THE FUTR CORPORATION

March 31, 2025

Expressed in Canadian Dollars

FUTR

Management Discussion and Analysis

As approved by the Board of Directors on May 29, 2025

The following management discussion and analysis ("MD&A") provides information management believes is relevant to an assessment and understanding of the consolidated financial condition and consolidated results of operations of The FUTR Corporation (Formerly, Hank Payments Corp.) (the "Company" or "FUTR") as at and for the quarter ended March 31, 2025

CAUTIONARY STATEMENT

This MD&A has been prepared taking into consideration information available to May 29, 2025 and contains forward-looking information that involves risk and uncertainties. All statements, other than statements of historical facts, which address FUTR's expectations, should be considered forward-looking statements. Such statements are based on management's exercise of business judgment as well as assumptions made by and information currently available to management. When used in this document, the words "may", "will", "anticipate", "believe", "estimate", "expect", "intend" and words of similar import, are intended to identify any forward-looking statements.

You should not place undue reliance on these forward-looking statements. These statements reflect management's current view of future events and are subject to certain risks and uncertainties as contained herein. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, the Company's actual results could differ materially from those anticipated in these forward-looking statements. Management undertakes no obligation to reflect events or circumstances after the date hereof, or to reflect the occurrence of any unanticipated events. Although we believe that these expectations are based on reasonable assumptions, we can give no assurance that those expectations will materialize.

Contents

Company Overview and Vision of Growth

The FUTR Corporation (formerly Hank Payments Corp.) (the Company or "FUTR") is a Consumer platform enabled by AI Agents and intelligent payment rails that is focused on putting money back in the Consumers wallet through zero-party data monetization and agentic cash management.

While putting Consumers first, FUTR also helps data-driven Consumer facing companies ("Enterprises") manage internal Consumer data, unlock hidden data value and empower their Consumers to manage their critical data through its FUTR Enterprise product. FUTR also allows companies looking to interact with Consumers ("Brands") to access Consumers within a personalized, consented AI powered platform. These solutions are built around data shared directly from the Consumer ("Zero-Party Data"). These solutions reduce customer acquisition cost for the Brand and Enterprise and returning time and money back to the consumer through FUTR's frictionless APP experience that helps them manage their personal life events.

FUTR combines all of these Consumer-centric, Zero-Party Data and payment solutions to allow for an extremely powerful "Personal Life Management Platform".

FUTR

The FUTR Network platform offers consumers an AI powered "FUTR Agent" which intelligently builds personalized data profiles, compensates Consumers for their data and recommends actions to save time and money. Data on the FUTR Network can be contributed either directly by Consumers or by Enterprise Partners. Brands can interact with Consumers based on high quality, Zero-Party data.

hank payments

FUTR Payment's (currently operating as a U.S. subsidiary Hank Payments) platform works with the FUTR Network to action financial insights, modernize payments and cash/budget management for Consumers. FUTR Payments also works with Brands, particularly in the financial services space to enhance visibility into Consumer cash flows, reduce delinquencies and enhance Consumer relationships while surfacing opportunities for lenders to attach to consumers and improve consumer cash flow.

The Company earns event driven and licensing platform revenue streams from Brands and Enterprises that attach to the FUTR Network as well as Transaction Fees for FUTR Payment transactions, paid by Consumers. FUTR is currently active across Canada and the United States.

Key Transaction Summary –FUTR Inc.

On February 24, 2025, the Company completed the acquisition of 100% of the issued and outstanding shares of FUTR Inc., an arm's length, privately held Canadian technology company focused in the AI Agent and intelligent data processing space. FUTR Inc. holds a 10-year preferred license with FutureVault Inc. for the use of its SOC2 certified and secure digital vault technology to store and intelligently process key, critical personal documents.

The Company acquired 100% of the equity interests of FUTR Inc. in exchange for the issuance of 172,949,626 common shares of the Company (~30 million shares after giving effect to a 5.75 for 1 share consolidation at the annual general meeting held on March 28, 2025). As a result of the acquisition, FUTR Inc. became a wholly owned subsidiary of the Company. The transaction has been accounted for as a business combination under IFRS 3.

Management views the acquisition as highly strategic and a key component of the next evolution of the Company's business model into a data-centric, Consumer oriented technology platform.

The Market

FUTR segments its target market as follows:

1. **Enterprise Partners:** FUTR Enterprise partners are Consumer facing companies that acquire, generate or leverage Consumer facing data. This could be a mortgage origination company, a furniture sales company, a Consumer lending company, an airline etc. These Enterprises interact with FUTR in two ways; 1) to leverage the FUTR Enterprise suite of solutions to streamline the creation of Consumer Data Packages and assist Consumers with activating their data through a FUTR AI Agent. Enterprises earn compensation for the Consumer data provided to the FUTR AI Agent and affiliate fees for any incremental Brand revenue earned from this data. 2) Enterprises are able to leverage FUTR Payments rails to automate the collection and disbursement of Consumer cash and payments and have greater insight into the cash flows and the data behind the cash flows while building equity and reducing interest for Consumers. Enterprises can earn a portion of fees generated on this product.

2. **Brand Partners:** A FUTR Brand is a Consumer facing company that is looking for more efficient and effective ways to acquire Consumer relationships. This could be an insurance company, a mortgage origination company, a telecom company, an auto refinancing company etc. Brands interact with FUTR in their desire to produce personalized, timely offers to a high intent Consumer group using consented, zero-party data. Brands provide offer matrixes for defined products, targeted at defined Consumer audiences and are provided with zero-party data packages and charged platform fees when a Consumer views and selects their offer. Brands are able to close deals (execute and bind), accept payments and access underlying Consumer documents relevant to the transaction right from the FUTR Network. FUTR is targeting Brands across several verticals but expects to focus in the financial services space, particularly in insurance, telecom, consumer finance, auto finance, and real estate.

3. **Consumers**: FUTR is a Consumer first platform. Consumers use the FUTR Network platform to collect all of their critical personal information like mortgages, auto loans, insurance documents in one place and have FUTR's AI Agent technology, process, aggregate, manage and personalize offer recommendations and critical life event notifications using that information to save the Consumer time and money. The Agent also compensates Consumers for providing that that personalized data to train the platform to the consumers specific needs. Consumers who are clients of FUTR Network Enterprise partners can also choose to have their Enterprise data shared with their Agent as well. Consumers are also able to use FUTR Payments' (currently Hank Payments) rails to automate and manage cash flow, loan and liability payments and save for short and long term goals.

Platform Products & Revenue Models

FUTR AI Agents

The FUTR Network is centered around its AI Agent, Web3 Portal and Consumer Application. These are the vehicles by which Consumers interact with the platform and provide data and information into the network. Each Consumer activates a personalized AI Agent when they join the network. Training data for the Agent can be provided directly from the Consumer via simple in-app document ingestion or data feed connection. It can also be provided from Enterprise partners who already hold and create valuable, validated data for the Consumer.

The FUTR Network:

1) sets up an individualized Agent per Consumer to be trained using the Consumer's information.

2) sets up an individualized consumer data vault to store documents.

3) sets up an individualized Consumer wallet to hold rewards and make remittances.

4) curates useful and valuable data and document collection using "FUTR Consumer Centric Quests".

5) processes all of the information contained in those documents to determine relevant, helpful and valuable data and compensates Consumers for this data.

6) organizes documents and embedded information into intuitive, quick reference life categories that save Consumers time every day, with personalized alerting and notifications and other calls to action ("CTA").

7) allows Consumers to query across the full universe of data held within their vault, i.e. "Please tell me all renewals I have to deal with this quarter", or "Please tell me my total insurance coverage".

8) provides intelligent reminders, insights, and recommendations based on the universe of data held within the vault.

9) suggests optimal payment timing and sequencing to optimize cash flow and loan / bill payments given income information and executes on these payments using FUTR Payments rails.

FUTR does not charge Consumers for setting up or using an AI Agent, however there are transaction fees earned by the FUTR Payment rails related to automating cash flows and automating consumer key banking transactions as will as fees paid from Brands to access Consumers.

The FUTR AI Agent Product is in development and intended to be launched in late fiscal Q1-2026.

FUTR Enterprise

FUTR Enterprise is a suite of solutions focused around helping Enterprises to optimize their Consumer data operations, empower their Consumers and find hidden value.

FUTR Enterprise can:

1) deploy an Enterprise version of the Vault solution on a SaaS basis inside the Enterprise technology stack. The intelligent data processing engine aids in streamlining onboarding, reducing Consumer touchpoints, reducing document handle time, reducing manual data handling and input errors, and enhancing fraud detection, which all collectively increases throughput and data security.

2) seamlessly allow Consumers to access and “claim” their own data by connecting it to a FUTR AI Agent and replicating the data held internally in the FUTR Network. The Consumer and Enterprise are both compensated for the value of this data by this AI Agent.

3) leverage FUTR Payment rails to automate, optimize and allow new forms of payment for Consumer remittances.

The FUTR Enterprise Vault solution is live through the 10-year preferred license with FutureVault Inc. and the FUTR Network data monetization component is anticipated to be launched with the FUTR AI Agent Product in late fiscal Q1-2026.

FUTR Brand Solutions

FUTR Brand Solutions are a suite of solutions focused around helping Brands to access Consumers in a personalized, consented environment, reducing acquisition cost for the Brand and friction for the Consumer. FUTR Brands can:

1) curate custom audiences based on high quality, zero-party Consumer data.

2) create custom offers that are automatically personalized for Consumers using Consumer data.

3) choose between flexible payment structures for leads to optimize ROI.

4) access underlying data, access underlying documents, execute transactions and process payments related to closed transactions.

5) earn affiliate fees when FUTR earns revenue from Brand Solutions for interacting with Consumers referred by the Enterprise.

The FUTR Brand Solutions product is intended to be launched with the AI Agent product in late fiscal Q1-2026.

FUTR Payments

FUTR Payments are advanced payment rails allowing Consumers to build their personal equity by managing cash flow, automating loan payments, automating payments to savings and investment accounts and leveraging the FUTR AI Agent to optimize all of these flows.

FUTR Payments can also be used by Enterprise to accelerate cash collections, accelerate remittances, reduce delinquency and improve portfolio visibility and equity building in key asset classes.

The FUTR Payments product is live and revenue generating and will be further integrated with the FUTR AI Agent, FUTR Enterprise and FUTR Brand Solutions through Q1 and Q2-2026.

Target Verticals

Automotive

The majority of the FUTR Network current Consumers are concentrated in the Auto sector and are leveraging the FUTR Payments. FUTR Payments in this use case enables consumers to accelerate paying down their vehicle loans through automated, fractionally higher payments, avoiding loan interest costs and building equity in the vehicle faster. FUTR has relationships with over 290 auto dealers in the United States that originate Consumers to the platform and will receive leads from the FUTR Network as Brands once they join the FUTR Network.

These Consumers and auto dealer partners form an important channel for the distribution of the FUTR Agent as well as forming some of the initial Brands and Enterprises who will be interacting with the FUTR Network. FUTR will also be targeting Insurance companies, refinancing companies, service companies, and after market insurance companies, in the Auto space as some of the key initial sub-verticals for Zero-Party Data-driven Brand engagement. The existing Consumer payment history and auto financing data within FUTR Payments is powerful and helpful to leverage better offers to existing Consumers.

Finally, the Auto industry remains one of the most manual and paper-driven industries today. FUTR Enterprise business vault can provide a solution for Consumer onboarding and diligence services through the purchase and financing flow, including AML/IDV automation, document confidence testing using FUTR Enterprise Vault, and streamlining the front end data capture and submission process.

Home and Mortgage

Many of the same dynamics that are applicable to the FUTR Payments product from the Auto vertical maintain applicability in the Home vertical.

The Mortgage industry is also one of the most manual and paper-driven industries today. FUTR Enterprise business vault can provide a solution for Consumer onboarding and diligence services through the purchase and financing flow, including AML/IDV automation, document confidence testing using FUTR Enterprise Vault, and streamlining the front end data capture and submission process.

Consumer Lending, Credit and Finance

Consumer Lending and Credit is an extremely data-intensive industry where significant amounts of high value Consumer information is used to make credit adjudication and ongoing monitoring decisions. It is also an industry that prizes alternative forms and timeliness of data to better evaluate default risk and credit quality.

FUTR views significant opportunities in this vertical from the:
1) Consumer side – guided credit enhancement and daylighting data used in underwriting decisions
2) Enterprise side – empowering consumers to realize the value of their credit data and participate in compensation on complementary financial services offers
3) Brand side – access top quality credit data on an ongoing basis and tailor consumer financing offers to potential borrowers

Target Channels

To acquire new Consumers and Brands, FUTR is executing on three key strategies:

Enterprise Partnerships

FUTR believes that the Consumer data held within Enterprises is one of the most underused assets in the world. In 2020, Forbes reported that "third-party appraisals of [United Airlines and American Airlines] data suggest that it is worth two to three times more than the market value of the companies themselves. United's customer data was valued at $20 billion while its market cap at the time was about $9 billion. Similarly, American's data was valued at a minimum of $19.5 billion and up to a jaw-dropping $31.5 billion, whereas its own market cap was hovering at less than $8 billion."[1] We believe this dynamic to be true and even more stark at smaller companies.

FUTR believes that there is a significant opportunity to partner with Enterprises to assist them in "daylighting" the value of this data held within their systems using our suite of technology. FUTR executes on this strategy in three ways:

1) Leveraging a FUTR Enterprise vault solution to allow Enterprises to streamline onboarding processes and internal Consumer data collection and aggregation.

2) Valuing and communicating the value of each Consumer data package to Enterprises and ensuring they and the Consumer are receiving compensation for this data package as monetization occurs.

3) Ensuring that the Enterprise is participating in the ongoing economics related to that Consumer and that data package.

