

Credissential Inc. (formerly Impact Analytics Inc.)
Consolidated Financial Statements
For year ended June 30, 2025



Independent Auditor's Report

To: The Shareholders of **Credissential Inc. (formerly Impact Analytics Inc.)**

Opinion

We have audited the consolidated financial statements of Credissential Inc. (formerly Impact Analytics Inc.) and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at June 30, 2025 and 2024 and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the consolidated financial statements which indicates that at June 30, 2025 the Company has an accumulated deficit of \$15,869,586 and is dependent on obtaining additional revenue or securing future equity or debt financing for its working capital and development activities. This condition, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

Key Audit Matters

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

We have determined that there are no key audit matters, in addition to the matter described in the Material Uncertainty Related to Going Concern section of our report, to be communicated in our auditors' report.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

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

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

We obtained Management's Discussion and Analysis prior to the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditors' report. We have nothing to report in this regard.

Independent Auditors' Report (continued)

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Independent Auditors' Report (continued)

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

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

The engagement partner on the audit resulting in this Independent Auditors' report is Roland A. Bishop, CPA, CA.

A handwritten signature in black ink that reads "Kenney Mack Stusarchuk Stewart LLP". The signature is written in a cursive, flowing style.

December 24, 2025
Calgary, Alberta

Chartered Professional Accountants

Credissential Inc. (formerly Impact Analytics Inc.)**Consolidated Statements of Financial Position****As at June 30, 2025 and 2024****(Expressed in Canadian dollars, except where noted)**

	Note	June 30, 2025	June 30, 2024
		\$	\$
Assets			
Current assets			
Cash		1,315	195,140
GST receivable		130,220	12,413
Prepaid expenses	5	465,705	770,150
Asset held for sale	4	1,163,240	-
		1,760,480	977,703
Intangible asset	3	1,300,000	-
Investments in private companies	13	181	181
Total assets		3,060,661	977,884
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	6	1,023,803	519,881
Accounts payable to related parties	10	4,390	39,615
Promissory notes payable	7	219,800	307,407
Convertible note payable	8	249,000	-
Convertible subscriptions	17	150,000	-
Total liabilities		1,646,993	866,903
Shareholders' equity			
Share capital	9	15,599,586	3,035,464
Reserves	9	1,683,474	64,867
Deficit		(15,869,392)	(2,989,350)
Total shareholders' equity		1,413,668	110,981
Total liabilities and shareholders' equity		3,060,661	977,884

Nature of operations and going concern - note 1

Events after the reporting period - note 18

Approved on behalf of the Board of Directors on December 24, 2025:*"Colin Frost"***Director***"William Page"***Director**

Credissential Inc. (formerly Impact Analytics Inc.)**Consolidated Statements of Loss and Comprehensive Loss****For the years ended June 30, 2025 and 2024****(Expressed in Canadian dollars, except where noted)**

	Note	June 30, 2025 \$	June 30, 2024 \$
Revenue		-	22,160
Expenses			
Bonus expense		25,000	60,000
Consulting expense		1,764,528	-
Development expenses	11	296,886	377,916
Director fees	10	185,003	63,597
Financing fees		40,750	-
Finders' fees	8	316,366	-
General and administrative expenses		281,118	250,688
Interest and bank charges		7,249	125,395
Interest on promissory notes	7	23,223	7,407
Investor relations expense		1,664,418	494,021
Professional fees		440,877	997,164
Shared-based payments	9	7,155,294	438,965
Transaction fees		330,000	-
Travel		196,550	-
Operating loss		(12,727,262)	(2,792,993)
Other (income) expenses			
Other income		-	(32)
Gain on debt settlement	9	(22,600)	-
Debt forgiveness		(64,758)	-
Loss on asset held for sale	4	204,760	-
Exchange loss		35,378	11,359
Net loss and comprehensive loss for the year		(12,880,042)	(2,804,320)
Weighted average shares outstanding			
Basic and diluted		55,369,226	26,958,121
Loss per share			
Basic and diluted		(0.23)	(0.10)

Credissential Inc. (formerly Impact Analytics Inc.)**Consolidated Statements of Cash Flows****For years ended June 30, 2025 and 2024****(Expressed in Canadian dollars, except where noted)**

	June 30, 2025	June 30, 2024
	\$	\$
Operating activities		
Loss for the period	(12,880,042)	(2,804,320)
Adjustments for non-cash items:		
Transaction fees	330,000	-
Share-based payments	7,155,294	-
Interest expense	23,223	438,965
Loss on asset held for sale	204,760	-
Gain on debt settlement	(22,600)	-
Debt forgiveness	(64,758)	-
Net change in non-cash working capital items:		
GST receivable	(117,807)	(12,413)
Prepaid expenses	304,445	(770,150)
Accounts payable and accrued liabilities	1,912,297	562,220
Accounts payable to related parties	(35,225)	-
Net cash flows - operations	(3,190,413)	(2,585,698)
Investing activities		
Cash payment on acquisition of Antenna Transfer Inc.	(25,000)	-
Net cash flows - investing	(25,000)	-
Financing activities		
Proceeds from issuance of shares, net of cash share issue costs	1,623,827	2,471,566
Proceeds from convertible note	1,040,000	-
Proceeds from convertible subscriptions	150,000	-
Proceeds from exercise of stock options	318,591	-
Proceeds from promissory notes	116,300	300,000
Repayment of promissory notes, including facilitation fees and interest	(227,130)	-
Repayment to related parties	-	(1,080)
Net cash flows from financing	3,021,588	2,770,486
Change in cash during the year	(193,825)	184,788
Cash, beginning of year	195,140	10,352
Cash, end of year	1,315	195,140

Credissential Inc. (formerly Impact Analytics Inc.)
Consolidated Statements of Changes in Shareholders' Equity
For the years ended June 30, 2025 and 2024
(Expressed in Canadian dollars, except where noted)

	Common shares	Share capital	Reserves	Deficit	Total
	#	\$	\$	\$	\$
Balance, June 30, 2023	25,888,400	189,800	-	(185,030)	4,770
Issuance of common shares - private placements, net of share issue costs	3,493,452	2,471,566	-	-	2,471,566
Share-based compensation	-	-	438,965	-	438,965
Exercise of RSUs	221,360	374,098	(374,098)	-	-
Net loss and comprehensive loss for the period	-	-	-	(2,804,320)	(2,804,320)
Balance, June 30, 2024	29,603,212	3,035,464	64,867	(2,989,350)	110,981
Issuance of common shares - convertible note	7,177,710	1,101,000	-	-	1,101,000
Issuance of common shares - acquisition of Antenna	4,500,000	1,202,926	-	-	1,202,926
Issuance of common shares - finder's fee on acquisition of Antenna	450,000	120,293	-	-	120,293
Issuance of common shares - private placements, net of share issue costs	14,996,968	1,394,314	229,513	-	1,623,827
Issuance of common shares - acquisition of CoinCmply	20,000,000	1,300,000	-	-	1,300,000
Share-based compensation	-	-	7,155,294	-	7,155,294
Exercise of RSUs	17,447,307	5,576,000	(5,576,000)	-	-
Exercise of stock options	513,856	508,791	(190,200)	-	318,591
Shares for debt settlement	23,949,650	1,360,798	-	-	1,360,798
Net loss and comprehensive loss for the period	-	-	-	(12,880,042)	(12,880,042)
Balance, June 30, 2025	118,638,703	15,599,586	1,683,474	(15,869,392)	1,413,668

Credissential Inc. (formerly Impact Analytics Inc.)

