items not affecting cash:				
Gain from loan forgiveness		(101,644)		-
Interest expense		1,644		-
Share-based compensation		54,884		19,734
Net cash used in operating activities		**(275,000)**		**(50,000)**
Financing activities				
Proceeds from issuance of common shares		-		225,000
Proceeds from bridge loan		100,000		-
Net cash used in financing activities		**100,000**		**225,000**
Net change in cash		(175,000)		175,000
Cash, beginning of year		175,000		-
Cash, end of year	**$**	**(0)**	**$**	**175,000**

** For the period from October 12, 2021 (incorporation) to March 31, 2022*

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

Sonic Strategy Inc.
Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Contributed Surplus	Deficit	Total
Balance, October 12, 2021	-	$ -	$ -	$ -	$ -
Shares issued	5,250,000	250,050	-	-	250,050
Share-based compensation (note 5)	-	-	19,734	-	19,734
Net loss for the period	-	-	-	(69,734)	(69,734)
Balance, March 31, 2022	**5,250,000**	**$ 250,050**	**$ 19,734**	**$ (69,734)**	**$ 200,050**
Share-based compensation (note 5)	-	-	54,884	-	54,884
Net loss for the year	-	-	-	(229,884)	(229,884)
Balance, March 31, 2023	**5,250,000**	**$ 250,050**	**$ 74,618**	**$ (299,618)**	**$ 25,050**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Sonic Strategy Inc. (the "Company"), formerly known as Madali Ventures Inc. and Lightning Network Technologies Inc., is a private company incorporated under the Business Corporations Act of Alberta on October 12, 2021. The Company is structured to be a completely virtual workplace with no dedicated physical headquarters. This allows the Company to minimize operational costs, leverage global talent and remain competitively nimble. The registered and records office of the Company is 1250, 639 - 5th Avenue S.W. Calgary, AB T2P0M9.

The Company provides financial applications and platform infrastructure built on blockchain technology to consumers and to organizations such as financial institutions, banks, and companies involved in financial transactions. The Company is also building a platform for decentralized finance (DeFi) that will be utilized by it as the platform to enhance user experience and maximize yield. The Company's goal is to make the world of finance more transparent, low cost and simple for everyone.

These financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. For the year ended March 31, 2023, the Company reported a net loss of $229,884 (2022 - net loss of $69,734) and had a cash outflow from operating activities of $275,000 (2022 - cash outflows of $50,000). As at March 31, 2023, the Company had a cash balance of $nil (March 31, 2022 - $175,000). The Company's ability to continue as a going concern is dependent upon its ability to develop and maintain profitable operations or to obtain additional financing. However, there is no assurance that the outcome of these matters will be successful and, as a result, there are material uncertainties that might cause significant doubt regarding the going concern assumption.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements. Such adjustments could be material.

2. BASIS OF PREPARATION

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee ("IFRIC"). These financial statements were approved and authorized for issuance by the Board of Directors on May 28, 2025.

Basis of measurement

These financial statements have been prepared on a historical cost basis except for cash and investments which are classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional currency and presentation currency

These financial statements are presented in Canadian dollars, except as otherwise noted, which is the functional currency of the Company.

3. SIGNIFICANT ACCOUNTING POLICIES

The Company's accounting policies and its financial disclosures set out below are in accordance with IFRS and have been applied consistently throughout the period presented in these financial statements, unless otherwise stated.

Financial Assets

Initial recognition and measurement

Non-derivative financial assets within the scope of IFRS 9 are classified and measured as “financial assets at fair value”, as either FVTPL or FVOCI, and “financial assets at amortized cost”, as appropriate. The Company determines the classification of financial assets at the time of initial recognition based on the Company’s business model and the contractual terms of the cash flows.

All financial assets not at FVTPL are recognized initially at fair value plus directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Financial assets with embedded derivatives are considered in their entirety when determining their classification. The assets and embedded derivatives are measured at FVTPL on the date of acquisition. The Company has measured cash at FVTPL and subscription receivables at amortized cost.

After initial recognition, financial assets measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate (“EIR”) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in profit or loss.

Subsequent measurement – financial assets at FVTPL

Financial assets measured at FVTPL include financial assets management intends to sell in the short term and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial assets measured at FVTPL are carried at fair value in the statement of financial position with changes in fair value recognized in other income or expense in the statement of loss.