[1] https://www.forbes.com/sites/douglaslaney/2020/07/22/your-companys-data-may-be-worth-more-than-your-company/

Strategic Acquisitions

Building on the Enterprise partnership strategy above, FUTR believes that there is a significant market opportunity to acquire data-rich companies whose data value is not being accurately priced by the market.

Ideal targets would meet one or all of three categories:

1) platforms with high quality, repeatable, data driven Consumer relationships.
2) platforms with high quality Brand relationships in our target verticals which would form a natural cross-sell of the FUTR Brand Solutions product.
3) Complementary data driven or payments driven technology to enhance the scope of the FUTR Product Suite.

Outlook

The core of the FUTR Payments historic business model has been anchored around powerful Consumer payment data and going forward the company has access to all of the imbedded contractual data and is able to use AI to interpret for Consumers all their obligations, not just payment related, and drive a significant amount of economic and time value back to the Consumer.

The Company has surfaced several opportunities with Brands and Enterprise which validates our business model, and the increasingly favourable views of Data Monetization in the market. FUTR is ideally situated in the center of the Personal Data Ecosystem with its consumer data vault seamlessly operating as a Consumers personal assistant while allowing SELECT Brands to participate in that Consumers journey.

Priorities over the next twelve months:

FUTR intends to expand on our Consumer, Enterprise and Brand base in the Auto vertical initially. FUTR is also pursuing several acquisitions and Enterprise partners in complementary verticals which are expected to assist in driving revenue and supporting the launch of the Agent, Enterprise and Brand products. FUTR cannot predict the timing of announcements and launches given the nature and size of the deals being negotiated, and the resources required for integration.

FUTR is focused on the following specific priorities over the next twelve months:

1. Launch the FUTR AI Agent Consumer application, Brand Solutions and Enterprise Solutions

FUTR is significantly advanced in the development process of this next generation suite of Zero-Party Data driven solutions and anticipates an initial rollout of the product in fiscal Q1-2026.

2. Close Brands

Brands will contract with the FUTR Network to provide personalized offers to Consumers and are a key facet of the value proposition of the FUTR platform. FUTR will be finalizing key discussions with key Brands to have as launch partners. These Brands will predominantly be in the auto, housing and insurance space.

3. *Close Enterprise Deals*

Enterprises form a critical component to both acquiring Consumers and validated, high quality data. FUTR is already in advanced discussions with several significant potential Enterprise participants to become launch partners. These Enterprises will initially predominantly be in the auto, housing and consumer finance space.

4. *Commence Monetization of Data*

The FUTR Platform revolves around leveraging and monetizing high quality Zero-Party data and ensuring appropriate compensation for all participants in the Network. FUTR will commence data monetization operations in line with the launch of the Agent and associated products in fiscal Q1-2026. Some initial data monetization may occur earlier.

5. *Complete complementary acquisitions to bolster product, Consumer and Brand suite*

Strategically aligned acquisitions will form an important source of Consumers, Brands and complementary technology and payment rails for the FUTR Network. We are actively pursuing a pipeline of acquisitions that we view as highly complementary to our product suite and verticals.

6. *Organically Scale Revenue on all Platforms*

As the Network begins to hit commercialization, FUTR will be heavily focused on realizing network effects and growing revenue and synergies across all stakeholders. More Consumers leads to a more valuable audience to Brands. More Brands leads to a greater set of options for Consumers and more revenue share for Enterprise. More Enterprises leads to a proliferation of Consumers and high quality data. The FUTR Network is building the fly wheel and will continue to grow it over the next 12 months.

Legal and Regulatory Matters

FUTR has strategic contracts with banks and payment partners based in the United States and will add Canadian partners contemporaneously with product expansion. These banks handle cash movement and processing as well as FUTR's fee collections. All of this is managed by the FUTR platform, including debits and payments, whereby the banks take instruction from FUTR, and house the consumers' cash until instructions are provided to make payments. This ensures FUTR is not responsible for Consumers' cash and the debits turn into deposits for the bank partner, attracting FDIC insurance for certain FUTR Consumers in the USA. FUTR shares fees with banks for this important service, and the banks benefit from growing daily deposits. These banking and payment relationships allow FUTR to perform the services nationally. It also requires that FUTR's marketing and consumer disclosures are transparent and approved by the bank first.

Highlights for Quarter Ended March 31, 2025

Performance Highlights

The following financial information has been summarized from the Company's quarterly financial statements and additional commentary is provided in later sections:

	Quarter Ended (CAD)							
	March 31, 2025	**December 31, 2024**	**September 30, 2024**	**June 30, 2024**	**March 31, 2024**	**December 31, 2023**	**September 30, 2023**	**June 30, 2023**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Total revenue	2,145,143	2,073,314	2,038,142	1,978,790	1,907,635	1,919,499	1,581,419	1,403,518
Quarterly Growth	*3%*	*2%*	*3%*	*4%*	*-1%*	*21%*	*13%*	
Cost of sales	255,759	219,275	168,264	202,438	171,238	174,086	171,236	171,128
Gross Profit	1,889,384	1,854,039	1,869,878	1,776,352	1,736,397	1,745,413	1,410,183	1,232,390
Quarterly Growth	*2%*	*-1%*	*5%*	*2%*	*-1%*	*24%*	*14%*	
Operating expenses	2,575,079	2,271,435	2,069,017	2,016,338	2,024,520	1,891,634	1,917,980	1,913,268
Adjusted loss from operations (1)	**(685,695)**	**(417,396)**	**(199,139)**	**(239,986)**	**(288,123)**	**(146,221)**	**(507,797)**	**(680,878)**
Adjustments:								
Stock based compensation	(17,357)	(20,577)	(36,273)	(40,622)	(89,396)	(35,002)	(141,115)	116,400
Transaction costs	(116,052)	0	0	0	0	0	0	0
Amortization of Intangible Assets	(54,583)	(48,022)	(44,199)	(27,495)	(74,949)	(69,893)	(63,139)	(56,469)
Restructuring Costs	(164,496)	0	0	0	0	0	0	0
Total Adjustments	**(352,488)**	**(68,599)**	**(80,472)**	**(68,117)**	**(164,345)**	**(104,895)**	**(204,254)**	**59,931**
Loss from operations	**(1,038,183)**	**(485,995)**	**(279,611)**	**(308,103)**	**(452,468)**	**(251,116)**	**(712,051)**	**(620,947)**
Net Income (Loss)	**(1,645,745)**	**(702,162)**	**(502,182)**	**(494,012)**	**(572,662)**	**(285,549)**	**(782,574)**	**(1,389,753)**
Comprehensive Income (Loss)	**(1,659,898)**	**(1,058,568)**	**(430,626)**	**(543,746)**	**(687,946)**	**(180,370)**	**(876,182)**	**(1,299,929)**
Cash Collected from Fees	**1,497,627**	**1,605,897**	**1,548,671**	**1,420,450**	**1,091,396**	**1,220,089**	**1,241,804**	**1,220,889**
Quarterly Growth	*-7%*	*4%*	*9%*	*30%*	*-11%*	*-2%*	*2%*	

(1) This is a non-IFRS measure. Please refer to "Non-IFRS Measures" in this MD&A for the definition and reconciliation of this measure

**Cash flow for the Company is predictable and impacted by the number of 'debit' Fridays in any given quarter and payment terms offered to enterprise or licensing contracts. This can present an increase or decrease in cash flow in any given quarter but has no material effect on annual cash received relative to contracts. Historically, cash collected from program fee enrollment in Q3 has always been low due to payment schedule setting and number of days in a month but will be recovered in subsequent quarters.*

Consistent with previous quarter, FUTR continued to experience revenue growth for the quarter ending March 31, 2025. Over the year, the growth in revenue is primarily due to the Company beginning to recognize revenue from its Canadian licensing agreement starting in the first quarter of fiscal 2024. The licensing agreement has an initial term of three years with opportunity to both increase the revenue over time as well as renew and lengthen the term of the agreement. This agreement is expected to deliver minimum revenues of approximately $500,000 per quarter through first quarter of fiscal 2028. Further, the Company has also experienced strong growth in auto dealer signups. As expected, onboarding and integration efforts delay revenue for a few months post launch, however once launched, with the recurring nature of revenue the Company expects to record growing revenues in this channel over the coming quarters.

The Company continues to focus on managing its operational costs, where it has undertaken an efficiency plan expected to be completed by fiscal Q4-2025 while also investing in new initiatives with predictable returns. Overall, operating expenses increased this quarter by 13% in comparison to the previous quarter and increased by 27% in comparison to the same quarter the previous year. The increase in costs is primarily related to the following:

- Investment in teams related to new channels: $155,000
- Ongoing operational expenses related to FUTR initiatives: $110,371

The Company also incurred some one-time expenses related to restructuring and acquisition:

- Severance expenses: $164,496
- Legal and transaction expenses related to FUTR acquisition: $116,052

Changes in costs are further discussed below.

Revenue increased compared to previous quarter as a result of higher customer base and transaction volume from continued strong deals growth. With new investment in operating expenses this quarter, adjusted loss from operations increased by $268,299. However, margins continued to remain strong at 88%.

Under IFRS, revenue amortizes auto enrollment fees over the expected life of the customer, whereas cash from said fees is usually received in the first twelve months. The combination of this with increasing processing fees quarterly plus new revenue categories coming online, leads to predictable growth in revenue and cash receipts. Cash collections from enrolments and bank processing are historically lower in the third quarter of every fiscal year due to shorter months and fewer processing days in February in particular reducing sweeps in that month and recovering sweeps in subsequent months thus achieving annual growth.

For the Quarter Ended *(CAD)*	March 2025 $	March 2024 $	Increase/ Decrease %
Revenue			
Bank Processing Fees	959,494	840,038	
Enrolment Fees	601,576	495,610	
Licensing	508,332	508,332	
Other Revenue	75,741	63,655	
Total Revenue	**2,145,143**	**1,907,635**	**12.5%**
Cost of Sales	(255,759)	(171,238)	(49.4%)
Gross Profit	**1,889,384**	**1,736,397**	**8.8%**
Gross Profit %	**88%**	**91%**	
Operating Expenses	(2,575,079)	(2,024,520)	27.2%
Adjusted Income (Loss) from Operations (1)	**(685,695)**	**(288,123)**	**(138%)**
Adjustments			
Stock based compensation	(17,357)	(89,396)	
Transaction costs	(116,052)	0	
Amortization of Intangible Assets	(54,583)	(74,949)	
Restructuring costs	(164,496)	0	
	(352,488)	(164,345)	
Loss from Operations	**(1,038,183)**	**(452,468)**	
Cash From Operations for Nine Month Ended	(1,064,706)	(1,524,121)	

(1) This is a non-IFRS measure presented by management to normalize that income from operations for expenses incurred outside of the normal course of business. Please refer to “Non-IFRS Measures” in this MD&A for the definition and reconciliation of this measure

In comparison to the previous quarter, revenue for the quarter ending March 31, 2025 increased by 12.5% primarily due to the revenue from bank processing fees and enrollment fees. The overall loss from operations increased by approximately $585,000 due to expenses related to strategic investments mentioned above and are transient in nature. The company has been deploying an efficiency plan since early 2025, with progressive monthly cost improvements expected through June, 2025 which are expected to have a material effect on operating costs. These efficiencies are primarily due to new automation and cloud management that when taken together will serve to normalize the FUTR Payments specific operating costs in a short period of time. The Company has identified over $2,000,000 USD in annualized efficiencies and executed on $150,000 per month of such costs savings in fiscal Q4-2025. The Company expects to realize all such efficiencies by fiscal Q1-2026 post severance payments.

For the nine month ended March 31, 2025, the Company experienced negative cash from operations of $1,064,706 in comparison to $1,524,121 for the nine month ended March 31, 2024. This is due to management and timing of working capital amounts where changes in working capital brought in $395,932 of cash in the current period in comparison to cash outflow of $530,360 in the same period in 2024.

Number of Common Shares

There were 384,840,902 common shares issued and outstanding as at March 31, 2025, and 132,720,376 common shares issued and outstanding at May 28, 2025, being the date of this report. As at March 31, 2025, the Company had outstanding stock options of 16,885,833 and outstanding RSUs of 600,000. There were 32,467,243 warrants issued and outstanding as at March 31, 2025.

Capital and Liquidity

Capital

On March 25, 2025, the Company issued 34,516,650 common shares related to its non-brokered private placement at a price of $0.02 per unit for a total of $690,333. Each unit is comprised of one common share and one half common share purchase warrant.

On February 18, 2025, the Company closed a non-brokered private placement issuing 11,666,667 common shares at a price of $0.03 for proceeds of $350,000

On November 1, 2024, the Company closed a non-brokered private placement of 744 secured convertible debenture units (the “Units”) of the Company for settlement of short term loans and other payables totalling $744,921. Each Unit consists of one $1,000 convertible debenture and 10,000 common share purchase warrants. The debentures mature on and become payable on November 1, 2027, and bear interest at a fixed rate of 10% per annum, payable on the earlier of the redemption date, conversion date or maturity date. The debentures are secured by the assets of the Company through a general security agreement and rank equally with all other Debentures. At any time before maturity, a holder of debentures may elect to convert the outstanding net principal amount, or any portion thereof, into common shares at a conversion price of $0.075 per share during the first year and $0.10 per share thereafter (the "Conversion Price"). The Company may force the conversion of the principal amount of the then outstanding debentures at any time at the Conversion Price on not less than 5 days notice if the volume weighted average trading price of the common shares on the TSX Venture Exchange for any 10 consecutive trading day period is equal to or greater than $0.20. The Company may also force the conversion of the principal amount of the then outstanding Convertible Debentures immediately prior to completion of a Change of Control. Each warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.10 per common share until November 1, 2026. On February 19, 2025, these debentures were fully converted into common shares of the Company.