Notes to the Consolidated Financial Statements

For the years ended June 30, 2025 and 2024

(Expressed in Canadian dollars, except where noted)

1. NATURE OF OPERATIONS AND GOING CONCERN

Credissential Inc. (formerly Impact Analytics Inc.) (the "Company") is a corporation incorporated under the Business Corporations Act (Alberta) on January 28, 2020. The registered and head office address of the Company is 191 Ordze Avenue, Sherwood Park, Alberta, T8B 1M6.

Since the date of incorporation, the Company has issued and closed an Offering Memorandum for its Class A shares (the "Offering"), provided services pursuant to the administration agreement, put in place a management team, a board of directors and retained legal counsel.

The Company listed its shares on the Canadian Securities Exchange (CSE) on August 13, 2020 (Symbol "ACA") it then changed its name on October 20, 2023 to Impact Analytics Inc. (Symbol "PACT") and is now identified by the symbol "WHIP" following its name change to Credissential Inc. on September 18, 2024.

The Company's subsidiary business previously was to sell minority interests in the subsidiaries it forms to arms-length purchasers ("Purchasers"), which allows debt securities of the subsidiaries to be eligible for registered savings plans. A registered savings plan is a registered retirement savings plan, registered education savings plan, registered retirement income fund, a tax-free savings account or other similar registered savings plan. The Purchasers use the capital raised at their own discretion, without reliance on the management or resources of the Company. The Company's management and capital are not committed to these subsidiaries, nor does the Company receive any economic benefit from the operations of the subsidiaries.

On March 18, 2024, the Company described its change of business being to provide risk assessment, data intelligence and financial services platforms powered by AI (artificial intelligence). To this end, the Company is engaged in building a proprietary product stack to optimize and streamline financial decision making for enterprises and individuals. The Company is currently developing three commercial projects: two market entry applications: Credissential, Lana Cash and the PACT platform.

On May 20, 2025, the Company announced a comprehensive update to its strategic direction, following the successful acquisition of crypto tax software provider 1000927675 Ontario Inc. dba CoinCmply ("CoinCmply"). On June 30, 2025, the Company entered into a definitive agreement, for the sale of Antenna Transfer Inc. (note 4), which is anticipated to be completed during the third quarter of fiscal year 2026. The Company is now positioned as a diversified financial transfer solutions provider with two distinct software platforms, including DealerFlow, and CoinCmply.

These consolidated financial statements ("financial statements") are prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations.

As at June 30, 2025, the Company had working capital deficiency (excluding asset held for sale) of \$1,049,753 (June 30, 2024 working capital of \$110,800), and accumulated deficit of \$15,869,392 (June 30, 2024 - \$2,989,350). During the year the Company also incurred a net and comprehensive loss of \$12,880,042.

The Company does not have traditional sources of revenue, and historically has relied on advances payable and equity financings to cover its operating expenses. The Company's ability to continue as a going concern depends upon it obtaining additional revenue or securing future equity or debt financing for its working capital and development activities, which is uncertain.

The financial statements do not include any adjustments that would result from the Company being unable to continue as a going concern. These conditions indicate the existence of material uncertainty related to the Company's ability to continue as a going concern.

Credissential Inc. (formerly Impact Analytics Inc.)

Notes to the Consolidated Financial Statements

For the years ended June 30, 2025 and 2024

(Expressed in Canadian dollars, except where noted)

2. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These financial statements have been prepared on an historical cost basis, except for financial instruments which are classified as fair value through profit or loss ("FVTPL"). In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and presentation currency

These financial statements are presented in Canadian dollars, except where noted, which is the functional currency of the Company and its subsidiaries.

Principles of consolidation

These financial statements include the financial information of the Company and its subsidiaries. The financial statements include the following entities:

Credissential Inc.	100%	Parent company
PACT Cloud Ltd.	100%	Holding company
1000927675 Ontario Inc. (note 3)	100%	Technology company
Antenna Transfer Inc. (note 4)	100%	Technology company

Subsidiaries are entities controlled by the Company and are included in the financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries are changed where necessary to align them with the policies adopted by the Company. Inter-company balances and transactions, and any unrealized income (loss) and expenses arising from inter-company transactions, are eliminated in preparing the financial statements.

Significant accounting estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities as at the date of the financial statements and reported amounts of profit or loss and expenses during each reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

The information about significant areas of estimation uncertainty considered by management in preparing these financial statements are as follows:

Fair value of equity incentives (stock options, restricted share units, deferred share units, performance share units) and compensatory warrants

Determining the fair value of stock options, and compensatory warrants for services or in relation to financings, requires estimates related to the choice of a pricing model, the estimation of stock price volatility, the fair value of the Company's common shares, the expected forfeiture rate and the expected term of the underlying instruments. Any changes in the estimates or inputs utilized to determine fair value could have a significant impact on the Company's future operating results or on other components of shareholders' equity.

Credissential Inc. (formerly Impact Analytics Inc.)

Notes to the Consolidated Financial Statements

For the years ended June 30, 2025 and 2024

(Expressed in Canadian dollars, except where noted)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

The information about significant areas of judgment considered by management in preparing these financial statements is as follows:

Acquisitions

The determination of whether a set of assets acquired, and liabilities assumed constitute a business may require the Company to make certain judgments, considering all facts and circumstances. A business is presumed to be an integrated set of activities and assets capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or economic benefits.

Research and operational expenses

The determination of whether expenditures on research and development activities meet the criteria for capitalization as internally generated intangible assets is subject to estimation and uncertainty. The Company has determined that until such time that it has a commercial-scale in the condition and location necessary to commence commercial scale, that it will remain in the research phase and accordingly expenditures will be recognized within expenses on the consolidated statements of loss and comprehensive loss.

Indicators of Impairment

The Company makes judgements about whether or not indicators of impairment, or indicators of a reversal of impairment, exist at each reporting period. This determination impacts whether or not a detailed impairment quantitative assessment is performed at the reporting date

Asset held for sale

The Company makes judgments in classifying certain non-current assets as held for sale in accordance with IFRS 5, *Non-current Assets Held for Sale and Discontinued Operations*. This assessment involved determining whether the assets were available for immediate sale in their present condition and whether the sale was highly probable within the next 12 months.

As at June 30, 2025, the Company classified Antenna Transfer Inc. as held for sale (note 4). This decision was based on the Company entering into a definitive sale agreement. The Company continues to reassess the classification at each reporting date to ensure the criteria under IFRS 5 remain met.

Acquisitions

Asset acquisitions are accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values at the date of acquisition of assets transferred, liabilities incurred or assumed, and equity instruments issued by the Company, if any. The acquiree's identifiable assets and liabilities assumed are recognized at their fair value at the acquisition date, or if the fair values exceed the consideration paid, then the consideration paid is allocated on a pro rata basis to the identifiable assets acquired based on their relative fair values.