Subsequent measurement – financial assets at FVOCI

Financial assets measured at FVOCI are non-derivative financial assets that are not held for trading and the Company has made an irrevocable election at the time of initial recognition to measure the assets at FVOCI. The Company does not measure any financial assets at FVOCI.

Dividends from such investments are recognized in other income in the statement of loss when the right to receive payments is established.

Derecognition

A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Company no longer retains substantially all the risks and rewards of ownership.

Impairment of financial assets

The Company’s only financial assets subject to impairment are subscription receivable, loan receivable and convertible debenture which are measured at amortized cost. The Company has elected to apply the simplified approach to impairment as permitted by IFRS 9, which requires the expected lifetime loss to be recognized at the time of initial recognition of the receivable. To measure estimated credit losses, accounts receivable have been grouped based on shared credit risk characteristics, including the number of days past due. An impairment loss is reversed in subsequent periods if the amount of the expected loss decreases and the decrease can be objectively related to an event occurring after the initial impairment was recognized.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL as is the case for held for trading or derivative instruments, or the Company has opted to measure the financial liability at

FVTPL. Accounts payable, accrued liabilities and insurance loan payable are measured at amortized cost.

Subsequent measurement – financial liabilities at amortized cost

After initial recognition, financial liabilities measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in profit or loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires with any associated gain or loss recognized in other income or expense in the statement of loss.

Classification of financial instruments

The following is a summary of significant categories of financial instruments at March 31, 2023 and 2022:

Cash	Amortized cost
Due from related party	Amortized cost

The fair values of financial assets measured at amortized cost approximate their carrying amounts due to their short-term nature.

Fair value hierarchy

The Company classifies financial instruments recognized at fair value in accordance with a fair value hierarchy described below:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

There is no movement between fair value hierarchies during the years ended March 31, 2023 and 2022.

Share-based payments

The Company may grant stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

Stock options granted to directors, officers and employees are measured at their fair values determined on their grant date, using the Black-Scholes option pricing model, and are recognized as an expense over the vesting periods of the options on a graded basis. Options granted to consultants or other non-insiders are measured at the fair value of goods or services received from these parties, or at their Black-Scholes fair values if the fair value of goods or services received cannot be measured. A corresponding increase is recorded to equity reserves for share-based payments recorded.

When stock options are exercised, the cash proceeds along with the amount previously recorded as equity reserves are recorded as share capital. When the right to receive options is forfeited before the options have vested, any expense previously recorded is reversed.

Income taxes

Tax provisions are recognized when it is considered probable that there will be a future outflow of funds to a taxing authority. In such cases, a provision is made for the amount that is expected to be settled, where this can be reasonably estimated. This requires the application of judgment as to the ultimate outcome, which can change over time depending on facts and circumstances. A change in estimate of the likelihood of a future outflow and/or in the expected amount to be settled would be recognized in income in the period in which the change occurs. Deferred tax assets or liabilities, arising from temporary differences between the tax and accounting values of assets and liabilities, are recorded based on tax rates expected to be enacted when these differences are reversed.

Deferred tax assets are recognized only to the extent it is considered probable that those assets will be recovered. This involves an assessment of when those deferred tax assets are likely to be realized, and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. This requires assumptions regarding future profitability and is therefore inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in respect of deferred tax assets as well as in the amounts recognized in income in the period in which the change occurs. Tax provisions are based on enacted or substantively enacted laws. Changes in those laws could affect amounts recognized in income both in the period of change, which would include any impact on cumulative provisions, and in future periods.

Income (loss) per share

Basic (loss) earnings per share is calculated by dividing net (loss) earnings by the weighted average number of common shares outstanding during the period which excludes shares held in escrow. All of the escrow shares are considered contingently returnable until the Company completes a qualifying transaction and, accordingly, are not considered to be outstanding shares for the purposes of the calculation.

Diluted (loss) earnings per share is determined by dividing net (loss) earnings by the weighted average number of common shares outstanding adjusted for dilutive instruments, which includes stock options, as if they were in effect at the measurement date. The calculation of the diluted number of common shares assumes that the holders will use the proceeds received from the exercise of “in-the- money” stock options and common share purchase warrants to purchase common shares of the Company at their average market price for the period.