On January 30, 2024, the Company closed a non-brokered private placement of 484 secured convertible debenture units (the “Units”) of the Company for gross proceeds of $484,000. Each Unit consists of one $1,000 convertible debenture and 6,667 common share purchase warrants. The investment was principally led by a strategic partner supporting FUTR in developing it’s Doors channel and product. The debentures mature on and become payable on January 30, 2029, and bear interest at a fixed rate of 10% per annum, payable semi-annually. The debentures are secured by the assets of the Company through a general security agreement and rank equally with all other Debentures. At any time before maturity, a holder of debentures may elect to convert the outstanding net principal amount, or any portion thereof, into common shares at a conversion price of $0.075 per share during the first year and $0.10 per share thereafter (the "Conversion Price"). The Company may force the conversion of the principal amount of the then outstanding debentures at any time at the Conversion Price on not less than 5 days notice if the volume weighted average trading price of the common shares on the TSX Venture Exchange for any 10 consecutive trading day period is equal to or greater than $0.30. Each warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.10 per common share until January 30, 2026. On November 1, 2024, these debentures and the related interest were fully converted into common shares of the Company.

Liquidity

FUTR’s ability to remain liquid over the long term may depend on its ability to obtain additional financing as well as growth in cash contributions from operations, that are trending favourably. The Company has in place planning and budgeting processes to help determine the funds required to support normal operating requirements on an ongoing basis as well as its planned development and capital expenditures. FUTR’s approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due and to invest in areas that have reasonable near-term probability of generating cash flow or attracting investment.

Results of Operations

The following table sets forth a summary of the Company's financial performance as of the dates presented:

	Three Month Period Ended			Nine Month Period Ended		
	March 31, 2025	March 31, 2024	Change	**March 31, 2025**	March 31, 2024	Change
	$	**$**	**%**	**$**	**$**	**%**
Total revenue	**2,145,143**	1,907,635	12.5%	**6,256,599**	5,408,553	15.7%
Cost of sales	**255,759**	171,238	49.4%	**643,298**	516,560	24.5%
Operating expenses	**2,575,079**	2,024,520	27.2%	**6,915,531**	5,834,134	18.5%
Adjusted loss from operations (1)	**(685,695)**	(288,123)	-138.0%	**(1,302,230)**	(942,141)	-38.2%
Adjustments:						
Stock based compensation	**17,357**	89,396	-80.6%	**74,207**	265,513	-72.1%
Transaction costs	**116,052**	0	100.0%	**116,052**	0	100.0%
Amortization of Intangible Assets	**54,583**	74,949	-27.2%	**146,804**	207,981	-29.4%
Restructuring Costs	**164,496**	0	100.0%	**164,496**	0	100.0%
Total Adjustments	**352,488**	164,345	114.5%	**501,559**	473,494	5.9%
Loss from operations	**(1,038,183)**	(452,468)	-129.4%	**(1,803,789)**	(1,415,635)	-27.4%
Other expenses (income)	**607,562**	120,194	405.5%	**1,046,300**	228,634	357.6%
Net loss	**(1,645,745)**	(572,662)	-187.4%	**(2,850,089)**	(1,644,269)	-73.3%
Other comprehensive gain (loss)						
Currency translation adjustment	**(14,153)**	(115,284)	87.7%	**(299,002)**	(103,713)	-188.3%
Comprehensive loss	**(1,659,898)**	(687,946)	-141.3%	**(3,149,091)**	(1,747,982)	-80.2%
Loss per share - basic and diluted	**(0.01)**	(0.01)	5.2%	**(0.02)**	(0.02)	6.1%
Non-IFRS Measures						
Adjusted operating results:						
Adjusted loss from operations (1)	**(685,695)**	(288,123)	-138.0%	**(1,302,230)**	(942,141)	-38.2%

(1) This is a non-IFRS measure. Please refer to "Non-IFRS Measures" in this MD&A for the definition and reconciliation of this measure

The Company recorded an adjusted loss from operations of $685,695 and $1,302,230 respectively for the three month period and nine month period ended March 31, 2025, compared to adjusted loss from operations of $288,123 and $942,141 respectively for the three month period and nine month period ended March 31, 2024. The Company recorded a loss from operations of $1,038,183 and $1,803,789 respectively for the three month period and nine month period ended March 31, 2025, compared to a loss from operations of $452,468 and $1,415,635 respectively for the three month period and nine month period ended March 31, 2024. Changes in each key category are further discussed below.

Revenue

	Three Month Period Ended			Nine Month Period Ended		
	March 31, 2025	March 31, 2024	Change	**March 31, 2025**	March 31, 2024	Change
	$	$	%	**$**	$	%
Total revenue	**2,145,143**	1,907,635	12.5%	**6,256,599**	5,408,553	15.7%
Cost of sales	**255,759**	171,238	49.4%	**643,298**	516,560	24.5%
Gross profit	**1,889,384**	1,736,397	8.8%	**5,613,301**	4,891,993	14.7%

Revenue increased by $237,508 or 12.5% for the three month period ended March 31, 2025, in comparison to the three month period ended March 31, 2024. The increase was primarily due to higher revenue from bank processing fees and enrollment fees. The Company experienced an 14.2% increase in bank processing fees (also defined as “Recurring User Processing Fees”), a 21.4% increase in enrollment fees, and a 18.2% increase in other revenue. Enrolment fees are expected to increase over time as additional auto dealers are added directly to the FUTR platform leading to FUTR earning a larger share of such fees.

Enrollment fees increased by 21% from $495,610 to $601,576. Enrollment fees are based on automotive channel revenue recognized from the Company’s contract liability which stems from setup and enrollment fees charged to new customers and are recognized over the expected life of the customer. The increase in enrollment fees is the result of strong customers growth starting from the second quarter of fiscal 2024 with higher average enrollment fees charged, leading to increase in enrollment fees revenue recognized in the fiscal 2025 going forward.

Recurring Bank Processing Fees increased by 14.2% from $840,038 to $959,494. Recurring Bank Processing Fees are based on recurring monthly transaction or usage based fees charged to Users in relation to use of the platform to manage cash collection, cash storage and payment remittance to payees. The increase in such fees is mainly due to an increase in number of users and usage fees charged to new Clients.

Technology licensing fees are based on revenue recognized from the Company’s technology licensing agreement which currently includes a base fee for the use of the Company’s software program as well as fees related to the maintenance of the software program. The Company entered into a national technology licensing agreement with a customer on March 27, 2023, and began recognizing revenue from the contract starting in the month of September 30, 2023.

Other revenue is the result of a fee being charged to a related party channel in relation to support services and other assistance the Company provides in order for the channel to grow efficiently. The Company moderates these services based on origination volume from this channel.

Cost of sales relate mainly to bank processing fees. During the quarter ended September 30, 2024, the Company entered into a strategic partnership with a new banking service that offers more value and reduced cost. The increase in cost of sales is mainly due to increases in cost of customer acquisition in line with increases in customer volume, in addition to higher foreign exchange rate over the current period compared to the same period of the previous year, leading to higher translated expenses.

Expenses

	Three Month Period Ended			Nine Month Period Ended		
	March 31, 2025	March 31, 2024	Change	**March 31, 2025**	March 31, 2024	Change
	$	$	%	**$**	$	%
Operating Expenses						
Salaries and wages	**1,724,997**	1,351,576	27.6%	**4,706,085**	3,950,941	19.1%
Software and licensing fees	**302,024**	240,530	25.6%	**918,467**	653,275	40.6%
Professional fees	**146,173**	34,003	329.9%	**335,712**	147,386	127.8%
Office and general	**328,388**	321,715	2.1%	**787,490**	909,261	-13.4%
Bad debts	**69,027**	69,604	-0.8%	**153,196**	153,142	0.0%
Depreciation	**4,470**	7,092	-37.0%	**14,581**	20,129	-27.6%
Total Operating Expenses	**2,575,079**	2,024,520	27.2%	**6,915,531**	5,834,134	18.5%
Adjustments						
Stock based compensation	**17,357**	89,396	-80.6%	**74,207**	265,513	-72.1%
Transaction costs	**116,052**	0	100.0%	**116,052**	0	100.0%
Amortization	**54,583**	74,949	-27.2%	**146,804**	207,981	-29.4%
Restructuring Costs	**164,496**	0	100.0%	**164,496**	0	100.0%
Expenses	**2,927,567**	2,188,865	33.7%	**7,417,090**	6,307,628	17.6%

Operating Expenses

Salaries and wages increased 27% for the three month period ended March 31, 2025, as compared to the three month period ended March 31, 2024. The comparative increase is largely related to strategic investment to support new research and development and sales initiatives in new FUTR Payments channels; and expenses undertaken through the acquisition of FUTR as follows:

- Investment in new channels: $155,000
- Assumption of FUTR Expenses: $56,000

The Company also incurred a one-time $164,496 in severance related expenses.

Software and licensing fees consist of costs for 3rd party non-core products including hosting services and data analytics tools. These fees incurred in the three month period ended March 31, 2025, were 25.6% higher than the prior quarter which is in line with new strategic investment in launching Enterprise Partners and contracting of various sub-parties to fulfil certain aspects of work to support the overall product suite. Cloud services are priced on a function of usage, and the more usage, the higher these costs will be. Historically, growth in revenue have driven growth in usage. However, the Company has undertaken an efficiency initiative and expects these costs to reduce going forward.

Professional fees increased by approximately $112,000 mainly due to increase in one time legal fees in current period in relation to the FUTR acquisition.

Office and general expense remained consistent during the three month period ended March 31, 2025, compared to the three month period ended March 31, 2024. The increase of 2% is primarily due to a decrease of $25,858 in investor relations, offset by an increase of $21,751 in ongoing public expenses and an increase of $18,634 in general expenses mainly due to implementation fees related to the Company’s new banking partnership, administrative fees on a short term loan and costs related to the acquisition.

Adjustments

The Company incurred $17,357 in stock-based compensation expense during the three month period ended March 31, 2025, resulting from cost related to the vesting of stock options, and cost related to the vesting of restricted stock units. These costs were related to the vested portion of such employee incentives and the initial material expense is primarily one-time in nature. As other equity incentives vest, they will be expensed on a non-cash basis.

Other Expenses

	Three Month Period Ended			Nine Month Period Ended		
	March 31, 2025	March 31, 2024	Change	**March 31, 2025**	March 31, 2024	Change
	$	$	%	**$**	$	%
Other expenses (income)						
Accretion expense	**3,694**	29,796	-87.6%	**58,559**	82,994	-29%
Interest expense	**484,759**	99,826	385.6%	**1,053,895**	212,457	396%
Interest (income)	**(110,508)**	0	-100.0%	**(341,469)**	0	-100%
Foreign exchange loss (gain)	**(4,293)**	(9,624)	55.4%	**41,405**	(10,049)	512%
Provision for interest and penalties	**233,910**	196	119241.8%	**233,910**	81,798	186%
Gain on repurchase of debentures	**0**	0	0.0%	**0**	(138,566)	100%
	607,562	120,194	405.5%	**1,046,300**	228,634	358%

The Company has financed its operations partially by issuing non-brokered private placements of unsecured convertible debenture units of the Company. These convertible debentures are determined to be a compound instrument, comprising a liability, a conversion feature and warrants. The carrying value of the convertible debentures, net of the equity components, have been accreted using the effective interest rate method over the term of the debentures. As a result, the Company recorded $3,694 in accretion expense for the three month period ended March 31, 2025. At March 31, 2025, the Company has two remaining short term loans payable that it entered into subsequent to March 31, 2024. The increase in interest expense for the three month period ended March 31, 2025, is primarily due to interest from these short term loan agreements. As a result of the Company's new banking partnership, the Company receives interest income, on a monthly basis, on the balances it holds at the bank.

Financial Position

The following table sets forth a summary of the Company's financial position as of the dates presented:

	March 31, 2025	June 30, 2024
	$	$
ASSETS		
Current		
Cash	**598,794**	719,582
Accounts receivable	**1,000,696**	732,980
Contract receivable	**2,675,660**	1,392,678
Prepaid expenses and deposits	**678,173**	334,394
Sales tax receivable	**40,382**	0
Total current assets	**4,993,705**	3,179,634
Advances to related party	**0**	925,956
Restricted cash	**115,579**	191,645
Goodwill	**5,775,489**	0
Equipment	**15,546**	19,404
Intangible assets	**915,591**	687,619
Total assets	**11,815,910**	5,004,258
LIABILITIES		
Current		
Accounts payable and accrued liabilities	**7,000,868**	5,365,949
Short-term loans	**816,833**	1,882,429
Advances from related party	**65,084**	0
Loans payable	**133,336**	0
Contract liability - current portion	**1,415,628**	1,218,657
Convertible debentures	**0**	149,543
Total current liabilities	**9,431,749**	8,616,578
Convertible debentures	**0**	1,690,383
Loans payable	**630,059**	0
Contract liability	**3,103,906**	2,567,751
Total liabilities	**13,165,714**	12,874,712
SHAREHOLDERS' DEFICIENCY		
Share capital	**19,694,495**	8,438,709
Contributed surplus	**7,256,151**	8,842,196
Other comprehensive income	**(336,987)**	(37,985)
Deficit	**(27,963,463)**	(25,113,374)
Total shareholders' deficiency	**(1,349,804)**	(7,870,454)
Total liabilities and shareholders' deficiency	**11,815,910**	5,004,258

Total Assets

Total assets were $11,815,910 as at March 31, 2025, an increase of $6,811,652 or 136% from June 30, 2024, largely due to an increase of $5,775,489 in goodwill from the acquisition. Aside from that, there was an increase of $1,550,698 in account receivable and contract receivable, an increase of $343,779 in prepaid expenses, offset by a decrease of $925,956 in advances to related party and $120,788 in cash. The increase in accounts receivable is primarily due to the receivable related to the Canadian licensing agreement. As channel volume increases, the accounts receivable will temporarily increase and then reduce again as channels receive their cash flow from consumers.

Subsequent to the end of the quarter, the Company closed additional financings through non brokered private placements raising an additional $4,529,667 since March 31, 2025. Total gross proceeds raised from the private placement since the acquisition of FUTR Inc totaled $5,220,000.