Research and development

The Company incurs certain costs in connection with the development of software to be used internally for providing services to customers are capitalized once a project has progressed beyond a conceptual, preliminary stage to that of application development. Development costs that are directly attributable to the design and testing of the software controlled by the Company are recognized as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product and use or sell it;
- There is an ability to use or sell the software product;
- It can be demonstrated how the software product will generate probable future benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- The expenditure attributable to the software product during the development can be reliably measured.

Credissential Inc. (formerly Impact Analytics Inc.)**Notes to the Consolidated Financial Statements****For the years ended June 30, 2025 and 2024****(Expressed in Canadian dollars, except where noted)**

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**Share capital**

Common shares are classified as shareholders' equity. Transaction costs directly attributable to the issue of common shares are recognized as a deduction from shareholders' equity, as share issue costs. Common shares issued for consideration other than cash, are valued based on their fair value on the date the shares are issued. The Company has adopted a residual value method with respect to the measurement of warrants attached to units in private placement and prospectus offerings (collectively, "equity offerings"). The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

The Company considers the fair value of common shares issued in equity offerings to be the more easily measurable component. The balance, if any, is allocated to the attached warrants. Any value attributed to the warrants is recorded within reserves and such value is reversed and credited to share capital upon the exercise or expiry of warrants.

Share-based payments

The Company has an Omnibus Equity Incentive Plan that provides for the granting of stock options, restricted share units, deferred share units, and performance share units to directors, officers, employees, and consultants to acquire common shares of the Company as part of long-term incentive compensation.

Stock options

The fair value of the stock options are measured on grant date and is recognized as an expense with a corresponding increase in reserves as the stock options vest. Stock options granted to employees and others providing similar services are measured at grant date at the fair value of the instruments issued. Fair value is determined using the Black-Scholes option pricing model considering the terms and conditions upon which the stock options were granted. The amount recognized as an expense is adjusted to reflect the actual number of stock options that are expected to vest. Each tranche in an award with graded vesting is considered a separate grant with a different vesting date and fair value. Each grant is accounted for on that basis.

Stock options granted to non-employees are measured at the fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case the fair value of the equity instruments issued is used. The value of the goods or services is recorded at the earlier of the vesting date, or the date the goods or services are received.

Over the vesting period, share-based payments are recorded as an expense and as reserves. When stock options are exercised, the consideration received is recorded as share capital and the related share-based payments originally recorded as reserves are transferred to share capital. When stock options are cancelled or expire, the initial recorded value is reversed from reserves and credited to deficit.

Restricted share units

Restricted share units ("RSUs") are granted to eligible directors, employees, and consultants of the Company. RSUs are classified as equity settled share-based payment transactions as the participants will receive either common shares of the Company or payment of cash, or any combination of the foregoing, as determined by the Company in its sole discretion, following a redemption event. As such, the Company measures the share-based payment expense based on the quoted market price of the Company's common shares on the grant date and recognizes the expense over the vesting period, with a corresponding increase in reserves. When RSUs are exercised, the initial recorded value is reversed from reserves and credited to share capital.

Credissential Inc. (formerly Impact Analytics Inc.)

Notes to the Consolidated Financial Statements

For the years ended June 30, 2025 and 2024

(Expressed in Canadian dollars, except where noted)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Intangible assets (note 3)

Intangible assets with finite lives are measured at cost less accumulated amortization and impairment losses. These intangible assets are amortized on a straight-line basis over their estimated useful lives. Useful lives, residual values, and amortization methods for intangible assets with finite useful lives are reviewed at least annually.

Indefinite life intangible assets are measured at cost less any impairment charges. These intangible assets are tested for impairment on an annual basis or more frequently if there are indicators that intangible assets may be impaired.

The Company amortizes its finite life intangible assets over their estimated useful lives which are estimated to be the term of the underlying patents.

Convertible note payable (note 8)

Convertible note payables issued by the Company are classified as compound financial instruments in accordance with IAS 32. On initial recognition, the liability component is measured at fair value using the market interest rate for similar non-convertible debentures, with the equity component measured as the residual value. Transaction costs are allocated to the liability and equity components on a relative fair value basis. The liability component is subsequently measured at amortized cost using the effective interest method in accordance with IFRS 9, while the equity component is not remeasured. On conversion, the carrying amounts of the liability and equity components are transferred to share capital, with no gain or loss recognized.

Assets held for sale (note 4)

Non-current assets and disposal groups are classified as held for sale if their carrying value will be recovered principally through a sale transaction rather than through continuing use. The criteria for held for sale classification are regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset or disposal group and the sale expected to be completed within one year from the date of the classification. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell ("FVLCS"). If the FVLCS is lower than the carrying amount, an impairment loss is recognized in the Consolidated Statements of Comprehensive Income (Loss). Non-current assets are not depreciated or amortized once classified as held for sale. Assets classified as held for sale are presented separately as current items in the Company's consolidated statements of financial position.

Impairment of non-financial assets

The Company's non-financial assets are reviewed for an indication of impairment at the end of each reporting period. If an indication of impairment exists, the asset's recoverable amount is estimated. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. A reversal of an impairment loss is recognized immediately in profit or loss.

Credissential Inc. (formerly Impact Analytics Inc.)

Notes to the Consolidated Financial Statements

For the years ended June 30, 2025 and 2024

(Expressed in Canadian dollars, except where noted)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments

All financial instruments are recognized initially at fair value on the date at which the Company becomes a party to the contractual provisions of the instrument. The classification of the Company's financial assets and financial liabilities are detailed in note 15.

Classification and measurement of financial assets and liabilities

The Company classifies its financial instruments based on the purpose for which they were acquired, in one of the following categories: amortized cost; fair value through other comprehensive income (loss) ("FVOCI") or fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured at FVTPL (an irrevocable election at the time of recognition). Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, financial liabilities are measured at amortized cost using the effective interest method. Interest expense (finance costs) is recorded to profit or loss. For assets and liabilities measured at fair value, gains and losses are either recorded in profit or loss or other comprehensive income (loss). The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Impairment of financial assets

An 'expected credit loss' ("ECL") model applies to financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments.

Income taxes (note 16)

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in shareholders' equity, in which case it is recognized in shareholders' equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years. Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting year, applicable to the year of expected realization or settlement. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

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

Loss per share

The Company presents basic and diluted earnings (loss) per share ("EPS") data for its common shares. Basic EPS is calculated by dividing the profit or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted EPS is determined by dividing the profit or loss attributable to common shareholders by the weighted average number of common shares outstanding, adjusted for the effects of all potential dilutive common shares related to outstanding stock options and warrants issued by the Company for the years presented, except if their inclusion proves to be anti-dilutive.

Credissential Inc. (formerly Impact Analytics Inc.)