In periods that the Company reports a net loss, any stock options or warrants outstanding are excluded from the calculation of diluted loss per share as their inclusion would be anti-dilutive.

Summary of accounting estimates and assumptions

The preparation of these financial statements under IFRS requires management to make certain estimates, judgments and assumptions about future events that affect the amounts reported in the financial statements and related notes to the financial statements. Although these estimates are based on management’s best knowledge of the amount, event or actions, actual results may differ from those estimates and these differences could be material.

The areas which require management to make significant judgements, estimates and assumptions in determining carrying values include, but are not limited to:

Income taxes

The calculation of income taxes requires judgment in interpreting tax rules and regulations. There are transactions and calculations for which the ultimate tax determination is uncertain. The Company’s tax filings also are subject to audits, the outcome of which could change the amount of current and deferred tax assets and liabilities. Management believes that it has sufficient amounts accrued for outstanding tax matters based on information that currently is available.

(Expressed in Canadian Dollars)

Judgment is used to determine the amounts of deferred tax assets and liabilities and future tax liabilities to be recognized in particular when assessing the timing of the reversal of temporary differences to which future income tax rates are applied.

Share-based payments

The fair value of stock-based compensation and warrants are estimated using the Black-Scholes option pricing model and rely on a number of estimates, such as the expected life of the option, the volatility of the underlying share price, the risk-free rate of return, and the estimated rate of forfeiture of options granted.

Going concern

Management's assessment of going concern and uncertainties of the Company's ability to raise additional capital and/or obtain financing to meet its commitments.

Accounting standards issued and adopted

The Company has evaluated new and amended standards issued by the IASB that are effective for annual reporting periods beginning on or after April 1, 2022, and has determined that they are not applicable to the Company's operations or do not have a material impact on its financial statements.

4. SHARE CAPITAL

(a) Authorized share capital

The Company is authorized to issue an unlimited number of common shares without par value.

(b) Common shares issued

	Shares		Amount
Balance, October 12, 2021	-	$	-
Shares issued	5,250,000		250,050
Balance, March 31, 2022	**5,250,000**	**$**	**250,050**
No activity	-		-
Balance, March 31, 2023	**5,250,000**	**$**	**250,050**

During the period ended March 31, 2022, the Company issued 5,250,000 common shares for gross proceeds of $250,050.

5. STOCK OPTIONS

On January 26, 2022, the Board of Directors of the Company agreed to grant 100,000 irrevocable share options, at an exercise price of $1.00, to an individual residing in the Province of British Columbia, for his ongoing contribution to the Company. One-half (½) of the share options vested on the six-month anniversary of the grant date and one-half (½) of the share options vested on the twelve-month anniversary of the grant date. The share options will expire on the fifth-year (5th) anniversary of the grant date. The options were valued at $74,618 using a Black-Scholes valuation model with the following assumptions: share price of $1.00 per common share, expected dividend yield of 0%, expected volatility of 100%, risk-free rate of 1.67%, and expected life of 5 years.

During the year ended March 31, 2023, the Company recorded share-based compensation expenses at amount of $54,884 (period from October 12, 2021 to March 31, 2022 - $19,734).

6. GAIN (LOSS) PER SHARE

Basic income (loss) per share is computed using the weighted average number of common shares outstanding during the year. The treasury stock method is used for the calculation of diluted income per share, whereby all "in the money" stock options are assumed to have been exercised at the beginning of the period and the proceeds from their exercise are assumed to have been used to purchase common shares at the average market price during the period. When a loss is incurred during the period, basic and diluted loss per share are the same, as the inclusion of stock options is anti-dilutive.

(Expressed in Canadian Dollars)

For the year ended		March 31, 2023		March 31, 2022*
Weighted average shares outstanding				
- basic		5,250,000		5,204,412
- diluted		5,250,000		5,204,412
Income (loss) per share				
- basic	$	(0.04)	$	(0.01)
- diluted	$	(0.04)	$	(0.01)

** For the period from October 12, 2021 (incorporation) to March 31, 2022*

7. FINANCIAL INSTRUMENTS AND OBJECTIVES AND POLICIES

The Company's financial instruments consist of cash and accounts payable and accrued liabilities.