Current Assets

Current Assets increased by 57% at March 31, 2025, as compared to June 30, 2024. The increase is primarily due to increases in account receivable and contract receivable.

Advances to/from Related Party

The amount advances to related party, an SME wholesaler and a shareholder, is unsecured, non-interest bearing and due on demand.

Restricted cash

Restricted cash relates to deposits in non-interest bearing reserve accounts with FUTR’s bank partner, that are established and controlled by participating banks to address any possible losses as a result of disputes, fraud, or embezzlement in the Company’s operations.

Equipment

The decrease in equipment can mainly be attributed to depreciation expense in the amount of $14,581 during the three month period ended March 31, 2025.

Intangibles

Intangible assets are assets acquired that lack physical substance and meet the specified criteria for recognition apart from goodwill. The Company’s intangible assets consist of software platforms which includes costs associated with the development of the Company’s internally generated proprietary software. The net increase of $227,972 to the intangible assets at March 31, 2025, as compared to June 30, 2024, is due to amortization recorded in the amount of $146,804 for the period, offset by the capitalization of $344,191 of development expenditures and an unrealized gain of $30,585 from foreign exchange translation.

For the three and nine month periods ended March 31, 2025, the Company expensed $218,372 and $616,981 (March 31, 2024 -$168,230 and $484,108), respectively, in relation to the research and maintenance of the Company’s internally generated proprietary software. The amount consists of $208,629 and $588,144 (March 31, 2024 -$154,962 and $448,096), respectively, in salaries and wages and $9,743 and $28,837 (March 31, 2024 - $13,268 and $36,012) respectively, in consulting fees. The consulting fees are recorded in software and licensing fees and salaries and wages are recorded in salaries and wages on the statement of operations.

Goodwill

As a result of the acquisition of FUTR Inc. on February 24, 2025, the Company recognized goodwill of $5,775,489 on the consolidated balance sheet. The goodwill represents the excess of the consideration transferred over the fair value of the net identifiable assets acquired and liabilities assumed. It primarily reflects anticipated synergies, expanded platform capabilities, and the value of the assembled workforce.

Total liabilities

Total liabilities were $13,165,714 as at March 31, 2025, an increase of $291,002 or 2% from June 30, 2024. The increase is attributable to a $1,065,596 decrease in short term loan, a $1,634,919 increase in accounts payable, a $1,839,926 decrease in convertible debentures, and a $733,126 increase in Contract Liability.

Accounts payable and other liabilities

Accounts payable and accrued liabilities were $7,000,868 as at March 31, 2025, an increase of $1,634,919 from June 30, 2024. The increase in accounts payable and other liabilities is primarily due to working capital management and the timing of payments to vendors in relation to cash being received.

Convertible Debentures and Derivative Liability

Transactions related to the Company's convertible debentures during the three month period ended March 31, 2025 and 2024 include the following:

	2025	2024
Carrying amount of debt, June 30,	**1,839,926**	**1,421,199**
Debentures to be issued	-	300,000
Issued during the period, net of issuance costs	572,933	-
Debentures converted	(2,329,826)	-
Accretion	58,559	82,994
Accrued interest	100,306	111,799
Debentures repurchased	-	(151,665)
Interest settled	(200,732)	(6,443)
Carrying amount of debt, March 31,	**41,166**	**1,757,884**

Convertible debentures are comprised of the following:

	June 30, 2022 $	December 16, 2022 $	April 21, 2023 $	June 15, 2023 $	January 30, 2024 $	November 1, 2024 $	Total $
Carrying amount of debt at June 30, 2023	**18,716**	**434,994**	**656,683**	**310,806**	**-**	**-**	**1,421,199**
Proceeds from issuance of convertible debentures	-	-	-	-	484,000	-	484,000
Amounts classified as equity instruments	-	-	-	-	(154,098)	-	(154,098)
Debentures repurchased	-	-	(143,712)	-	-	-	(143,712)
Accreted interest	-	37,839	47,240	23,246	7,781	-	116,106
Interest expense	-	70,192	94,188	50,137	20,156	-	234,673
Interest settled	-	-	(7,953)	-	-	-	(7,953)
Interest paid	-	(35,288)	(49,796)	(25,205)	-	-	(110,289)
Carrying amount of debt at June 30, 2024	**18,716**	**507,737**	**596,650**	**358,984**	**357,839**	**-**	**1,839,926**
Proceeds from issuance of convertible debentures	-	-	-	-	-	744,921	744,921
Amounts classified as equity instruments	-	-	-	-	-	(171,988)	(171,988)
Debentures converted	-	(487,697)	(570,939)	(343,120)	(344,469)	(583,601)	(2,329,826)
Accreted interest	-	14,864	17,173	9,068	6,786	10,668	58,559
Interest expense	-	20,328	24,974	14,520	18,034	22,450	100,306
Interest settled	-	(55,232)	(67,858)	(39,452)	(38,190)	-	(200,732)
Carrying amount of debt at March 31, 2025	**18,716**	**-**	**-**	**-**	**-**	**22,450**	**41,166**

June 13, 2022 Convertible Debenture

On June 13, 2022, the Company closed a non-brokered private placement of 800 unsecured convertible debenture units (the “Units”) of the Company for gross proceeds of $800,000. On August 29, 2022, at the option of the holder, $300,000 of the June 13, 2022, Debentures were converted into 2,000,000 common shares of the Company. On December 15, 2023, $500,000 of the June 13, 2022 Debentures were settled with cash payments. Accrued interest in the amount of $18,716 remains owing on these convertible debentures.

December 16, 2022 Convertible Debenture

On November 1, 2024, these debentures and the related interest were fully converted into common shares of the Company. On December 16, 2022, the Company closed a non-brokered private placement of 700 secured convertible debenture units (the “Units”) of the Company for gross proceeds of $700,000. Each Unit consists of one $1,000 convertible debenture ("Debentures") and 3,333 common share purchase warrants ("Warrant"). The Debentures mature on and become payable on December 16, 2027, and bear interest at a fixed rate of 10% per annum, payable semi-annually. The Debentures are secured by the assets of the Company through a general security agreement and rank equally with all other Debentures.

At any time before maturity, a holder of Debentures may elect to convert the outstanding net principal amount, or any portion thereof, into common shares at a conversion price of $0.075 per share during the first year and $0.10 per share thereafter (the "Conversion Price"). The Company may force the conversion of the principal amount of the then outstanding Debentures at any time at the Conversion Price on not less than 5 days notice if the volume weighted average trading price of the common shares on the TSX Venture Exchange for any 10 consecutive trading day period is equal to or greater than $0.35. Each Warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.10 per common share until December 16, 2024.

The Units are determined to be a compound instrument, comprising a liability, a conversion feature and warrants. Both conversion feature and warrants met the fixed for fixed criteria and were therefore presented as equity instruments in accordance with IAS 32. The fair value of the debt component was determined by discounting the stream of future payments of interest and principal at a market interest rate of 23% which is estimated to be the borrowing rate available to the Company for similar instruments of debt having no conversion rights. Using the residual method, the carrying amount of the conversion feature and the warrants issued is the difference between the principal amount and the initial fair value of the financial liability. The fair value of the liability was determined to be $418,121. The residual value of $281,879 was allocated to the equity portion of convertible debt and warrants based on their pro-rata fair values of $244,298 and $37,581, respectively. The carrying value of the Units, net of the equity components, have been accreted using the effective interest rate method over the term of the debentures, such that the carrying amount of the financial liability will equal the principal balance at maturity.

April 21, 2023 Convertible Debenture

On November 1, 2024, these debentures and the related interest were fully converted into common shares of the Company. On April 21, 2023, the Company closed a non-brokered private placement of 1,096 secured convertible debenture units (the “Units”) of the Company for gross proceeds of $1,096,000 of which $825,000 was received in cash and $271,000 was issued in settlement of outstanding payables. The Company paid a cash finder's fee of $18,550 and issued 185,500 finder's warrants in relation to the closing. Each Unit consists of one $1,000 convertible debenture ("Debentures") and 3,333 common share purchase warrants ("Warrant"). The Debentures mature on and become payable on April 21, 2028 and bear interest at a fixed rate of 10% per annum, payable semi-annually. The Debentures are secured by the assets of the Company through a general security agreement and rank equally with all other Debentures.

At any time before maturity, a holder of Debentures may elect to convert the outstanding net principal amount, or any portion thereof, into common shares at a conversion price of $0.075 per share during the first year and $0.10 per share thereafter (the "Conversion Price"). The Company may force the conversion of the principal amount of the then outstanding Debentures at any time at the Conversion Price on not less than 5 days notice if the volume weighted average trading price of the common shares on the TSX Venture Exchange for any 10 consecutive trading day period is equal to or greater than $0.35. Each Warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.10 per common share until April 21, 2025.

The Units are determined to be a compound instrument, comprising a liability, a conversion feature and warrants. Both conversion feature and warrants met the fixed for fixed criteria and were therefore presented as equity instruments in accordance with IAS 32. The fair value of the debt component was determined by discounting the stream of future payments of interest and principal at a market interest rate of 23% which is estimated to be the borrowing rate available to the Company for similar instruments of debt having no conversion rights. Using the residual method, the carrying amount of the conversion feature and the warrants issued is the difference between the principal amount and the initial fair value of the financial liability. The transaction cost of $21,445 has been allocated on a pro rata basis to the liability and equity portion. The fair value of the liability was determined to be $641,069 which includes $12,794 of transactions costs. The residual value of $433,485 was allocated to the equity portion of convertible debt and warrants based on their pro-rata fair values of $382,846 and $50,640, respectively, which includes $8,652 of transaction costs. The carrying value of the Units, net of the equity components have been accreted using the effective interest rate method over the term of the debentures, such that the carrying amount of the financial liability will equal the principal balance at maturity.

On November 24, 2023, the Company entered into a settlement agreement with a debenture holder under which the Company repurchased 236 convertible debentures units and settled all related interest payable for $34,058 (USD $25,000). In accordance with IAS 32, the Company allocated the consideration price of the repurchase to the liability and equity components using the same method as used for allocating the initial transaction price. The fair value of the liability was determined to be $13,098 using a market interest rate of 23% which is estimated to be the borrowing rate available to the Company for similar instruments of debt having no conversion rights. The residual value of $20,959 was allocated to the equity portion of the repurchase.

As a result of the repurchase the Company recorded a gain of $138,566 and cancelled the 786,588 common share purchase warrants included in the repurchased Units. As at March 31, 2025, the settlement amount of $34,058 is included in accounts payable and accrued liabilities.

June 15, 2023 Convertible Debenture

On November 1, 2024, these debentures and the related interest were fully converted into common shares of the Company. On June 15, 2023, the Company closed a non-brokered private placement of 500 secured convertible debenture units (the “Units”) of the Company for gross proceeds of $500,000. Each Unit consists of one $1,000 convertible debenture and 3,333 common share purchase warrants. The debentures mature on and become payable on June 15, 2028, and bear interest at a fixed rate of 10% per annum, payable semi-annually. The debentures are secured by the assets of the Company through a general security agreement and rank equally with all other Debentures.

At any time before maturity, a holder of debentures may elect to convert the outstanding net principal amount, or any portion thereof, into common shares at a conversion price of $0.085 per share during the first year and $0.10 per share thereafter (the "Conversion Price"). The Company may force the conversion of the principal amount of the then outstanding debentures at any time at the Conversion Price on not less than 5 days notice if the volume weighted average trading price of the common shares on the TSX Venture Exchange for any 10 consecutive trading day period is equal to or greater than $0.35. Each warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.10 per common share until June 15, 2025.

The Units are determined to be a compound instrument, comprising a liability, a conversion feature and warrants. Both conversion feature and warrants met the fixed for fixed criteria and were therefore presented as equity instruments in accordance with IAS 32. The fair value of the debt component was determined by discounting the stream of future payments of interest and principal at a market interest rate of 22% which is estimated to be the borrowing rate available to the Company for similar instruments of debt having no conversion rights. Using the residual method, the carrying amount of the conversion feature and the warrants issued is the difference between the principal amount and the initial fair value of the financial liability. The fair value of the liability was determined to be $309,956. The residual value of $190,044 was allocated to the equity portion of convertible debt and warrants based on their pro-rata fair values of $123,067 and $66,977, respectively. The carrying value of the Units, net of the equity components, have been accreted using the effective interest rate method over the term of the debentures, such that the carrying amount of the financial liability will equal the principal balance at maturity.

January 30, 2024 Convertible Debenture

On November 1, 2024, these debentures and the related interest were fully converted into common shares of the Company. On January 30, 2024, the Company closed a non-brokered private placement of 484 secured convertible debenture units (the “Units”) of the Company for gross proceeds of $484,000. Each Unit consists of one $1,000 convertible debenture and 6,667 common share purchase warrants. The debentures mature on and become payable on January 30, 2029, and bear interest at a fixed rate of 10% per annum, payable semi-annually. The debentures are secured by the assets of the Company through a general security agreement and rank equally with all other Debentures. At any time before maturity, a holder of debentures may elect to convert the outstanding net principal amount, or any portion thereof, into common shares at a conversion price of $0.075 per share during the first year and $0.10 per share thereafter (the "Conversion Price"). The Company may force the conversion of the principal amount of the then outstanding debentures at any time at the Conversion Price on not less than 5 days notice if the volume weighted average trading price of the common shares on the TSX Venture Exchange for any 10 consecutive trading day period is equal to or greater than $0.30. Each warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.10 per common share until January 30, 2026.