Notes to the Consolidated Financial Statements

For the years ended June 30, 2025 and 2024

(Expressed in Canadian dollars, except where noted)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

New accounting policies

Certain pronouncements have been issued by the IASB that are effective for accounting periods beginning on or after July 1, 2024. With the exception of changing the Company's accounting policies from "significant" to "material", the Company has reviewed all other updates and determined that many of these updates are not applicable or consequential to the Company and have been excluded from discussion within the material accounting policy information.

The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. The Company is currently assessing the impact of the following standard which has been issued, but is not yet effective, for prospective periods beginning after July 1, 2025:

- In April 2024, the IASB issued IFRS 18 - Presentation and Disclosure in Financial Statements, replacing IAS 1. The standard is effective for the Company's fiscal year beginning July 1, 2027, with retrospective application if elected. IFRS 18 introduces a new structure for the statement of profit or loss by requiring income and expenses to be classified into operating, investing, and financing categories. It also mandates the disclosure of Management defined Performance Measures ("MPMs"), which are certain non-GAAP measures, within the audited financial statements. The Company is currently assessing the impact of IFRS 18. While the standard will significantly change the presentation and disaggregation of financial information, it will not impact the recognition or measurement of assets, liabilities, income, or expenses.

3. ACQUISITION OF COINCMPLY

On May 14, 2025, the Company announced its acquisition of CoinCmply, a private company. Under the terms of the agreement, the Company acquired intellectual property with a value of \$1,300,000 through the acquisition 1000927675 Ontario Inc., through the issuance of 20,000,000 common shares in the Company, representing a fair value of \$0.065 per common share.

The transaction is arm's length and no finder's fees are payable. The agreement contains a debt forgiveness clause whereby CoinCmply ensured that all accounts payable and accrued liabilities of CoinCmply were forgiven, repaid or otherwise extinguished in connection with the closing of the Proposed Transaction. The Company did not assume any liabilities.

The acquisition of the CoinCmply constitutes an asset acquisition and has been accounted for under the acquisition method. The allocation of the purchase price to the assets acquired and liabilities assumed is based on their estimated fair values as of the acquisition date. The assets and liabilities have been included in the Company's consolidated financial statements starting from May 14, 2025.

The Company acquired an intangible asset upon acquisition for total consideration of \$1,300,000. As the acquisition did not constitute a business under IFRS 3, the consideration was allocated to the intangible asset based on the respective fair value.

Management has determined that the IP has an indefinite useful life due to the following factors:

- The IP is expected to generate economic benefits indefinitely as it can be continuously developed and adapted to evolving market needs.
- No foreseeable limit exists to the period over which the IP is expected to contribute to the Company's cash flows.
- The Company plans to maintain and upgrade the IP to sustain its utility and relevance.

As a result, the IP will not be amortized but will be subject to annual impairment testing.

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4. ANTENNA TRANSFER INC.

On August 16, 2024, the Company closed its acquisition of Antenna Transfer Inc ("Antenna"). Under the terms of the definitive agreement, the Company issued 4,500,000 common shares to Antenna's shareholders and paid \$25,000 in cash. The consideration shares are subject to a 12-month lock-up period, after which 20% of the shares will be released each month. A finder's fee was also issued, amounting to 450,000 common shares.

The acquisition of the Antenna constitutes an asset acquisition and has been accounted for under the acquisition method, as outlined in IFRS 3, Business Combinations. The allocation of the purchase price to the assets acquired and liabilities assumed is based on their estimated fair values as of the acquisition date. The assets and liabilities have been included in the Company's consolidated financial statements starting from August 16, 2024.

Antenna's assets comprised of proprietary intellectual property ("IP"), determined to have a fair value of \$1,368,000 which was initially recorded as an intangible asset on the statement of Financial Position and the liabilities assumed by the Company were accounts payable and accrued liabilities of \$19,781, for total net assets acquired of \$1,348,219.

The acquired IP is a privacy-focused, encrypted file-sharing and payment platform currently in its pre-revenue stage. The IP was valued using the reproduction cost approach, as this method most reliably estimates fair value in the absence of established revenues or cash flow projections. The 4,500,000 common shares issued to Antenna's shareholders and 450,000 common shares issued as a finder's fee were valued based on the consideration received, less the \$25,000 cash payment. Therefore, on a pro-rata basis a total of \$1,323,219 was recorded as share capital.

Further, on June 30, 2025 the Company entered into a definitive agreement to sell Antenna to Codefai Limited ("Codefai"). Codefai is a publicly listed Australian-based product authentication and consumer engagement solutions provider. Under the terms of the Agreement, Credissential will sell all IP to Codefai for total consideration of \$1,300,000 Australian Dollars ("AUD") comprised of common shares of Codefai valued at AUD\$1,150,000 and AUD\$150,000 cash. As the Company has entered into the definitive agreement and intends to sell Antenna prior to June 30, 2025 the Company has reclassified the intangible asset to asset held for sale at the consideration value of \$1,163,240 (AUD\$1,300,000) and recorded a loss on sale of asset held for sale of \$204,760.

The definitive agreement is expected to be executed during the Company's third quarter of fiscal year 2026.

5. PREPAID EXPENSES

Receivables and prepayments consist of the following balances:

	June 30, 2025	June 30, 2024
	\$	\$
Consulting and advisory	62,621	200,105
Insurance	9,167	8,333
Investor relations	393,917	561,712
	465,705	770,150

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of the following balances:

	June 30, 2025	June 30, 2024
	\$	\$
Trades payable	702,376	363,034
Facilitation fees payable	87,000	70,000
Accrued liabilities	234,427	86,847
	1,023,803	519,881

On April 22, 2025, the Company executed agreements with various creditors to settle balances owed through the issuance of common shares (note 9).

Credissential Inc. (formerly Impact Analytics Inc.)**Notes to the Consolidated Financial Statements****For the years ended June 30, 2025 and 2024****(Expressed in Canadian dollars, except where noted)**

7. PROMISSORY NOTES PAYABLE

Promissory notes payable consist of the following balances:

	721785 N.B. Inc.	Other promissory notes	Total
	\$	\$	\$
Principal and interest payable, beginning of year	307,407	-	307,407
Draws	-	116,300	116,300
Repayments	(175,000)	(52,130)	(227,130)
Interest expense	21,966	1,257	23,223
Principal and interest payable, end of year	154,373	65,427	219,800

As of June 30, 2025 the Company has issued the following promissory notes to 721785 N.B. Inc. (the "Lender"):

- April 9, 2024: The Company issued a promissory note for a principal amount of \$200,000, bearing interest at 10% per annum. A facilitation fee of \$50,000 is also payable on demand. Interest is calculated annually in arrears and payable on demand. The note is repayable within 30 days of written demand by the Lender.
- May 2, 2024: The Company issued a promissory note for a principal amount of \$50,000, bearing interest at 10% per annum. A facilitation fee of \$10,000 is payable on demand. Interest is calculated annually in arrears and payable on demand. The note is repayable within 30 days of written demand by the Lender.
- May 9, 2024: The Company issued a promissory note for a principal amount of \$50,000, bearing interest at 10% per annum. A facilitation fee of \$10,000 is payable on demand. Interest is calculated annually in arrears and payable on demand. The note is repayable within 30 days of written demand by the Lender.
- On January 20, 2025, the Company made a principal repayment of \$175,000 to the Lender on the promissory notes.