Fair values

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets and liabilities;
Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values of cash and due from related party approximate their carrying amounts due to the nature and expected maturity of these financial instruments.

Financial instrument risk exposure and risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's financial risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance. The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

(a) Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk includes its cash, commodity tax recoverable, and subscriptions receivable. The Company manages credit risk, in respect of cash, by placing its cash with a major Canadian financial institution in accordance with the Company's investment policy.

Concentration of credit risk exists with respect to the Company's cash as all amounts are held at a single major Canadian financial institution. The Company's concentration of credit risk and maximum exposure thereto is considered minimal.

The maximum exposure to credit risk is equal to the carrying value of the financial assets.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in obtaining funds to meet commitments. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. All of the Company’s financial liabilities are due within the next operating period.

(c) Market risk

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

Interest rate risk

Some of the Company’s accounts payable and accrued liabilities may be subject to interest on unpaid balances.

Foreign currency risk

Currency risk relates to the risk that the fair values or future cash flows of the Company’s financial instruments will fluctuate because of changes in foreign exchange rates. Exchange rate fluctuations may affect the costs that the Company incurs in the future in its operations. The Company is currently not exposed to significant currency risk as the Company’s presentation currency is the Canadian dollar and major purchases and financings to date have been transacted in Canadian dollars.

8. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company in order to support its business plan. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year ended March 31, 2024 and during the period from October 12, 2021 to March 31, 2022. The Company is not subject to externally imposed capital requirements.

9. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

During the year ended March 31, 2023, the Company expensed $275,000 in consulting fees to Mitchell Demeter who is a director and chief executive officer of the Sonic Ventures (period from October 12, 2021 to March 31, 2022 - $50,000).

As at March 31, 2023 and 2022, the Company had an amount of $25,050 receivable from the chief executive officer and recorded it as due from related party.

10. GAIN FROM LOAN FORGIVENESS

On July 25, 2022, the Company received a bridge loan in the amount of $100,000 from an arm’s length lender. The proceeds were meant to be used for the advancement of the Company’s business as well as for general working capital purposes. The loan accrued interest at 10% per annum and was written off by the lender at the termination of the share exchange agreement with the lender on September 29, 2022. The written off loan and accrued interest was recorded as a gain from loan forgiveness on the statement of income (loss) and comprehensive income (loss) for the year ended March 31, 2023.

(Expressed in Canadian Dollars)

11. INCOME TAXES

Rate reconciliation

A reconciliation of actual income tax expense and the accounting loss multiplied by the Company's statutory tax rate of 26.5% is as follows:

		March 31, 2023		March 31, 2022
Net loss before income taxes	**$**	**(229,884)**	**$**	**(69,734)**
Income tax recovery based on statutory rate		60,919		18,479
Items not deductible for tax purposes		(14,544)		(5,229)
Deferred tax assets not recognized		(46,375)		(13,250)
Income tax expense	**$**	-	**$**	-

Non-capital losses

As of March 31, 2023, the Company has non-capital losses of $299,618 (2022 - $69,734) available to reduce taxable income of future years. These losses will expire as follows:

2041	$	69,734
2042	$	229,884

12. SUBSEQUENT EVENTS

On March 17, 2025, the Company was acquired by Spetz Inc. ("Spetz"), incorporated on December 11, 1998, under the laws of the Province of Ontario, Canada. The registered office and principal place of business of Spetz is 40 King Street West, Suite 5800, Toronto, ON M5H 3S1. Spetz is listed on the Canadian Securities Exchange ("CSE") and trades under the symbol "SPTZ". Spetz issued 13,999,999 common shares in the capital of Spetz to the shareholders of Sonic Strategy in exchange for 100% of the issued and outstanding shares in the capital of Sonic Strategy.