The Units are determined to be a compound instrument, comprising a liability, a conversion feature and warrants. Both conversion feature and warrants met the fixed for fixed criteria and were therefore presented as equity instruments in accordance with IAS 32. The fair value of the debt component was determined by discounting the stream of future payments of interest and principal at a market interest rate of 20% which is estimated to be the borrowing rate available to the Company for similar instruments of debt having no conversion rights. Using the residual method, the carrying amount of the conversion feature and the warrants issued is the difference between the principal amount and the initial fair value of the financial liability. The fair value of the liability was determined to be $329,902. The residual value of $154,098 was allocated to the equity portion of convertible debt and warrants based on their pro-rata fair values of $81,407 and $72,691, respectively. The carrying value of the Units, net of the equity components, have been accreted using the effective interest rate method over the term of the debentures, such that the carrying amount of the financial liability will equal the principal balance at maturity.

November 1, 2024 Convertible Debenture

On February 19, 2025, these debentures were fully converted into common shares of the Company. On November 1, 2024, the Company closed a non-brokered private placement of 744 secured convertible debenture units (the “Units”) of the Company for settlement of short term loans and other payables totalling $744,921. Each Unit consists of one $1,000 convertible debenture and 10,000 common share purchase warrants. The debentures mature on and become payable on November 1, 2027, and bear interest at a fixed rate of 10% per annum, payable on the earlier of the redemption date, conversion date or maturity date. The debentures are secured by the assets of the Company through a general security agreement and rank equally with all other Debentures.

At any time before maturity, a holder of debentures may elect to convert the outstanding net principal amount, or any portion thereof, into common shares at a conversion price of $0.075 per share during the first year and $0.10 per share thereafter (the "Conversion Price"). The Company may force the conversion of the principal amount of the then outstanding debentures at any time at the Conversion Price on not less than 5 days notice if the volume weighted average trading price of the common shares on the TSX Venture Exchange for any 10 consecutive trading day period is equal to or greater than $0.20. The Company may also force the conversion of the principal amount of the then outstanding Convertible Debentures immediately prior to completion of a Change of Control. Each warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.10 per common share until November 1, 2026.

The Units are determined to be a compound instrument, comprising a liability, a conversion feature and warrants. Both conversion feature and warrants met the fixed for fixed criteria and were therefore presented as equity instruments in accordance with IAS 32. The fair value of the debt component was determined by discounting the stream of future payments of interest and principal at a market interest rate of 17.5% which is estimated to be the borrowing rate available to the Company for similar instruments of debt having no conversion rights. Using the residual method, the carrying amount of the conversion feature and the warrants issued is the difference between the principal amount and the initial fair value of the financial liability. The fair value of the liability was determined to be $572,933. The residual value of $171,988 was allocated to the equity portion of convertible debt and warrants based on their pro-rata fair values of $65,029 and $106,960, respectively. The carrying value of the Units, net of the equity components, have been accreted using the effective interest rate method over the term of the debentures, such that the carrying amount of the financial liability will equal the principal balance at maturity.

Contract Liability

The Company's contract liability is deferred revenue which relates to revenue expected to be recognized in the future related to performance obligations that are unsatisfied (or partially unsatisfied) which amounted to $4,519,534 at March 31, 2025 (June 30, 2024 - $3,786,408). Details of the Company's contract liability is noted as follows:

		March 31, 2025		June 30, 2024
Opening balance	**$**	**3,786,408**	$	3,878,163
Revenue recognized from contract liability		**(1,637,136)**		(2,072,536)
Additions		**2,224,585**		1,870,649
Currency translation adjustment		**145,677**		110,132
Ending balance	**$**	**4,519,534**	$	3,786,408
Current portion	**$**	**1,415,628**	$	1,218,657
Long-term portion	**$**	**3,103,906**	$	2,567,751

Revenues from customer contracts are derived entirely from customers in the United States.

SHORT TERM LOANS PAYABLE

On June 17, 2024, the Company entered into a secured loan agreement under which $718,568 (USD $525,000) was loaned to the Company. The Company paid an administrative agent fee of $34,218 (USD $25,000) on closing of the loan. On December 2, 2024, the Company entered into a new secured loan agreement with the lender. Under this agreement, the remaining balance of $227,707 (USD $162,000) from the original loan, along with an additional $526,568 (USD $363,000) provided to the Company, brought the total principal amount back up to $737,940 (USD $525,000). The Company paid an administrative agent fee of $35,140 (USD $25,000) on closing of the loan. On February 27, 2025, the Company entered into a new secured loan agreement with the lender. Under this agreement, the remaining balance of $543,413 (USD $378,000) from the previous loan, along with an additional $175,387 (USD $122,000) provided to the Company, brought the total principal amount back up to $718,800 (USD $500,000). The Company paid an administrative agent fee of $35,940 (USD $25,000) on closing of the loan. The new loan matures on September 8, 2025 and is repayable with 4 payments of $14,376 (USD $10,000) and 24 payments of $40,732 (USD $28,333) to be paid weekly. During the nine month periods ended March 31, 2025, the Company made payments of $1,457,715 (March 31, 2024 - $nil) towards this secured loan. During the three and nine month periods ended March 31, 2025, the Company recorded $147,316 and $467,831, respectively (March 31, 2024 - $nil), in interest expense related to this loan. At March 31, 2025, the balance of this secured loan was $717,774 (USD $499,286) (June 30, 2024 - $692,904 (USD $506,250)).

On October 1, 2024, the Company entered into a secured loan agreement under which $425,376 (USD $315,000) was loaned to the Company. The Company paid an administrative agent fee of $20,256 (USD $15,000) on closing of the loan. The loan matures on May 13, 2025 and is repayable with 32 payments of $19,274 (USD $14,273) to be paid weekly. During the three and nine month periods ended March 31, 2025, the Company made payments of $513,212 (March 31, 2024 - $nil) towards the secured loan and recorded $153,899 (March 31, 2024 - $nil) in interest expense. At March 31, 2025, the balance of the secured loan was $99,059 (USD $68,906) (June 30, 2024 - $nil).

At March 31, 2025 the following short term loans have been fully settled:

On December 29, 2023, the Company entered into loan agreements under which $265,000 was advanced to the Company, $115,000 of which was received from officers of the Company. The loans include an upfront discount of 12.5%, in lieu of interest, and the amount advanced to the Company represents 87.5% of the total principal amount of $302,857, of which $131,429 will be owed to officers of the Company. The loan was repayable in full by March 29, 2024, after which date an interest rate of 4% per month will apply, payable monthly. On December 1, 2024, the related party loan agreements, representing $115,000 of the original amount advanced, were amended to retroactively change the interest to a rate of 1% per month, to be applied from the original advance date. During the three and nine month periods ended March 31, 2025, the Company recorded $nil and $36,945 (March 31, 2024: $37,025 and $37,857), respectively, as net interest related to these loans. At March 31, 2025, the Company owed $nil (June 30, 2024: $339,982) in principal and interest on these loans. On February 18, 2025, these loans and all related interest and fees in the amount of $376,928 were fully settled with $150,000 in cash and 7,547,069 common shares valued at $226,928.

On February 28, 2024, the Company entered into a loan agreement under which $55,000 was advanced to the Company. The loan is repayable in full on February 28, 2025. An interest rate of 10% per annum applies to the principal amount of the loan, the interest is due and payable at the maturity date of the loan. During the three and nine month periods ended March 31, 2025, the Company recorded $nil and $1,613 respectively (March 31, 2024: $nil), as interest expense related to this loan. At March 31, 2025, the Company owed $nil (June 30, 2024: $56,853) in principal and interest on these loans. On November 1, 2024, the principal and interest owing on this loan in the amount of $58,466 was fully settled into convertible debentures.

On February 29, 2024, the Company entered into a loan agreement under which $67,500 was advanced to the Company. The loan is repayable in full on February 28, 2025. An interest rate of 10% per annum applies to the principal amount of the loan, the interest is due and payable at the maturity date of the loan. During the three and nine month periods ended March 31, 2025, the Company recorded $nil and $1,990, respectively (March 31, 2024: $nil), as interest expense related to this loan. At March 31, 2025, the Company owed $nil (June 30, 2024: $69,756) in principal and interest on these loans. On November 1, 2024, the principal and interest owing on this loan in the amount of $72,149 was fully settled into convertible debentures.

On March 12, 2024, the Company entered into a loan agreement under which $175,000 was advanced to the Company. The loan was repayable in full on April 11, 2024. A structuring fee of $5,250, equal to 3% of the principal amount, is due on the repayment date. An interest rate of 36% per annum applies to the principal amount of the loan for every month the loan is outstanding past the repayment date, the interest is due and payable on a monthly basis in arrears. During the three and nine month periods ended March 31, 2025, the Company recorded $2,032 and $31,732, respectively (March 31, 2024: $3,218) as interest expense related to this loan. The Company repaid $10,000 of this loan during the year ended June 30, 2024. At March 31, 2025, the Company owed $nil (June 30, 2024: $183,708) in principal and interest on these loans. During the nine month period ended March 31, 2025, the Company repaid the outstanding principal of $165,000 owing on this loan and settled $50,440 in interest payable with the issuance of 1,681,333 common shares.

On March 28, 2024, the Company entered into a loan agreement under which $45,000 was advanced to the Company. The loan is repayable in full on May 27, 2024. A structuring fee of $1,350, equal to 3% of the principal amount, is due on the repayment date. An interest rate of 36% per annum applies to the principal amount of the loan for every month the loan is outstanding past the repayment date, the interest is due and payable on a monthly basis in arrears. During the three and nine month periods ended March 31, 2025, the Company recorded $nil and $4,703, respectively (March 31, 2024: $135) as interest expense related to this loan. At March 31, 2025, the Company owed $nil (June 30, 2024: $49,185) in principal and interest on these loans. On November 1, 2024, the principal and interest owing on this loan in the amount of $53,888 was fully settled into convertible debentures.

On April 12, 2024, the Company entered into a loan agreement with a person related to a director, under which $10,000 was advanced to the Company. The loan is repayable in full six months from the advance date. An interest rate of 24% per annum applies to the principal amount of the loan, the interest is due and payable on a monthly basis in arrears. During the three and nine month periods ended March 31, 2025, the Company recorded $nil and $1,200, respectively (March 31, 2024: $nil), as interest expense related to this loan. At March 31, 2025, the Company owed $nil (June 30, 2024: $10,520) in principal and interest on these loans. On February 18, 2025, the Company fully settled this loan and all related interest and fees in the amount of $11,720 with the issuance of 390,677 common shares.

On June 3, 2024, the Company entered into a loan agreement under which $476,000 was advanced to the Company. The loan is repayable in full on June 3, 2025. An interest rate of 10% per annum applies to the principal amount of the loan, the interest is due and payable at the maturity date of the loan. During the three and nine month periods ended March 31, 2025, the Company recorded $nil and $13,981(March 31, 2024: $nil) as interest expense related to this loan. At March 31, 2025, the Company owed $nil (June 30, 2024: $479,521) in principal and interest on these loans. On November 1, 2024, the principal and interest owing on this loan in the amount of $494,418 was fully settled into convertible debentures.

On August 26, 2024, the Company entered into a secured loan agreement under which $50,000 was advanced to the Company. The loan is repayable with monthly payments of $5,000, plus interest beginning September 30, 2024. An interest rate of 12% per annum applies to the principal amount of the loan for every month the loan is outstanding past September 30, 2024. During the three and nine month periods ended March 31, 2025, the Company recorded $500 and $2,000 (March 31, 2024: $nil) as interest expense related to this loan. At March 31, 2025, the Company owed $nil (June 30, 2024: $nil) in principal and interest on these loans. On February 18, 2025, the principal and interest owing on this loan in the amount of $52,000 was settled with the issuance of 1,733,333 common shares.

On August 29, 2024, the Company entered into promissory notes totalling $250,000. The promissory note is interest free and payable on the earlier of the following: i) the closing of the purchase of the common shares of FUTR INC. by the Company at which time the loan will consolidate into the closing transaction ii) 6 months from the advancement date iii) cancellation of the transaction with FUTR INC. On September 3, 2024, $100,000 was advanced to the Company related this promissory note, and on September 9, 2024, the remaining $150,000 was advanced to the Company related to this promissory note. On February 24, 2025, the Company closed the acquisition of FUTR, and the loan was consolidated into the transaction.

On December 23, 2024, the Company entered into a secured loan agreement under which $50,000 was advanced to the Company. On February 18, 2025, the loan, in the amount of $50,000 was fully settled with the issuance of 1,666,667 common shares of the company.

On December 27, 2024, the Company entered into a secured loan agreement under which $50,000 was advanced to the Company. During the nine month period ended March 31, 2025, the Company settled $25,000 of the loan with cash and the remaining $25,000 of the loan was settled on February 18, 2025, with the issuance of 833,333 common shares of the company.

Equity

On October 13, 2021, the Company completed the Reverse Takeover (RTO/Capital Pool Company Transaction) of Hank US. As the financial statements are considered a continuance of the operations of Hank US due to the reverse takeover, all of the share numbers and share prices in the financial statements have been adjusted, on a retroactive basis, to reflect this exchange.

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

Common shares

The Company had the following share-based transactions during the nine month period ended March 31, 2025.

- On March 25, 2025, the Company issued 34,516,650 common shares related to its non-brokered private placement at a price of $0.02 per unit for a total of $690,333. Each unit is comprised of one common share and one half common share purchase warrant. The fair value of the warrants were valued at $498,511, the remaining proceeds of $191.822 have been allocated to share capital. Share issuance costs of $8,848 have been recorded as a reduction to the warrants and share capital in the amount of $7,834 and $3,014, respectively.

- On February 24, 2025, the Company issued 177,274,626 common shares valued at $5,404,739 in connection with its acquisition of FUTR, this includes 4,325,000 common shares valued at $216,250 issued to an advisor in connection with the acquisition (Note 4).

- On February 19, 2025, the Company issued 14,898,420 common shares upon conversion of the November 1, 2024 convertible debentures.

- On February 18, 2025, the Company issued 13,764,163 common shares as settlement of amounts owing in the aggregate amount of $461,676. The debt settlements include shares issued for $143,342 of principal and interest owed to related parties and fees owed to former directors of the Company of $85,588.