During the year ended June 30, 2025, the Company incurred interest expense of \$21,966 (2024 - \$7,407) on the outstanding balances.

The total amounts included in promissory notes payable as at June 30, 2025 related to the Lender is the principal amount of \$125,000 (June 30, 2024 - \$300,000) and accrued interest of \$29,373 (June 30, 2024 - \$7,407). As at June 30, 2025 the facilitation fee payable of \$70,000 (June 30, 2024 - \$70,000) remains outstanding and is included within accrued liabilities. No demand for repayment has been made as of the reporting date.

During the year ended June 30, 2025, the Company also issued short-term promissory notes for gross proceeds of \$116,300 (2024 - \$nil) to various parties, all bearing interest at 10% per annum and incurred facilitation fees of \$40,750. During the year ended June 30, 2025, the Company incurred interest expense of \$1,257 and made payments of \$75,881 towards the outstanding principals, accrued interest and facilitation fees payable. The total amounts included in promissory notes payable as at June 30, 2025 related to principal was \$64,500 and accrued interest of \$927. As at June 30, 2025, the outstanding facilitation fees payable were \$17,000 and were included within accrued liabilities.

8. CONVERTIBLE NOTES PAYABLE

On July 25, 2024, the Company entered into a subscription agreement with Helena Special Opportunities, LLC ("HSO" or "Investor"), pursuant to which the Company issued senior unsecured convertible debentures ("Convertible Notes") with a total principal amount of up to \$5,350,000. The Convertible Notes were issued in tranches, with an initial tranche of \$1,350,000 issued at closing and subsequent tranches of \$250,000 each available at the mutual agreement of the Company and HSO over a 24-month commitment period. The Convertible Notes were issued at 80% of their principal value, representing a subscription price of \$4,280,000.

The Convertible Notes mature 12 months from their respective issuance date unless earlier converted or redeemed.

Credissential Inc. (formerly Impact Analytics Inc.)

Notes to the Consolidated Financial Statements

For the years ended June 30, 2025 and 2024

(Expressed in Canadian dollars, except where noted)

8. CONVERTIBLE NOTES PAYABLE (continued)

Each tranche issuance is accompanied by warrants equal to 50% of the tranche value, exercisable for five years at a price equal to 125% of the common share price on the day prior to their issuance, which the Company determines to be another standalone equity component. On August 1, 2025 in connection with the first tranche, the Company issued 675,000 warrants with an exercise price of \$0.83 exercisable until August 1, 2029.

The Company determined that there are several financial components of the Convertible Notes. The significant ones include the note payable and the commitment fee liability. There is also a standalone equity component being the warrants issued.

The fair value of the \$1,350,000 initial tranche was determined to be \$1,080,000 on the First Closing date of July 25, 2024, and the residual value of \$nil was assigned to the warrants. A commitment fee of \$240,750 was satisfied through the issuance of additional Convertible Notes, which were recorded as a convertible loan liability and expensed at fair value. The fair value of the convertible notes, being the initial tranche and commitment fee settled through issuance of additional Convertible Notes was determined to be equal to the principal and accordingly, the residual of \$nil was assigned to the conversion liability. In connection with the convertible note the Company recorded finder's fees of \$316,366 comprising of a percentage of the committed value, advisory fees and expense reimbursements to the finder.

During the year ended June 30, 2025, the Company received conversion notices totaling \$1,101,000 resulting in 7,177,710 common shares being issued to reduce the loan liability. Share capital of \$1,101,000 was recognized in the year ended June 30, 2025.

The fair value of the convertible loan payable at June 30, 2025 was \$249,000. The fair value of the Convertible Note outstanding at a given date is determined by the total liabilities the Company would have to pay to the Investor assuming the Investor converts the Convertible Note on that date.

9. SHARE CAPITAL AND RESERVES

The Company has an unlimited number of Class A voting common shares, and an unlimited number of Class A, Class B and Class C preferred shares authorized for issue.

On October 6, 2023, the Company enacted a stock split on a 4:1 basis increasing the common shares outstanding from 6,472,100 common shares to 25,888,400 directly following completion of the split. The corporation expects that the stock split will increase the liquidity and marketability of the common shares. All equity instruments presented in these financial statements have been reflected to enact the stock-split retrospectively effective July 1, 2023.

Share capital

Transactions for the issuance of share capital during the year ended June 30, 2025:

On August 16, 2024, 4,500,000 common shares were issued to the shareholders' of Antenna (the "Acquisition Shares") and an additional 450,000 were issued in respect to finders' fees. The fair value of these shares was recorded on a pro-rata basis based on the net assets acquired, less cash payments of \$25,000. The resulting fair value allocated was \$1,202,926 and \$120,293, respectively to the of the Acquisition Shares and shares issued in respect to finders' fees.

On January 17, 2025, the Company closed a Listed Issuer Financing Exemption ("LIFE") and Concurrent Offering, whereby the Company issued a total of 14,996,968 units of the Company at a price of \$0.12 per for gross proceeds of \$1,799,636. Each unit consists of one common share in the capital of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to acquire one common share at a price per warrant share of \$0.16 for a period of 60 months from the date of issuance.

In connection with the LIFE and Concurrent Offering the Company incurred \$175,809 in cash share issue costs and issued 1,049,708 compensation options (the "Compensation Options"). Each Compensation Options entitles the holder to acquire one unit of the Company at a price of \$0.12. Each unit consists of one common share in the capital of the Company and one common share purchase warrant (each a "Compensation Warrant").

Credissential Inc. (formerly Impact Analytics Inc.)

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(Expressed in Canadian dollars, except where noted)

9. SHARE CAPITAL AND RESERVES (continued)

Each warrant entitles the holder thereof to acquire one common share at a price per share of \$0.16 for a period of 60 months from the date of issuance.

The fair value of the Compensation Options was calculated using the following assumptions: expected life of options - three years, stock price volatility - 207.99%, no dividend yield, and a risk-free interest rate - 3.01%. Using the above assumptions, the fair value of Compensation Options granted was \$0.11 per Compensation Option, for an aggregate value of \$112,267. The fair value of the Compensation Warrants was calculated using the following assumptions: expected life of options - five years, stock price volatility - 207.99%, no dividend yield, and a risk-free interest rate - 3.01%. Using the above assumptions, the fair value of Compensation Warrants granted was \$0.11 per Compensation Warrant, for an aggregate value of \$117,246.

The fair value of Compensation Options and Compensation Warrants have been recorded as a share issuance costs. As at June 30, 2025 all Compensation Options remain outstanding and exercisable.

On April 22, 2025, the Company executed agreements with various creditors to settle balances owed through the issuance of common shares (the "Shares for Debt"). An aggregate of 23,949,650 common shares were issued to settle \$1,360,798 in balances owed. An additional balance owed of \$45,200 was settled through cash of \$22,600 in connection for a gain of \$22,600.