SCHEDULE "B"

Audited Financial statements for Sonic Strategy Inc. for the years ended March 31, 2024 and 2023

[See Attached]

SONIC STRATEGY INC.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED MARCH 31, 2025 AND 2024

(EXPRESSED IN CANADIAN DOLLARS)

Horizon
Assurance LLP

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Sonic Strategy Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sonic Strategy Inc. (the "Company"), which comprise the statements of financial position as at March 31, 2025 and 2024, and the statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis of Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to note 1 in the financial statements, which indicates that the Company had no operations during the years ended March 31, 2025 and 2024. As stated in note 1, these events or conditions, along with other matters as set forth in note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matter

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

Except for the matter of the Material Uncertainty Related to Going Concern described above, we have determined that there are no other key audit matters to communicate in our report.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate,

to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

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

Horizon Assurance LLP

May 28, 2025
Markham, Ontario

Chartered Professional Accountants
Licensed Public Accountants

(Expressed in Canadian Dollars)

As at		March 31, 2025		March 31, 2024
ASSETS				
Current				
Cash	$	-	$	-
Due from related party (note 9)		25,050		25,050
Total assets	**$**	**25,050**	**$**	**25,050**
SHAREHOLDERS' EQUITY				
Share capital (note 4)	$	250,050	$	250,050
Contributed surplus		74,618		74,618
Deficit		(299,618)		(299,618)
Total shareholders' equity	**$**	**25,050**	**$**	**25,050**

Nature of operations and going concern (note 1)

Approved on behalf of the Board:

"Mitchell Demeter"	*"Kalle Radage"*
Director	**Director**

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

Sonic Strategy Inc.
Statements of Income (Loss) and Comprehensive Income (Loss)
(Expressed in Canadian Dollars)

For the year ended		**March 31, 2025**		**March 31, 2024**
Income				
Operating income	$	-	$	-
Expenses				
Operating expenses		-		-
Net loss	**$**	-	**$**	-
Net loss per share - basic/diluted (note 6)	$	-	$	-
Weighted average number of common shares outstanding, basic and diluted (note 6)		5,250,000		5,250,000

Note: The company did not generate any income or incur any expenses during the years ended March 31, 2025 and 2024, and accordingly, no profit or loss activity occurred.

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

For the year ended		March 31, 2025		March 31, 2024
Operating activities				
Net loss for the period	$	-	$	-
Net cash used in operating activities		-		-
Net change in cash		-		-
Cash, beginning of year		-		-
Cash, end of year	**$**	-	**$**	-

Note: The company did not generate any income or incur any expenses during the years ended March 31, 2025 and 2024, and accordingly, no cash flow activity occurred.

Sonic Strategy Inc.
Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Number of Shares		Share Capital		Contributed Surplus		Deficit		Total
Balance, March 31, 2023	**5,250,000**	**$**	**250,050**	**$**	**74,618**	**$**	**(299,618)**	**$**	**25,050**
Net loss for the year	-		-		-		-		-
Balance, March 31, 2024	**5,250,000**	**$**	**250,050**	**$**	**74,618**	**$**	**(299,618)**	**$**	**25,050**
Net loss for the year	-		-		-		-		-
Balance, March 31, 2025	**5,250,000**	**$**	**250,050**	**$**	**74,618**	**$**	**(299,618)**	**$**	**25,050**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Sonic Strategy Inc. (the "Company"), formerly known as Madali Ventures Inc. and Lightning Network Technologies Inc., is a private company incorporated under the Business Corporations Act of Alberta on October 12, 2021. The Company is structured to be a completely virtual workplace with no dedicated physical headquarters. This allows the Company to minimize operational costs, leverage global talent and remain competitively nimble. The registered and records office of the Company is 1250, 639 - 5th Avenue S.W. Calgary, AB T2P0M9.

The Company provides financial applications and platform infrastructure built on blockchain technology to consumers and to organizations such as financial institutions, banks, and companies involved in financial transactions. The Company is also building a platform for decentralized finance (DeFi) that will be utilized by it as the platform to enhance user experience and maximize yield. The Company's goal is to make the world of finance more transparent, low cost and simple for everyone.

These financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. For the year ended March 31, 2025, the Company reported a net loss of $nil (2024 - $nil) and had a cash outflow from operating activities of $nil (2024 - cash outflows of $nil). As at March 31, 2025, the Company had a cash balance of $nil (March 31, 2024 - $nil). The Company's ability to continue as a going concern is dependent upon its ability to develop and maintain profitable operations or to obtain additional financing. However, there is no assurance that the outcome of these matters will be successful and, as a result, there are material uncertainties that might cause significant doubt regarding the going concern assumption.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements. Such adjustments could be material.