- On February 18, 2025, the Company closed a non-brokered private placement issuing 11,666,667 common shares at a price of $0.03 for proceeds of $350,000.

- On November 1, 2024, the Company issued 54,894,641 common shares upon conversion of the December 16, 2022, April 21, 2023, June 15, 2023 and January 30, 2024 convertible debentures (Note 9).

- On November 1, 2024, 4,677,084 RSUs with a total value of $2,320,005 were exercised into common shares of the Company.

The Company had no share-based transactions during the nine month period ended March 31, 2024.

Stock-based compensation plan

The Company has a stock option plan (the "Plan") which authorizes the board of directors to grant incentive stock options to directors, employees, and consultants. The maximum number of shares in respect of which options may be outstanding under the Plan at any given time is equivalent to 10% of the issued and outstanding shares of the Company at that time. Options may be exercisable for a maximum period of 10 years from the date of grant. The exercise price and vesting terms of any option granted pursuant to the Plan shall be determined by the FUTR Board when granted.

During the nine month period ended March 31, 2025, the Company had the following stock option activity:

- On March 24, 2025, the Company issued 12,937,500 stock options to directors, officers, consultants and employees of the Company. The fair value of the options were valued at $399,015 using the Black-Scholes model and the following assumptions: share price of $0.035, expected life of 5 years, $nil dividends, 144% volatility, exercise price of $0.05, and a risk-free interest rate of 2.65%. The stock options fully vest at a rate of 1/48th per month. The options issued include During the three and nine month periods ended March 31, 2025, the Company expensed $1,877 (March 31, 2024: $nil) as stock based compensation relating to the vesting of these options.

- On June 17, 2024, the Company issued 150,000 stock options to a director of the Company. The fair value of the options were valued at $3,735 using the Black-Scholes model and the following assumptions: share price of $0.050, expected life of 3 years, $nil dividends, 100% volatility, exercise price of $0.10, and a risk-free interest rate of 3.91%. The stock options vest in two equal tranches with the first tranche vesting on June 16, 2025, and the second tranche vesting on June 16, 2026. During the three and nine month periods ended March 31, 2025, the Company expensed $700 and $2,101, respectively (March 31, 2024: $nil) as stock based compensation relating to the vesting of these options.

- On January 29, 2024, the Company issued 95,000 stock options to employees of the Company. The fair value of the options were valued at $5,964 using the Black-Scholes model and the following assumptions: share price of $0.085, expected life of 5 years, $nil dividends, 100% volatility, exercise price of $0.10, and a risk-free interest rate of 3.56%. The stock options vest in three equal tranches with the first tranche vesting on the grant date, the second tranche vesting on January 30, 2025, and the last tranche vesting on January 30, 2026. During the three and nine month periods ended March 31, 2025, the Company expensed $414 and $1,905 (March 31, 2024:

$2,485 and $2,485), respectively as stock based compensation relating to the vesting of these options.

- On January 29, 2024, the Company issued 1,850,000 stock options to employees of the Company, including 1,750,000 options issued to officers of the Company. The fair value of the options were valued at $140,909 using the Black-Scholes model and the following assumptions: share price of $0.085, expected life of 10 years, $nil dividends, 100% volatility, exercise price of $0.10, and a risk-free interest rate of 3.41%. The stock options vest in three equal tranches with the first tranche vesting on the grant date, the second tranche vesting on January 30, 2025, and the last tranche vesting on January 30, 2026. During the three and nine month periods ended March 31, 2025, the Company expensed $9,785 and $45,014 (March 31, 2024: $58,712 and $58,712), respectively as stock based compensation relating to the vesting of these options.

- On November 1, 2023, the Company issued 25,000 stock options to an employee of the Company. The fair value of the options were valued at $470 using the Black-Scholes model and the following assumptions: share price of $0.05, expected life of 2 years, $nil dividends, 100% volatility, exercise price of $0.10, and a risk-free interest rate of 4.57%.

  The stock options vest in three equal tranches with one third vesting on issuance, one third vesting on November 1, 2024, and the last third vesting on October 31, 2025. During the three and nine month periods ended March 31, 2025, the Company expensed $20 and $111 (March 31, 2024: $59 and $255), respectively as stock based compensation relating to the vesting of these options.

During the nine month period March 31, 2024, the Company had the following stock option activity:

- On September 6, 2023, the Company issued 50,000 stock options to a consultant of the Company. The fair value of the options were valued at $2,267 using the Black-Scholes model and the following assumptions: share price of $0.055, expected life of 8 years, $nil dividends, 100% volatility, exercise price of $0.10, and a risk-free interest rate of 4.66%. The stock options fully vested on the grant date. During the three and nine month periods ended March 31, 2025, the Company expensed $nil (March 31, 2024: $nil and $2,267, respectively) as stock based compensation relating to the vesting of these options.

- On September 6, 2023, the Company issued 250,000 stock options to a consultant of the Company. The fair value of the options were valued at $3,104 using the Black-Scholes model and the following assumptions: share price of $0.055, expected life of 1 years, $nil dividends, 100% volatility, exercise price of $0.10, and a risk-free interest rate of 4.66%. The stock options vest in four equal tranches with one fourth vesting on issuance, one fourth vesting on December 6, 2023, one fourth vesting on March 6, 2024, and the last fourth vesting on September 5, 2024. During the three and nine month periods ended March 31, 2025, the Company expensed $nil (March 31, 2024: $nil and $2,044, respectively) as stock based compensation relating to the vesting of these options. On November 30, 2023, the contract with the consultant was terminated and the related 187,500 unvested options were cancelled. On September 6, 2024, the remaining 62,500 options expired.

- On May 26, 2023, the Company issued 50,000 stock options to employees of the Company. The fair value of the options were valued at $1,950 using the Black-Scholes model and the following assumptions: share price of $0.08, expected life of 2 years, $nil dividends, 100% volatility, exercise price of $0.10, and a risk-free interest rate of 4.31%. The stock options vest in three equal tranches with one third vesting on issuance, one third vesting on May 26, 2024, and the last third vesting on May 25, 2025. During the three and nine month periods ended March 31, 2025, the Company expensed $41 and $122 (March 31, 2024: $122 and $406), respectively, as stock based compensation relating to the vesting of these options. On August 4, 2023, one of the employees was terminated and the related 16,667 unvested options were cancelled.

- On April 17, 2023, the Company issued 75,000 stock options to employees of the Company. The fair value of the options were valued at $966 using the Black-Scholes model and the following assumptions: share price of $0.04, expected life of 2 years, $nil dividends, 100% volatility, exercise price of $0.10, and a risk-free interest rate of 3.95%. The stock options vest in three equal tranches with one third vesting on issuance, one third vesting on April 17, 2024, and the last third vesting on April 16, 2025. During the three and nine month periods ended March 31, 2025, the Company expensed $40 and $121 (March 31, 2024: $121 and $362), respectively, as stock based compensation relating to the vesting of these options.

- On December 1, 2022, the Company issued 100,000 stock options to an employee of the Company. The fair value of the options were valued at $1,861 using the Black-Scholes model and the following assumptions: share price of $0.05, expected life of 2 years, $nil dividends, 100% volatility, exercise price of $0.10, and a risk-free interest rate of 3.75%. The options vest in three equal tranches with one third vesting on the grant date, one third vesting on December 1, 2023, and the last third vesting on November 22, 2024. During the three and nine month periods ended March 31, 2025, the Company expensed nil and $129 (March 31, 2024: $78 and $491), respectively, as stock based compensation relating to the vesting of these options.

- On November 29, 2022, the Company issued 200,000 stock options to Directors of the Company. The fair value of the options were valued at $3,729 using the Black-Scholes model and the following assumptions: share price of $0.05, expected life of 2 years, $nil dividends, 100% volatility, exercise price of $0.10, and a risk-free interest rate of 3.92%. The options vest in three equal tranches with one third vesting on the grant date, one third vesting on November 29, 2023, and the last third vesting on November 22, 2024. During the three and nine month periods ended March 31, 2025, the Company expensed $nil and $259 (March 31, 2024: $155 and $984), respectively, as stock based compensation relating to the vesting of these options.

- On November 1, 2022, the Company issued 300,000 stock options to employees of the Company. The fair value of the options were valued at $5,791 using the Black-Scholes model and the following assumptions: share price of $0.06, expected life of 2 years, $nil dividends, 100% volatility, exercise price of $0.15, and a risk-free interest rate of 3.92%. The options vest in three equal tranches with 100,000 vesting on the grant date, 100,000 vesting on November 1, 2023, and 100,000 vesting on November 1, 2024. During the three and nine month periods ended March 31, 2025, the Company expensed $nil and $322 (March 31, 2024: expensed $241 and $1,367), respectively, as stock based compensation relating to the vesting of these options.

- On August 5, 2022, the Company issued 400,000 stock options to a consultant. The fair value of the options were valued at $16,012 using the Black-Scholes model and the following assumptions: share price of $0.11, expected life of 2 years, $nil dividends, 100% volatility, exercise price of $0.20, and a risk-free interest rate of 3.25%. The stock options vest in four equal tranches with one fourth vesting on November 5, 2022, one fourth vesting on February 5, 2023, one fourth vesting on May 5, 2023, and the last fourth vesting on August 5, 2023. During the three and nine month periods ended March 31, 2025, the Company expensed $nil (March 31, 2024: $nil and $395, respectively) as stock based compensation relating to the vesting of these options. On April 17, 2023, the 100,000 of these stock options were repriced to $0.10, all other terms of the options remain unchanged.

Stock option activity for the periods ended March 31, 2025 and 2024 are as follows:

	2025		2024	
	Number of Options	**Weighted Average Exercise Price**	**Number of Options**	**Weighted Average Exercise Price**
Opening balance	**6,489,166**	$ 0.37	4,473,333	$ 0.45
Granted	12,937,500	$ 0.05	300,000	$ 0.10
Expired/Cancelled	(2,540,833)	$ 0.70	(100,000)	$ 0.85
Outstanding, March 31,	**16,885,833**	**$ 0.08**	**4,673,333**	**$ 0.42**
Exercisable, March 31,	**3,108,333**	**$ 0.17**	**4,019,166**	**$ 0.46**

Details of the options outstanding and exercisable as at March 31, 2025 are as follows:

Expiry Date	**Number of Options Outstanding**	**Number of Options Vested**	**Exercise Price**	**Remaining Contractual Life (in years)**
April 17, 2025	500,000	500,000	$ 0.10	0.04
April 17, 2025	75,000	50,000	$ 0.10	0.04
May 26, 2025	33,333	25,000	$ 0.10	0.15
November 1, 2025	25,000	16,667	$ 0.10	0.59
November 30, 2025	250,000	250,000	$ 0.10	0.67
June 16, 2027	150,000	-	$ 0.10	2.21
January 30, 2029	95,000	63,333	$ 0.10	3.83
March 23, 2030	12,937,500	-	$ 0.05	4.98
September 6, 2031	50,000	50,000	$ 0.10	6.43
October 13, 2031	250,000	250,000	$ 1.00	6.54
October 13, 2031	670,000	670,000	$ 0.10	6.54
January 30, 2034	1,850,000	1,233,333	$ 0.10	8.84
Balance, March 31, 2025	**16,885,833**	3,108,333		

Restricted Stock Units

The Company has a Restricted Stock Unit plan ("RSUs") which authorizes the board of directors to grant incentive RSUs to directors, employees, and consultants. The maximum number of shares in respect of which options may be outstanding under the Plan at any given time is 7,001,956 shares less any shares reserved pursuant to the Company's other share compensation arrangements. The vesting terms and other conditions of any RSUs granted shall be determined by the FUTR Board when granted.

During the nine months ended March 31, 2025 the Company had the following RSU activity:

- On June 17, 2024, the Company granted 100,000 RSUs valued at $5,000 to a director of the Company. The RSUs vest in two tranches with 50,000 vesting on June 17, 2025, and the remaining 50,000 vesting on June 17, 2026. During the three and nine month periods ended March 31, 2025, the Company expensed $938 and $2,813, respectively, (March 31, 2024: $nil) as stock based compensation related to the vesting of these RSUs.

- On January 30, 2024, the Company granted 700,000 RSUs valued at $59,500 to officers and directors of the Company. The RSUs vest on January 29, 2025. During the three and nine month periods ended March 31, 2025, the Company expensed $3,542 and $29,042 (March 31, 2024: $$9,917 and $9,917), respectively, as stock based compensation related to the vesting of these RSUs. During the nine months ended March 31, 2025, due to the resignation of two directors, 200,000 of these RSUs were forfeited and as a result, the Company reversed $11,333 of previously recorded stock based compensation.

During the nine month period ended March 31, 2024, the Company had the following RSU activity:

- On September 6, 2023, the Company granted 250,000 RSUs valued at $13,750 to a consultant of the Company. The RSUs vest on September 6, 2024. During the three and nine month periods ended March 31, 2025, the Company expensed $nil, (March 31, 2024: $nil and $3,208, respectively) as stock based compensation related to the vesting of these RSUs. On November 30, 2023, the contract with the consultant was terminated, as a result, the 250,000 RSUs were forfeited, and the Company reversed $3,208 of previously recorded stock based compensation.

- On May 26, 2023, the Company granted 200,000 RSUs valued at $16,000 to two directors of the Company. The RSUs vest on May 25, 2024. During the three and nine month periods ended March 31, 2025, the Company expensed $nil, (March 31, 2024: $4,000 and $12,000, respectively) as stock based compensation related to the vesting of these RSUs. On November 1, 2024, these RSUs were fully exercised.

- On April 17, 2023, the Company granted 1,000,000 RSUs valued at $40,000 to an officer of the Company. The RSUs vest on April 16, 2024. During the three and nine month periods ended March 31, 2025, the Company expensed $nil, (March 31, 2024: $10,000 and $30,000, respectively,) as stock based compensation related to the vesting of these RSUs. On November 1, 2024, these RSUs were fully exercised.