During the year ended June 30, 2025 the Company issued shares on the conversion of convertible debentures, stock options and RSUs as follows:

- 7,177,710 common shares were issued on principal conversion of \$1,101,000 related to the Convertible Notes Payable (note 8). The fair value of common shares was based on the market price on the date of conversion at a range of \$0.04 to \$0.71. The aggregated fair value of \$1,101,000 was recorded as share capital.
- 513,856 common shares were issued upon the exercise of stock options with an exercise price of \$0.62 for proceeds of \$318,591. In addition, \$190,200 representing the fair value initially recognized, was re-allocated from reserves to share capital.
- 17,447,307 common shares were issued upon exercise of RSUs at no additional consideration. The \$5,576,000 representing the fair value initially recognized, was re-allocated from reserves to share capital.

Transactions for the issuance of share capital during the year ended June 30, 2024:

On October 6, 2023, the Company issued shares pursuant to a stock split of 4:1 basis and outstanding common shares increased from 6,472,100 common shares to 25,888,400 common shares directly following completion of the split. The corporation expects that the stock split will increase the liquidity and marketability of the common shares.

During December 2023 and January 2024, the Company completed a non-brokered private placement of units for gross proceeds of \$752,070 through the issuance of 1,504,140 units at a price of \$0.50 per unit. Each unit included one common share of the Company and one common share purchase warrant. Each warrant was exercisable into one common share at a price of \$1.25 per share for two years from the date of issue.

On March 19, 2024, the Company completed the first tranche of a non-brokered private placement of units with gross proceeds of \$804,496 through the issuance of 623,640 units at a price of \$1.29 cents per unit. Each unit included one common share of the Company and one-half of one common share purchase warrant, with each warrant exercisable for a period of two years at a price of \$2.00 per warrant.

On June 21, 2024, the Company completed a non-brokered private placement offering of units for a total \$915,000. The offer consisted of 1,365,672 units, priced at \$0.67 per unit. Each unit includes one common share in the capital of the Company and one common share purchase warrant, with each warrant exercisable for a period of five years at a price of \$0.83 per warrant.

Credissential Inc. (formerly Impact Analytics Inc.)**Notes to the Consolidated Financial Statements****For the years ended June 30, 2025 and 2024****(Expressed in Canadian dollars, except where noted)**

9. SHARE CAPITAL AND RESERVES (continued)**Stock options**

The Company has an Omnibus Equity Incentive Plan which was approved by shareholders in September 20, 2023 (the "Equity Plan") and replaces the previous stock option plan. The Equity Plan provides for the grant of stock options and RSUs subject to CSE approval. Under the Equity Plan, the maximum number of equity-based awards issued cannot exceed 30% of the Company's currently issued and outstanding common shares.

In accordance with the Equity Plan, the exercise price of each stock option shall not be less than the market price of the Company's common shares as calculated at the close of the trading session on the date immediately prior to the date of grant. Stock options can be granted for a maximum term of ten years, and vest at the discretion of the Board of Directors. Stock options outstanding under the Company's former stock option plan are governed by the Equity Plan unless the former stock option plan is more beneficial, in which case the terms of the stock option plan will apply for the benefit of the option holder. The Company's Equity Plan permits the holder of stock options to exercise cashless (net exercise) by surrendering a portion of the underlying stock option shares to pay for the exercise cost.

A continuity of the Company's stock options is as follows:

	Options
	#
Options outstanding, June 30, 2023	-
Granted	5,160,000
Cancelled/forfeited/expired	(5,160,000)
Options outstanding, June 30, 2024	-
Granted	3,073,856
Exercised	(513,856)
Options outstanding, June 30, 2025	2,560,000

As at June 30, 2025, the Company had stock options outstanding and exercisable as follows:

Expiry date	Options outstanding and exercisable	Exercise price	Contractual life remaining
	#	\$	(years)
August 26, 2026	10,000	0.69	1.16
September 3, 2026	50,000	0.61	1.18
February 18, 2027	2,000,000	0.08	1.63
May 12, 2025	500,000	0.05	0.13
	2,560,000	0.09	1.33

The Company recorded the fair value of the stock options granted during the year ended June 30, 2025 and year ended June 30, 2024, using the Black-Scholes option pricing model.

Transactions for stock options during the year ended June 30, 2025:

On August 8, 2024, 513,856 stock options were granted to a consultant exercisable at \$0.62 each, expiring on August 8, 2026, which vested immediately. Fair value was calculated using the following assumptions: expected life of options - two years, stock price volatility - 115%, no dividend yield, and a risk-free interest rate - 3.23%. Using the above assumptions, the fair value of options granted was \$0.37 per option, for an aggregate total of \$190,200.

On August 26, 2024, 10,000 stock options were granted to a consultant exercisable at \$0.69 each, expiring on August 26, 2026, which vested immediately. Fair value was calculated using the following assumptions: expected life of options - two years, stock price volatility - 115%, no dividend yield, and a risk-free interest rate - 3.27%. Using the above assumptions, the fair value of options granted was \$0.41 per option, for an aggregate total of \$4,100.

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9. SHARE CAPITAL AND RESERVES (continued)

On September 3, 2024, 50,000 stock options were granted to a consultant exercisable at \$0.66 each, expiring on September 3, 2027, of which 50% vested immediately with the remaining 50% vesting On December 3, 2024. Fair value was calculated using the following assumptions: expected life of options - two years, stock price volatility - 115%, no dividend yield, and a risk-free interest rate - 3.05%. Using the above assumptions, the fair value of options granted was \$0.42 per option, for an aggregate total of \$20,800.

On February 18, 2025, 2,000,000 stock options were granted to a consultant exercisable at \$0.08 each, expiring on February 18, 2027, which vested immediately. Fair value was calculated using the following assumptions: expected life of options - two years, stock price volatility - 207%, no dividend yield, and a risk-free interest rate - 2.89%. Using the above assumptions, the fair value of options granted was \$0.07 per option, for an aggregate total of \$137,665.

On May 12, 2025, 500,000 stock options were granted to a consultant exercisable at \$0.05 each, expiring on May 12, 2026, which vested immediately. Fair value was calculated using the following assumptions: expected life of options - one year, stock price volatility - 208%, no dividend yield, and a risk-free interest rate - 2.80%. Using the above assumptions, the fair value of options granted was \$0.03 per option, for an aggregate total of \$15,530.

The total share-based payment expense for the year ended June 30, 2025, was \$368,295 (2024 - \$64,867) attributable to vesting of stock options during the period then ended.

Transactions for stock options during the year ended June 30, 2024:

During the year ended June 30, 2024, the Company issued an aggregate of 5,160,000 stock options to certain Directors, Officers, and consultants of the corporation, with each option exercisable for one common share of the Company at an exercise price of \$0.0275 for two years from the date of grant. During the year ended June 30, 2024, a total of 2,580,000 of the options vested, and the remaining 50% will vest one year after the grant date.

The fair value of the options was estimated using the Black Scholes option pricing model and the following weighted average assumptions: share price - \$0.0275; exercise price - \$0.0275; expected life - 24 months; annualized volatility - 115%; quarterly dividend yield - 0%; risk-free rate - 4.94%.

During the year ended June 30, 2024, the Company cancelled an aggregate of 5,160,000 stock options of the company. The stock options were exercisable to acquire common shares of the company at an exercise price of \$0.0275 until. All of the stock options were voluntarily surrendered by the holders thereof for no consideration.