2. BASIS OF PREPARATION

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee ("IFRIC"). These financial statements were approved and authorized for issuance by the Board of Directors on May 28, 2025.

Basis of measurement

These financial statements have been prepared on a historical cost basis except for cash and investments which are classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional currency and presentation currency

These financial statements are presented in Canadian dollars, except as otherwise noted, which is the functional currency of the Company.

3. SIGNIFICANT ACCOUNTING POLICIES

The Company's accounting policies and its financial disclosures set out below are in accordance with IFRS and have been applied consistently throughout the period presented in these financial statements, unless otherwise stated.

Financial Assets

Initial recognition and measurement

Non-derivative financial assets within the scope of IFRS 9 are classified and measured as “financial assets at fair value”, as either FVTPL or FVOCI, and “financial assets at amortized cost”, as appropriate. The Company determines the classification of financial assets at the time of initial recognition based on the Company’s business model and the contractual terms of the cash flows.

All financial assets not at FVTPL are recognized initially at fair value plus directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Financial assets with embedded derivatives are considered in their entirety when determining their classification. The assets and embedded derivatives are measured at FVTPL on the date of acquisition. The Company has measured cash at FVTPL and subscription receivables at amortized cost.

After initial recognition, financial assets measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate (“EIR”) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in profit or loss.

Subsequent measurement – financial assets at FVTPL

Financial assets measured at FVTPL include financial assets management intends to sell in the short term and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial assets measured at FVTPL are carried at fair value in the statement of financial position with changes in fair value recognized in other income or expense in the statement of loss.

Subsequent measurement – financial assets at FVOCI

Financial assets measured at FVOCI are non-derivative financial assets that are not held for trading and the Company has made an irrevocable election at the time of initial recognition to measure the assets at FVOCI. The Company does not measure any financial assets at FVOCI.

Dividends from such investments are recognized in other income in the statement of loss when the right to receive payments is established.

Derecognition

A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Company no longer retains substantially all the risks and rewards of ownership.

Impairment of financial assets

The Company’s only financial assets subject to impairment are subscription receivable, loan receivable and convertible debenture which are measured at amortized cost. The Company has elected to apply the simplified approach to impairment as permitted by IFRS 9, which requires the expected lifetime loss to be recognized at the time of initial recognition of the receivable. To measure estimated credit losses, accounts receivable have been grouped based on shared credit risk characteristics, including the number of days past due. An impairment loss is reversed in subsequent periods if the amount of the expected loss decreases and the decrease can be objectively related to an event occurring after the initial impairment was recognized.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL as is the case for held for trading or derivative instruments, or the Company has opted to measure the financial liability at

FVTPL. Accounts payable, accrued liabilities and insurance loan payable are measured at amortized cost.

Subsequent measurement – financial liabilities at amortized cost

After initial recognition, financial liabilities measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in profit or loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires with any associated gain or loss recognized in other income or expense in the statement of loss.

Classification of financial instruments

The following is a summary of significant categories of financial instruments at March 31, 2023 and 2022:

Cash	Amortized cost
Due from related party	Amortized cost

Carrying and fair values of financial assets and liabilities at amortized cost are approximately equal.

Fair value hierarchy

The Company classifies financial instruments recognized at fair value in accordance with a fair value hierarchy described below:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

Share-based payments

The Company may grant stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

Stock options granted to directors, officers and employees are measured at their fair values determined on their grant date, using the Black-Scholes option pricing model, and are recognized as an expense over the vesting periods of the options on a graded basis. Options granted to consultants or other non-insiders are measured at the fair value of goods or services received from these parties, or at their Black-Scholes fair values if the fair value of goods or services received cannot be measured. A corresponding increase is recorded to equity reserves for share-based payments recorded.

When stock options are exercised, the cash proceeds along with the amount previously recorded as equity reserves are recorded as share capital. When the right to receive options is forfeited before the options have vested, any expense previously recorded is reversed.

Financing costs

Costs incurred to obtain equity financing are deducted from the value assigned to shares issued. When costs are incurred prior to the closing of a financing arrangement, these amounts are presented as a deferred asset until the financing has closed. When an expected financing arrangement does not occur, any deferred costs are recorded as an expense.