- On December 1, 2022, the Company granted 50,000 RSUs valued at $2,500 to an employee of the Company. The RSUs vest in three tranches with 16,666 vesting on December 1, 2023, 16,667 vesting on December 1, 2024, and 16,667 vesting on December 1, 2025. During the three and nine month periods ended March 31, 2025, the Company expensed $nil and $289, (March 31, 2024: $174 and $868) as stock based compensation related to the vesting of these RSUs. On November 1, 2024, these RSUs were fully exercised.

- On November 1, 2022, the Company granted 250,000 RSUs valued at $15,000 to an employee of the Company. The RSUs vest in three tranches with 83,333 vesting on the grant date, 83,333 vesting on November 1, 2023, and 83,334 vesting on November 1, 2024. During the three and nine month periods ended March 31, 2025, the Company expensed $nil and $833, (March 31, 2024: $625 and $3,542) as stock based compensation related to the vesting of these RSUs. On November 1, 2024, these RSUs were fully exercised.

- On November 12, 2021, FUTR issued 20,000 RSUs to an employee of the Company valued at $8,000. The RSUs vest in three equal tranches with one third vesting on November 12, 2022, one third vesting on November 12, 2023, and the last third vesting on November 12, 2024. During the three and nine month periods ended March 31, 2025, the Company expensed $nil and $326 (March 31, 2024: $222 and $1,157), respectively, as stock based compensation related to the vesting of these RSUs.

- On October 13, 2021, FUTR issued 4,600,000 RSUs to certain employees and consultants valued at $2,990,000. The RSUs include 3,500,000 RSUs valued at $2,275,000 that were issued to Officers and Directors. The RSUs vest in three equal tranches with one third vesting on the transaction date, one third vesting on October 13, 2022, and the last third vesting on October 13, 2023. During the three and nine month periods ended March 31, 2025, the Company expensed $nil, (March 31, 2024: $nil and $134,358) as stock based compensation related to the vesting of these RSUs which includes $nil (2024: $nil and $108,042), in stock based compensation to officers and directors. During the year ended June 30, 2023, two employees resigned and as a result 200,000 RSUs were forfeited and the Company reversed $77,103 of previously recorded stock based compensation. On November 1, 2024, these RSUs were fully exercised.

RSU activity for the periods ended March 31, 2025 and 2024 are as follows:

	Number of RSUs	
	2025	**2024**
Opening balance	**6,103,334**	**5,495,084**
Exercised	(4,968,334)	-
Forfeited	(535,000)	-
Granted	-	250,000
Outstanding, March 31,	**600,000**	**5,745,084**
Exercisable, March 31,	**500,000**	**2,481,666**

Details of the RSUs vested and exercised are as follows:

Issuance Date	**Number of RSUs Granted**	**Number of RSUs Vested**	**Number of RSUs Forfeited**	**Number of RSUs Exercised**
October 13, 2021	4,600,000	4,400,000	535,083	4,064,917
October 13, 2021	500,000	166,667	500,000	-
November 1, 2021	750,000	150,000	600,000	150,000
November 12, 2021	20,000	20,000	-	20,000
December 13, 2021	25,000	25,000	25,000	-
November 1, 2022	250,000	250,000	-	250,000
December 1, 2022	50,000	50,000	-	50,000
April 17, 2023	1,000,000	1,000,000	-	1,000,000
May 26, 2023	200,000	200,000	-	200,000
September 6, 2023	250,000	-	250,000	-
January 30, 2024	700,000	500,000	200,000	-
June 17, 2024	100,000	-	-	-
Balance, March 31, 2025	**8,445,000**	**6,761,667**	**2,110,083**	**5,734,917**

Warrants

During the period ended March 31, 2025, the Company had the following warrant activity:

- On March 25, 2025, the Company granted 17,258,325 warrants as part of the units issued pursuant to the private placement, including 7,762,500 warrants issued to officers of the Company and 575,000 warrants issued to a director of the Company. Each warrant is exercisable into one common share until June 30, 2027, at an exercise price of $0.05. The fair value of the warrants were valued at $498,511, using the Black-Scholes model and the following assumptions: share price of $0.04, expected life of 2.3 years, $nil dividends, 151% volatility, exercise price of $0.05, and a risk-free interest rate of 2.57%. If at any time after four months and one day from the closing date, the common shares of the Company, trade at a volume weighted average price of $0.29 per common share or higher on the TSXV over a period of 10 trading days, the Company may accelerate the expiry date of the warrants to the earlier of the 30th day after the date which notice is given or the actual expiry date of the warrants.

- On November 1, 2024, the Company granted 7,449,210 warrants as part of the Debenture Units issued. Each warrant is exercisable into one common share for a period of two years at an exercise price of $0.075. The fair value of the warrants were valued at $282,888 using the Black-Scholes model and the following assumptions: share price of $0.045, expected life of 2 years, $nil dividends, 217% volatility, exercise price of $0.075, and a risk-free interest rate of 3.12%.

During the period ended March 31, 2024, the Company had the following warrant activity.

- On January 30, 2024, the Company granted 3,226,828 warrants as part of the Debenture Units issued. Each warrant is exercisable into one common share for a period of two years at an exercise price of $0.10. The fair value of the warrants were valued at $137,598 using the Black-Scholes model and the following assumptions: share price of $0.085, expected life of 2 years, $nil dividends, 100% volatility, exercise price of $0.10, and a risk-free interest rate of 4.21%.

Details of the warrants outstanding are as follows:

	Number of warrants	Expiry Date	Exercise Price
Balance, June 30, 2023	**15,581,443**		
Warrants granted	3,226,828	2026-01-30	$ 0.10
Warrants expired	(3,042,500)		$ 0.075
Warrants expired	(219,975)		$ 1.00
Warrants expired	(2,666,400)		$ 0.25
Warrants expired	(2,000,000)		$ 0.47
Warrants cancelled	(786,588)		$ 0.10
Balance, June 30, 2024	**10,092,808**		
Warrants granted	7,449,210	2026-11-01	$ 0.075
Warrants granted	17,258,325	2027-06-30	$ 0.05
Warrants expired	(2,333,100)		$ 0.10
Balance, March 31, 2025	**32,467,243**		

Cash from Operating Activities

The Company used cash from operating activities in the amount of $1,064,706 (March 31, 2024 – $1,524,121) for the nine month period ended March 31, 2025. The decrease in cash outflow from operating activities is primarily due to interest expense adjustment and working capital changes in contract receivable, contract liability, prepaid expenses and deposits and account payable and accrued liabilities.

Cash Used in Investing Activities

During the nine month period ended March 31, 2025, the Company received $990,358 (March 31, 2024 – $60,198) in investing activities. Investing activities include development of the Company's software platform and purchases of equipment for new employees. Additionally, during the period the Company received $991,040 (March 31, 2024 – $439,948) from its largest SME wholesaler and related party. The Company also acquired $227,228 from the acquisition of FUTR.

Cash Used in Financing Activities

During the nine month period ended March 31, 2025, the Company received $1,029,485 (March 31, 2024 - $606,500) in proceeds from its private placement. The Company paid a net amount of $763,928 in short term loans.

Related Party Transactions

Parties are considered related if the party has the ability, either directly or indirectly, to control the other party or exercise significant influence over the other party in making operating and financial decisions. Parties are also related if they are subject to common control of common significant influence. Related parties may be individuals or corporate entities. A transaction is a related party transaction when there is a transfer of resources of obligations between related parties. Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. The following are related party transactions during the three and nine month periods ended March 31, 2025 and 2024, not disclosed elsewhere in these consolidated financial statements:

a) On May 1, 2018, the Company entered into a master servicing agreement with Uptempo Marketing Corp. ("Marketing Corp."), a company with the same key management personnel (the "Agreement"). Under the Agreement, FUTR provides processing services to end auto-loan customers procured by Marketing Corp. and assists Marketing Corp. in delivering its marketing services to attract automotive consumers.

   As part of the Agreement, when FUTR and Marketing Corp. enter into agreements with customers, the gross fees paid or payable by the customer are collected by the FUTR banking and technology platform and then shared by FUTR and Marketing Corp. based on pre-set terms agreed upon between FUTR and Marketing Corp. depending on the types of customer contracts entered into and what is considered market pricing for the services provided by each respective party. FUTR provides similar services to other wholesalers of the FUTR platform, for similar fee structures. The total amount collected by FUTR from customers and remitted to Marketing Corp. for the three and nine month periods ended March 31, 2025, amounted to $1,138,986 and

$3,933,096 (2024 - $1,226,123 and $3,935,839); respectively.

b) During the three and nine month periods ended March 31, 2025, the Company charged fees in the amount of $75,214 and $200,097 (2024 - $63,655 and $129,874), respectively, to Marketing Corp. for sales support. The Company incurred costs in relation to these services in the amount of $65,403 and $173,997, for the three and nine month period ended March 31, 2025 (2024 - $55,352 and $112,934), respectively.

c) Refer to Note 8 and Note 13 of the Financial Statements.

Key Management Compensation

The remuneration of directors and other key management personnel of the Company during the three and nine month periods ended March 31, 2025 and 2024 were as follows:

a) During the three and nine month periods ended March 31, 2025, the Company expensed $299,697 and $763,878 (2024 - $226,762 and $669,246), respectively, in fees payable to officers of the Company, the expense was recorded in salaries and wages. As at March 31, 2025, the Company had amounts payable to officers of the Company in the amount of $133,146 (June 30, 2024 - $38,059).

   The amount payable to Officers is unsecured, non-interest bearing with no fixed terms of repayment.

b) During the three and nine month periods ended March 31, 2025, the Company expensed $14,945 and $65,711 (2024 - $74,442 and $211,313), respectively, in stock based compensation related to Officers and Directors of the Company.

c) During the three and nine month periods ended March 31, 2025, the Company expensed $nil (2024 -$20,250 and $60,750, respectively), in director's fees, the expense was recorded in office and general. As at March 31, 2025, the Company had amounts payable to directors of the Company in the amount of $20,750 (June 30, 2024 - $106,338). During the nine month period ended March 31, 2025, the Company settled $85,588 in amounts payable to former directors with the issuance of 1,711,760 common shares.

   The amount payable to directors is unsecured, non-interest bearing with no fixed terms of repayment.

Summary of Selected Quarterly Information

The following table sets out selected financial information for each of the eight most recent quarters, as originally reported, the latest of which ended March 31, 2025. This information has been prepared on the same basis as the Company's unaudited condensed interim consolidated financial statements, and all necessary adjustments have been included in the amounts stated below to present fairly the unaudited quarterly results when read in conjunction with the unaudited condensed interim consolidated financial statements of the Company and the related notes to those statements.

	Quarter Ended (CAD)							
	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
	$	$	$	$	$	$	$	$
Total revenue	2,145,143	2,073,314	2,038,142	1,978,790	1,907,635	1,919,499	1,581,419	1,403,518
Quarterly Growth	*3%*	*2%*	*3%*	*4%*	*-1%*	*21%*	*13%*	
Cost of sales	255,759	219,275	168,264	202,438	171,238	174,086	171,236	171,128
Gross Profit	1,889,384	1,854,039	1,869,878	1,776,352	1,736,397	1,745,413	1,410,183	1,232,390
Quarterly Growth	*2%*	*-1%*	*5%*	*2%*	*-1%*	*24%*	*14%*	
Operating expenses	2,575,079	2,271,435	2,069,017	2,016,338	2,024,520	1,891,634	1,917,980	1,913,268
Adjusted loss from operations (1)	**(685,695)**	**(417,396)**	**(199,139)**	**(239,986)**	**(288,123)**	**(146,221)**	**(507,797)**	**(680,878)**
Adjustments:								
Stock based compensation	(17,357)	(20,577)	(36,273)	(40,622)	(89,396)	(35,002)	(141,115)	116,400
Transaction costs	(116,052)	0	0	0	0	0	0	0
Amortization of Intangible Assets	(54,583)	(48,022)	(44,199)	(27,495)	(74,949)	(69,893)	(63,139)	(56,469)
Restructuring Costs	(164,496)	0	0	0	0	0	0	0
Total Adjustments	**(352,488)**	**(68,599)**	**(80,472)**	**(68,117)**	**(164,345)**	**(104,895)**	**(204,254)**	**59,931**
Loss from operations	**(1,038,183)**	**(485,995)**	**(279,611)**	**(308,103)**	**(452,468)**	**(251,116)**	**(712,051)**	**(620,947)**
Net Income (Loss)	**(1,645,745)**	**(702,162)**	**(502,182)**	**(494,012)**	**(572,662)**	**(285,549)**	**(782,574)**	**(1,389,753)**
Comprehensive Income (Loss)	**(1,659,898)**	**(1,058,568)**	**(430,626)**	**(543,746)**	**(687,946)**	**(180,370)**	**(876,182)**	**(1,299,929)**
Cash Collected from Fees	**1,497,627**	**1,605,897**	**1,548,671**	**1,420,450**	**1,091,396**	**1,220,089**	**1,241,804**	**1,220,889**
Quarterly Growth	*-7%*	*4%*	*9%*	*30%*	*-11%*	*-2%*	*2%*	

(1) This is a non-IFRS measure. Please refer to "Non-IFRS Measures" in this MD&A for the definition and reconciliation of this measure

The Company incurred an adjusted loss from operations of $685,695 in Q3, 2025 compared to an adjusted loss from operations of $417,396 in the previous quarter. The Company incurred a loss from operations of $1,038,183 in Q3 2025 as compared to a loss from operations of $485,995 in the previous quarter.

Capital Management

The Company includes equity comprised of issued share capital, deficit and cash in the definition of capital. As at March 31, 2025, the Company's shareholder's deficiency was $1,349,804 (June 30, 2024 – $7,870,454). The Company's objectives when managing capital are as follows:

(i) to safeguard the Company's ability to continue as a going concern; and

(ii) to raise sufficient capital to meet its business objectives.