Restricted share units (RSUs)

In accordance with the Equity Plan, RSUs and DSUs are granted to directors, officers, employees, and consultants as part of long-term incentive compensation. The number of Equity Incentives awarded, and underlying vesting conditions are determined by the Company. Additionally, at the Company's sole discretion, upon each vesting date participants receive (a) common shares equal to the number of Equity Incentives that vested; (b) a cash payment equal to the number of vested Equity Incentives multiplied by the fair market value of a Voting Share; or (c) a combination of (a) and (b).

On the grant date of RSUs, the Company determines whether it has a present obligation to settle in cash. If the Company has a present obligation to settle in cash, the RSUs are accounted for as liabilities, with the fair value remeasured at the end of each reporting period and at the date of settlement, with any changes in fair value recognized in profit or loss for the period. The Company has a present obligation to settle in cash if the Company has a past practice or a stated policy of settling in cash, or generally settles in cash whenever the counterparty asks for cash settlement. If no such obligation exists, RSUs are accounted for as equity settled share-based payments and are valued using the share price of the common shares on the grant date. Since the Company controls the settlement, the RSUs are considered equity settled.

Pursuant to the underlying agreements, all Equity Incentives granted to the date of approval of these financial statements are expected to be settled in common shares.

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9. SHARE CAPITAL AND RESERVES (continued)

A continuity of the Company's RSUs is as follows:

	RSUs
	#
RSUs outstanding, June 30, 2023	-
Granted	221,360
RSUs outstanding, June 30, 2024	221,360
Granted	20,647,307
Exercised	(17,447,307)
Expired	(1,771,360)
RSUs outstanding, June 30, 2025	1,650,000

As at June 30, 2025, the Company has RSUs outstanding as follows:

Vesting date	RSUs outstanding and exercisable	Grant date fair value
	#	\$
August 1, 2024	100,000	0.70
January 29, 2025	250,000	0.11
March 12, 2025	350,000	0.03
March 18, 2025	500,000	0.03
April 4, 2025	50,000	0.03
May 20, 2025	300,000	0.03
June 3, 2025	100,000	0.03
	1,650,000	0.08

Transactions for RSUs during the year ended June 30, 2025:

In August 2024, the Company issued an aggregate of 6,130,000 RSUs to Directors, Officers, and Consultants of the Company. The shares vested immediately and are no longer restricted. The shares had a market price of \$0.70 at grant date for a fair value of \$4,291,000 recorded as share-based compensation and share capital.

In September 2024, the Company issued an aggregate of 1,467,307 RSUs to Consultants of the Company. The shares vested immediately and are no longer restricted. The shares had a market price of \$0.52 at grant date for a fair value of \$508,250 recorded as share-based compensation with a corresponding offset to reserves.

In January 2025, the Company issued an aggregate of 9,750,000 RSUs to Consultants of the Company. The shares vested immediately and are no longer restricted. The shares had a market price of ranging from \$0.11 to \$0.20 on the grant dates. The Company allocated the market value of \$1,786,249 to share-based compensation and share capital.

In February 2025, the Company issued an aggregate of 2,000,000 RSUs to a Consultant of the Company. The shares vested immediately and are no longer restricted. The shares had a market price of \$0.08 on the grant date. The Company allocated the market value of \$160,000 to share-based compensation and share capital.

In March 2025, the Company issued an aggregate of 850,000 RSUs to a Director, an Officer and a Consultant of the Company. The shares vested immediately and are no longer restricted. The shares had a market price of \$0.03 on the grant dates. The Company allocated the market value of \$23,000 to share-based compensation and share capital.

In April 2025, the Company issued 50,000 RSUs to a Director of the Company. The shares vested immediately and are no longer restricted. The shares had a market price of \$0.02 on the grant date. The Company allocated the market value of \$1,000 share-based compensation and share capital.

In May 2025, the Company issued an aggregate of 300,000 RSUs to Directors, and a Consultant of the Company. The shares vested immediately and are no longer restricted. The shares had a market price of \$0.05 on the grant date. The Company allocated the market value of \$15,000 share-based compensation and share capital.

Credissential Inc. (formerly Impact Analytics Inc.)**Notes to the Consolidated Financial Statements****For the years ended June 30, 2025 and 2024****(Expressed in Canadian dollars, except where noted)**

9. SHARE CAPITAL AND RESERVES (continued)

In June 2025, the Company issued 100,000 RSUs to a Consultant of the Company. The shares vested immediately and are no longer restricted. The shares had a market price of \$0.025 on the grant date. The Company allocated the market value of \$2,500 share-based compensation and share capital.

During the year ended June 30, 2025, the Company had 1,771,360 RSUs expire/cancel unexercised. The total share-based payments expense related to RSUs for the year ended June 30, 2025 was \$6,786,999 (2024 - \$374,098).

Transactions for RSUs during the year ended June 30, 2024:

On March 19, 2024, the Company issued an aggregate of 221,360 restricted share units at a deemed price of \$1.69 to two Directors of the Company. The shares vested immediately and are no longer restricted.

Warrants

As an incentive to complete equity financings, the Company may issue units which include common shares and common share purchase warrants. Using the residual value method, the Company determines whether a value should be allocated to warrants attached to units sold in equity financings. Finders' or brokers' warrants may be issued as equity financing share issue costs or for other services and are valued using the Black-Scholes option pricing model.

A continuity of the Company's common share purchase warrants is as follows:

	Warrants
	#
Warrants outstanding, June 30, 2023	-
Granted	3,181,632
Warrants outstanding, June 30, 2024	3,181,632
Granted	15,671,969
Expired	(311,821)
Warrants outstanding, June 30, 2025	18,541,780

As at June 30, 2025, the Company had warrants outstanding and exercisable as follows:

Expiry date	Warrants outstanding and exercisable	Exercise price
	#	\$
December 8, 2025	696,000	1.25
December 15, 2025	433,140	1.25
January 12, 2026	375,000	1.25
June 21, 2029	1,365,672	0.83
August 1, 2029	675,000	0.16
January 17, 2030	14,996,968	0.16
	18,541,780	0.30

The weighted average contractual life of warrants outstanding as at June 30, 2025 is 4.16 years.

Credissential Inc. (formerly Impact Analytics Inc.)**Notes to the Consolidated Financial Statements****For the years ended June 30, 2025 and 2024****(Expressed in Canadian dollars, except where noted)**

10. RELATED PARTY TRANSACTIONS

Key management personnel are the people responsible for the planning, directing, and controlling the activities of the Company and includes both executive and non-executive directors, and entities controlled by key management. The Company considers all directors and officers of the Company to be key management.