Income taxes

Tax provisions are recognized when it is considered probable that there will be a future outflow of funds to a taxing authority. In such cases, a provision is made for the amount that is expected to be settled, where this can be reasonably estimated. This requires the application of judgment as to the ultimate outcome, which can change over time depending on facts and circumstances. A change in estimate of the likelihood of a future outflow and/or in the expected amount to be settled would be recognized in income in the period in which the change occurs. Deferred tax assets or liabilities, arising from temporary differences between the tax and accounting values of assets and liabilities, are recorded based on tax rates expected to be enacted when these differences are reversed.

Deferred tax assets are recognized only to the extent it is considered probable that those assets will be recovered. This involves an assessment of when those deferred tax assets are likely to be realized, and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. This requires assumptions regarding future profitability and is therefore inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in respect of deferred tax assets as well as in the amounts recognized in income in the period in which the change occurs. Tax provisions are based on enacted or substantively enacted laws. Changes in those laws could affect amounts recognized in income both in the period of change, which would include any impact on cumulative provisions, and in future periods.

Income (loss) per share

Basic (loss) earnings per share is calculated by dividing net (loss) earnings by the weighted average number of common shares outstanding during the period which excludes shares held in escrow. All of the escrow shares are considered contingently returnable until the Company completes a qualifying transaction and, accordingly, are not considered to be outstanding shares for the purposes of the calculation.

Diluted (loss) earnings per share is determined by dividing net (loss) earnings by the weighted average number of common shares outstanding adjusted for dilutive instruments, which includes stock options, as if they were in effect at the measurement date. The calculation of the diluted number of common shares assumes that the holders will use the proceeds received from the exercise of “in-the- money” stock options and common share purchase warrants to purchase common shares of the Company at their average market price for the period.

In periods that the Company reports a net loss, any stock options or warrants outstanding are excluded from the calculation of diluted loss per share as their inclusion would be anti-dilutive.

Summary of accounting estimates and assumptions

The preparation of these financial statements under IFRS requires management to make certain estimates, judgments and assumptions about future events that affect the amounts reported in the financial statements and related notes to the financial statements. Although these estimates are based on management’s best knowledge of the amount, event or actions, actual results may differ from those estimates and these differences could be material.

The areas which require management to make significant judgements, estimates and assumptions in determining carrying values include, but are not limited to:

Income taxes

The calculation of income taxes requires judgment in interpreting tax rules and regulations. There are transactions and calculations for which the ultimate tax determination is uncertain. The Company’s tax filings also are subject to audits, the outcome of which could change the amount of current and deferred tax assets and liabilities. Management believes that it has sufficient amounts accrued for outstanding tax matters based on information that currently is available.

(Expressed in Canadian Dollars)

Judgment is used to determine the amounts of deferred tax assets and liabilities and future tax liabilities to be recognized in particular when assessing the timing of the reversal of temporary differences to which future income tax rates are applied.

Share-based payments

The fair value of stock-based compensation and warrants are estimated using the Black-Scholes option pricing model and rely on a number of estimates, such as the expected life of the option, the volatility of the underlying share price, the risk-free rate of return, and the estimated rate of forfeiture of options granted.

Going concern

Management's assessment of going concern and uncertainties of the Company's ability to raise additional capital and/or obtain financing to meet its commitments.

Accounting standards issued and adopted

The Company has evaluated new and amended standards issued by the IASB that are effective for annual reporting periods beginning on or after April 1, 2023, and has determined that they are not applicable to the Company's operations or do not have a material impact on its financial statements.

4. SHARE CAPITAL

(a) Authorized share capital

The Company is authorized to issue an unlimited number of common shares without par value.

(b) Common shares issued

	Shares		Amount
Balance, March 31, 2023	**5,250,000**	**$**	**250,050**
No activity	-		-
Balance, March 31, 2024	**5,250,000**	**$**	**250,050**
No activity	-		-
Balance, March 31, 2025	**5,250,000**	**$**	**250,050**

5. STOCK OPTIONS

On January 26, 2022, the Board of Directors of the Company agreed to grant 100,000 irrevocable share options, at an exercise price of $1.00, to an individual residing in the Province of British Columbia, for his ongoing contribution to the Company. One-half (½) of the share options vested on the six-month anniversary of the grant date and one-half (½) of the share options vested on the twelve-month anniversary of the grant date. The share options will expire on the fifth-year (5th) anniversary of the grant date. The options were valued at $74,618 using a Black-Scholes valuation model with the following assumptions: share price of $1.00 per common share, expected dividend yield of 0%, expected volatility of 100%, risk-free rate of 1.67%, and expected life of 5 years.