The Company manages its capital structure and makes adjustments to it, based on the general economic conditions, the Company's long-term and short-term capital requirements. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or debt. There were no changes to the Company's approach to capital management during the three and nine month periods ended March 31, 2025, and year ended June 30, 2024.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than TSX-V which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of March 31, 2025, the Company may not be compliant with the policies of the TSX-V. The impact of this violation is not known and is ultimately dependent on the discretion of the TSX-V.

Off-Balance Sheet Arrangements

The Company had no off-balance sheet arrangements as at March 31, 2025.

Summary of Significant Accounting Policies

The Company's unaudited condensed interim statements of financial position as at March 31, 2025 and June 30, 2024, and the statements of loss and comprehensive loss, changes in shareholders' deficiency and cash flows for the periods ended March 31, 2025 and March 31, 2024, were prepared in accordance with IFRS, as issued by the International Accounting Standards Board ("IASB"). Please refer to note 3 of the Company's unaudited condensed interim financial statements for a detailed discussion regarding the significant accounting policies relied upon in the preparation of the financial statements and recent accounting pronouncements.

Financial Instruments

The fair value hierarchy that reflects the significance of inputs used in making fair value measurements is as follows:

Level 1: quoted prices in active markets for identical assets or 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. from derived prices); and

Level 3: inputs for the asset or liability that are not based upon observable market data.

Assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The fair values of the Company's financial instruments consisting of cash, restricted cash, accounts receivable, advances from related party, accounts payable and accrued liabilities approximate their carrying value due to the relatively short term maturities of these instruments. The fair value of convertible debentures approximates their carrying value as a result of the short time that has passed since their issuance.

Risk Management

The Company, through its financial assets and liabilities, is exposed to various risks. The Company has established policies and procedures to manage these risks, with the objective of minimizing any adverse effect that changes in these variables could have on these financial statements. The following analysis provides a measurement of risks as at March 31, 2025 and June 30, 2024.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company is exposed to credit risk through its financial asset, accounts receivables.

Management believes the identified credit risk and impairment loss related to cash and restricted cash is not significant as such amounts are held at reputable financial institutions. The Company applies the simplified approach to assess and provide for expected credit losses under IFRS 9, which permits the use of the lifetime expected loss provision for all accounts receivables.

The lifetime expected credit loss as at March 31, 2025 and June 30, 2024 was determined as follows:

		March 31, 2025		June 30, 2024
Gross carrying amount	**$**	**1,053,364**	$	770,922
Expected credit loss rate		**5%**		5%
Lifetime expected credit loss	**$**	**52,668**	$	37,942
Net carrying amount	**$**	**1,000,696**	$	732,980

		March 31, 2025		March 31, 2024
Beginning balance	**$**	**37,942**	$	28,811
Write-offs		**(144,585)**		(75,303)
Net remeasurement of loss allowance		**153,196**		83,538
Currency translation adjustment		**6,115**		234
Ending balance	**$**	**52,668**	$	37,280

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due within one year. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

As at March 31, 2025, there is substantial doubt about the Company's ability to continue as a going concern primarily due to its history of losses and negative working capital. Liquidity risk continues to be a key concern in the development of future operations.

The terms of the Company's accounts payable and accrued liabilities are all current and consist of the following:

		March 31, 2025		June 30, 2024
Trade payables	$	**1,414,568**	$	847,812
Accrued liabilities		**1,516,015**		1,238,280
Payroll remittance liabilities		**4,070,285**		3,279,857
	$	**7,000,868**	$	5,365,949

Accrued liabilities at March 31, 2025, include a provision for estimated penalties and interest related to payroll remittance liabilities in the amount of $1,046,119 (June 30, 2024: $785,312).

Short term contractual obligations as at March 31, 2025 are as follows:

			Payments due by period			
	Total **$**	**Current** **$**	**1-60 days** **$**	**61-120 days** **$**	**121-180 days** **$**	**181-365 days** **$**
Accounts Payable and accrued liabilities	7,000,868	7,000,868	-	-	-	-
Short term loans	816,833	-	348,720	280,868	187,245	-
Loans payable - short term portion	133,336	-	-	-	33,334	100,002

Market Risk

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rates on all of the Company's existing debt are fixed, and there not currently subject to any significant interest rate risk.

(ii) Foreign Currency Risk

The Company operates in Canada and the United States. The functional currency of the Company is the Canadian dollar, and the functional currency of the Company's subsidiary is the United States dollar. Currency risk arises because the amount of the local currency revenue, expenses, cash flows, receivables and payables for transactions denominated in foreign currencies may vary due to changes in exchange rates and because the non-Canadian-denominated financial statements of the Company's subsidiaries may vary on consolidation into Canadian dollars. The most significant currency exposure arises from changes in the Canadian dollar to US dollar exchange rate. The effect of a 10% change in the US dollar against the Canadian dollar at the reporting date, had all other variables remained constant, would have resulted in an insignificant change to loss for the year. As at March 31, 2025 and June 30, 2024, the Company did not use derivative instruments to hedge its exposure to foreign currency risk.

(iii) Price Risk

The Company's operations do not involve the direct input or output of any commodities and therefore it is not subject to any significant commodity price risk. In addition, the Company does not have any equity investment in other listed public companies, and therefore it is not subject to any significant stock market price risk.

Litigation

The Company may become party to litigation from time to time in the ordinary course of its business which could adversely affect its respective operations. Should any litigation in which the Company becomes involved be determined against the Company, such a decision could adversely affect the Company ability to continue operating and the value of Company Shares and could use significant resources. Even if the Company is involved in litigation and wins, litigation can redirect significant resources, including the time and attention of management and available working capital. Litigation may also create a negative perception of the Company's brand.

Regulatory Risks

The company's banking relationships are consistent with regulatory approved processes followed by many payment companies. The company is subject to annual regulatory audits in the United States, through its banking partners, to ensure adherence to banking regulations. The company is also subject to review and selective audits by the Consumer Financial Protection Bureau ("CFPB") when consumer complaints arise in an abnormal quantity. The company adheres to each regulatory requirement and has passed the necessary audits in the past but there are no guarantees that future regulatory changes, if any, will not impact the business.

Use and Protection of Intellectual Property

FUTR's success depends significantly upon its banking and technology platform and banking relationships in the United States. The Company generally relies on a combination of agreements and other contractual provisions to establish, maintain and protect their proprietary rights, all of which afford only limited protection. There can be no assurance that any pending or future patent or trademark applications will be granted; that any current or future patents or trademarks will not be challenged, invalidated or circumvented; or that the rights granted under such patents or trademarks will provide competitive advantages to the Company. There can be no assurance that other persons have not applied or will not apply for patent protection for products which utilize the same or similar processes as those used by FUTR. The inability of the Company to adequately protect its proprietary rights could have a material adverse effect on the Company's business, results of operations and financial condition.

The ownership and protection of trademarks, patents, trade secrets and intellectual property rights are important aspects of the Company's future success. Unauthorized parties may attempt to replicate or otherwise obtain and use FUTR's products and technology. Policing the unauthorized use of the Company's current or future trademarks, patents, trade secrets or intellectual property rights could be difficult, expensive, time-consuming and unpredictable, as may be enforcing these rights against unauthorized use by others. Identifying unauthorized use of intellectual property rights is difficult as the Company may be unable to effectively monitor and evaluate the products being distributed by its competitors, and the processes used to produce such products. In addition, in any infringement proceeding, some or all of the Company's trademarks, patents or other intellectual property rights or other proprietary know-how, or arrangements or agreements seeking to protect the same for the benefit of the Company, may be found invalid, unenforceable, anti-competitive or not infringed. An adverse result in any litigation or defense proceedings could put one or more of the trademarks, patents or other intellectual property rights upon which the Company will depend at risk of being invalidated or interpreted narrowly and could put existing intellectual property applications at risk of not being issued. Any or all of these events could materially and adversely affect the business, financial condition and results of operations of the Company.

Other parties may claim that the Company's products infringe on their proprietary and perhaps patent protected rights. Such claims, whether or not meritorious, may result in the expenditure of significant financial and managerial resources, legal fees, result in injunctions, temporary restraining orders and/or require the payment of damages. As well, the Company may need to obtain licenses from third parties who allege that the Company has infringed on their lawful rights. Such licenses may not be available on terms acceptable to the Company, or at all. In addition, the Company may not be able to obtain or utilize on terms that are favourable to it, or at all, licenses or other rights with respect to intellectual property that it does not own.

History of Losses

FUTR has incurred operating losses in prior periods. The Company may not be able to achieve or maintain profitability and may continue to incur losses in the future. In addition, the Company expects to continue to increase its operating expenses as it implements initiatives to continue to grow its business. If the Company's revenues do not increase to offset its expected increases in costs and operating expenses, the Company may not be profitable.

Management of Growth

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require continued implementation and improvement of their operational and financial systems and for each to expand, train and manage their respective employee bases. The inability of the Company to deal with growth may have a material adverse effect on business, financial conditions, results of operations and prospects.

Financial Reporting

The accounting policies and estimates used by the Company determine how it reports its financial condition and results of operations; this may require management to make estimates or rely on assumptions about matters that are inherently uncertain. Such estimates and assumptions may require revisions, and changes to them may materially adversely affect the Company's results of operations and financial condition. The Company assesses the carrying value of assets at least annually. From an accounting perspective, the carrying value of Intangible Assets could be diminished in the future.

Internal Control Over Financial Reporting

The effective design of internal controls over financial reporting is essential for the Company to prevent and detect fraud or material errors that may have occurred. The Company and its management have taken reasonable steps to ensure that adequate internal controls over financial reporting are in place. However, there is a risk that a fraud or material error may go undetected and that such material fraud or error could adversely affect the Company.

Non-IFRS Measures

The Company uses certain measures to assess financial performance that are not in accordance with IFRS ("Non-IFRS measures"). The Company believes the non-IFRS measures described below are more reflective of our ongoing operating results and provide readers with a better understanding of the Company's operating performance through the eyes of management. Non-IFRS measures are intended to provide additional information only and do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. These measures should not be considered in isolation or as a substitute for measures of performance determined under IFRS. The following discussion describes the non-IFRS measures we use in evaluating our operating results.

Adjusted Loss from Operations

Adjusted Loss from operations is loss from operations excluding the impact of stock-based compensation, corporate restructuring and transaction costs, business acquisition costs, and amortization of intangible assets acquired in business combinations. Management believes it is appropriate to adjust for these items when evaluating the underlying performance of our business because amortization of intangible assets and stock-based compensation are primarily non-cash in nature; and corporate restructuring, transaction costs, and business acquisition costs are not reflective of the continuing operating activities.

Reconciliation of Non-IFRS Measures to IFRS

The following table provides a reconciliation of non-IFRS to IFRS measures related to the Company's consolidated continuing results of operations for the three month and nine month periods ended March 31, 2025, and March 31, 2024:

	Three Month Period Ended			Nine Month Period Ended		
	March 31, 2025	March 31, 2024	Change	**March 31, 2025**	March 31, 2024	Change
	$	$	%	**$**	$	%
Reported and adjusted measures:						
Loss from operations	**(1,038,183)**	(452,468)	-129.4%	**(1,803,789)**	(1,415,635)	-27.4%
Adjustments:						
Stock based compensation	**17,357**	89,396	-80.6%	**74,207**	265,513	-72.1%
Listing expense	**0**	0	0.0%	**0**	0	0.0%
Transaction costs	**116,052**	0	100.0%	**116,052**	0	100.0%
Amortization of Intangible Assets	**54,583**	74,949	-27.17%	**146,804**	207,981	-29.4%
Restructuring Costs	**164,496**	0	100.00%	**164,496**	0	100.0%
Adjusted loss from operations	**(685,695)**	(288,123)	-138.0%	**(1,302,230)**	(942,141)	-38.2%

SUBSEQUENT EVENTS

On March 28, 2025, a resolution was approved to consolidate the Company’s issued and outstanding common shares on the basis of one (1) post-consolidation share for every 5.75 pre-consolidation shares and to change the Company’s name from Hank Payments Corp. to The FUTR Corporation. Both the share consolidation and name change became effective on April 7, 2025. The Company’s trading symbol on the TSX-V was also changed from “HANK” to “FTRC”.

On April 22, 2025, the Company completed the final closing of its non-brokered private placement units for total gross proceeds of $3,279,667. Each unit was priced at $0.115 per unit and consisted of one common share and ½ of a warrant. Each whole warrant is exercisable to acquire one common share at a price of $0.2875 until June 30, 2027, unless the term of the warrant is accelerated pursuant to its terms. The Company paid to eligible persons a cash finder's fee in the amount of $6,518, representing 2% of units placed by certain finders and a cash finder’s fee in the amount of $159,394, representing 7% of units placed by certain finders. The Company also issued 1,386,030 finder's warrants equal to 7% of the aggregate number of units sold under the offering attributable to certain finders. Each finder warrant is exercisable to acquire one unit of the Company until March 30, 2027, at an exercise price of $0.115 per unit.

On April 22, 2025, the Company granted incentive stock options and restricted share units to certain directors, officers, consultants and employees of the Company. An aggregate of 6,615,000 of stock options were granted at an exercise price of $0.24 per share and 2,848,755 RSUs were issued

On May 23, 2025, the Company completed the final closing of its non-brokered private placement units for total gross proceeds of $1,250,000. Each unit was priced at $0.20 per unit and consisted of one common share and one warrant. Each warrant is exercisable to acquire one common share at a price of $0.2875 until June 30, 2027, unless the term of the warrant is accelerated pursuant to its terms. The Company paid to eligible persons a cash finder's fee in the amount of $13,300, representing 7% of units placed by certain finders. The Company also issued 66,500 finder's warrants equal to 7% of the aggregate number of units sold under the offering attributable to certain finders.

On May 29, 2025, the Company granted incentive stock options to an officer and two consultants of the Company. An aggregate of 314,125 stock options were granted at an exercise price of $0.39 per share.