6. GAIN (LOSS) PER SHARE

Basic income (loss) per share is computed using the weighted average number of common shares outstanding during the year. The treasury stock method is used for the calculation of diluted income per share, whereby all "in the money" stock options are assumed to have been exercised at the beginning of the period and the proceeds from their exercise are assumed to have been used to purchase common shares at the average market price during the period. When a loss is incurred during the period, basic and diluted loss per share are the same, as the inclusion of stock options is anti-dilutive.

For the year ended	March 31, 2025	March 31, 2024
Weighted average shares outstanding		
- basic	5,250,000	5,250,000
- diluted	5,250,000	5,250,000
Income (loss) per share		
- basic	$ -	$ -
- diluted	$ -	$ -

7. FINANCIAL INSTRUMENTS AND OBJECTIVES AND POLICIES

The Company's financial instruments consist of cash and accounts payable and accrued liabilities.

Fair values

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets and liabilities;
Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values of cash and accounts payable and accrued liabilities approximate their fair values due to the nature and expected maturity of these financial instruments.

Financial instrument risk exposure and risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's financial risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance. The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

(a) Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk includes its cash, commodity tax recoverable, and subscriptions receivable. The Company manages credit risk, in respect of cash, by placing its cash with a major Canadian financial institution in accordance with the Company's investment policy.

Concentration of credit risk exists with respect to the Company's cash as all amounts are held at a single major Canadian financial institution. The Company's concentration of credit risk and maximum exposure thereto is considered minimal.

The maximum exposure to credit risk is equal to the carrying value of the financial assets.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in obtaining funds to meet commitments. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. All of the Company's financial liabilities are due within the next operating period.

(c) Market risk

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

Interest rate risk

Some of the Company's accounts payable and accrued liabilities may be subject to interest on unpaid balances.

Foreign currency risk

Currency risk relates to the risk that the fair values or future cash flows of the Company's financial instruments will fluctuate because of changes in foreign exchange rates. Exchange rate fluctuations may affect the costs that the Company incurs in the future in its operations. The Company is currently not exposed to significant currency risk as the Company's presentation currency is the Canadian dollar and major purchases and financings to date have been transacted in Canadian dollars.

8. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company in order to support its business plan. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the years ended March 31, 2025 and 2024. The Company is not subject to externally imposed capital requirements.

9. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. There were no related party transactions during the years ended March 31, 2025 and 2024.

As at March 31, 2025 and 2024, the Company had an amount of $25,050 receivable from the chief executive officer and recorded it as due from related party.

10. SUBSEQUENT EVENTS

On March 17, 2025, the Company was acquired by Spetz Inc. ("Spetz"), incorporated on December 11, 1998, under the laws of the Province of Ontario, Canada. The registered office and principal place of business of Spetz is 40 King Street West, Suite 5800, Toronto, ON M5H 3S1. Spetz is listed on the Canadian Securities Exchange ("CSE") and trades under the symbol "SPTZ". Spetz issued 13,999,999 common shares in the capital of Spetz to the shareholders of Sonic Strategy in exchange for 100% of the issued and outstanding shares in the capital of Sonic Strategy.

(Expressed in Canadian Dollars)

11. INCOME TAXES

Rate reconciliation

A reconciliation of actual income tax expense and the accounting loss multiplied by the Company's statutory tax rate of 26.5% is as follows:

	March 31, 2025	March 31, 2024
Net loss before income taxes	$ -	$ -
Income tax recovery based on statutory rate	-	-
Items not deductible for tax purposes	-	-
Deferred tax assets not recognized	-	-
Income tax expense	$ -	$ -

Non-capital losses

As of March 31, 2025, the Company has non-capital losses of $299,618 (2024 - $299,618) available to reduce taxable income of future years. These losses will expire as follows:

2041	$	69,734
2042	$	229,884
2043	$	-
2044	$	-