The following related parties transacted with the Company or Company controlled entities during the year ended June 30, 2025:

- Eric Entz was the former CEO of the Company and provided consulting services and received share-based payments. He resigned during the year ended June 30, 2025.
- Simon Tso was the former CFO of the Company and provided professional services and received share-based payments. He resigned during the year ended June 30, 2025.
- Stephen Brohman was the former CFO of the Company and provided professional services and received share-based payments. He resigned during the year ended June 30, 2025.
- Colin Robson was the former CFO of the Company and provides consulting services and received share-based payments. He was appointed and resigned during the year ended June 30, 2025.
- Robert Birmingham, was a former Director of the Company and received share-based payments. He resigned during the year ended June 30, 2025.
- Sebastian Lowes, was a Director of the Company who provides consulting services to the Company, received share-based payments and milestone bonuses.
- Colin Frost is the CEO and a Director of the Company and provides consulting and director services and received share-based payments. He was appointed as the new CEO during the year ended June 30, 2025.
- Joe Traversa is a Director of the Company who provides consulting and director services and received share-based payments.
- William Page is a Director of the Company who provides consulting and director services and received share-based payments.
- George Nguyen is a Director of the Company who provides consulting and director services and received share-based payments.

The aggregate value of transactions for the years ended June 30, 2025 and 2024 and outstanding balances as at June 30, 2025 and 2024 with key management personnel and Directors and entities over which they have control or significant influence were as follows:

	Years Ended		Accounts payables as at	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$	\$	\$	\$
Eric Entz	5,000	253,704	4,390	-
Colin Frost	442,500	-	-	-
Joe Traversa	77,500	8,250	-	525
Sebastian Lowes	331,400	291,999	-	5,662
Robert Birmingham	79,000	15,757	-	525
Stephen Brohman	5,750	-	-	-
Colin Robson	19,000	-	-	32,903
Simon Tso	17,500	1,257	-	-
George Nguyen	2,500	-	-	-
William Page	1,000	-	-	-
	981,150	570,967	4,390	39,615

Credissential Inc. (formerly Impact Analytics Inc.)**Notes to the Consolidated Financial Statements****For the years ended June 30, 2025 and 2024****(Expressed in Canadian dollars, except where noted)**

10. RELATED PARTY TRANSACTIONS (continued)

During the year ended June 30, 2025, the Company granted 1,275,000 RSUs to Company directors and officers (2024 – 221,360), nil stock options (2024 - nil) and recognized total share-based payments of \$479,750 (2024 - \$374,098) to related parties.

Additionally, during the year ended June 30, 2025 the Company received gross proceeds \$15,300 (2024 - \$nil) in promissory notes of which \$11,300 was repaid. In connection with the promissory notes, the Company incurred interest of \$287 (2024 - \$nil) and financing fees of \$6,000 (2024 - \$nil). Outstanding at year-end as at June 30, 2025 is principal \$4,000 (June 30, 2024 - \$nil) and accrued interest of \$50 (June 30, 2024 - \$nil) included in promissory notes payable and financing fees of \$2,000 (June 30, 2024 - \$nil) included in accrued liabilities.

Further, the Company entered into shares for debt agreements during the year ended June 30, 2025 with related parties whereby an aggregate of 8,342,386 common shares (2024 - nil) were issued to settle debt of \$386,599 (2024 - \$nil) connected to related parties. The Company recorded a corresponding increase to share capital of \$386,599 (2024 - \$nil) related to the settlements.

11. DEVELOPMENT EXPENSES

On March 18, 2024, the Company described its change of business being to provide risk assessment, data intelligence and financial services platforms powered by AI (artificial intelligence). To this end, the Company is engaged in building a proprietary product stack to optimize and streamline financial decision making for enterprises and individuals. The Company is currently developing three commercial projects: two market entry applications: Credissential, Lana Cash and the PACT platform. During the year ended June 30, 2025, the Company incurred \$296,886 (2024 - \$377,916) of development expenses under its Credissential project.

12. SUPPLEMENTAL CASH FLOW INFORMATION

During the year ended June 30, 2025 the Company made cash payments towards interest of \$330 (2024 - \$nil) on its promissory notes payable and \$nil related to income taxes (2024 - \$nil)

13. INVESTMENTS IN PRIVATE COMPANIES

The Company's subsidiary business is to sell minority interests in the subsidiaries it forms to arms-length purchasers ("Purchasers"), which allows debt securities of the subsidiaries to be eligible for registered savings plans. A registered savings plan is a registered retirement savings plan, registered education savings plan, registered retirement income fund, a tax-free savings account or other similar registered savings plan. The Purchasers use the capital raised at their own discretion, without reliance on the management or resources of the Company. The Company's management and capital are not committed to these subsidiaries, nor does the Company receive any economic benefit from the operations of the subsidiaries. The Company also does not pay for any fees for these subsidiaries.

As of June 30, 2025 and 2024, the Company owned the following subsidiaries

	Cash Offer Capital Corp.	1328623 B.C. Ltd.	Blue Copper Asset Fund	100003581 Ontario	1469617 B.C. Ltd	Total
Place of business	British Columbia	British Columbia	Alberta	Ontario	British Columbia	
Ownership (%), June 30, 2025 and June 30, 2024	60%	60%	60%	60%	60%	
Fair value (\$), June 30, 2025 and June 30, 2024	60	60	1	60	-	181

Credissential Inc. (formerly Impact Analytics Inc.)**Notes to the Consolidated Financial Statements****For the years ended June 30, 2025 and 2024****(Expressed in Canadian dollars, except where noted)**

14. MANAGEMENT OF CAPITAL

The Company considers its capital structure to consist of its components of shareholders' equity. When managing capital, the Company's objective is to ensure that it continues as a going concern, to ensure it has sufficient capital to deploy on new and existing projects including its commercialization objectives, as well as generating returns on excess funds while maintaining liquidity/accessibility to such funds. In order to facilitate the management of its capital requirements, the Company prepares annual operating and capital expenditure budgets that are monitored for variances and updated regularly depending on various factors, including but not limited to: business development and commercial arrangements, capital deployment, personnel planning, service contracts with vendors, access to financing, government program applications, and general capital market or industry conditions.

The Board of Directors relies on the expertise of the Company's management to sustain future development of the business towards commercialization. Management reviews and adjusts its capital structure on an ongoing basis. The Company is not subject to any externally imposed capital requirements. There were no changes to the Company's approach to capital management during the year ended June 30, 2025.

15. FINANCIAL INSTRUMENTS AND RISKS**Financial instruments - fair value**

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for the assets or liability either directly or indirectly; and
- Level 3 - Inputs that are not based on observable market data.

Financial instruments - classification

Financial assets	Classification and measurement
Cash	Fair value
Financial liabilities	Classification and measurement
Accounts payable and accrued liabilities	Amortized cost
Accounts payable to related parties	Amortized cost
Promissory notes payable	Amortized cost
Convertible notes payable	Amortized cost
Convertible subscriptions	Amortized cost

The Company's financial instruments measured at amortized cost approximate their fair values.

Financial instruments - risk

The Company's financial instruments can be exposed to certain financial risks including liquidity risk, credit risk, price risk, and currency risk.

Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they come due. The Company has historically relied upon government assistance programs, equity financings, and the exercise of convertible equity securities (options and warrants), to satisfy its capital requirements and will continue to depend upon these and other possible sources of capital to finance its activities until such time that the Company commences commercial operations and generates future profitability and positive operating cash flows.

Credissential Inc. (formerly Impact Analytics Inc.)**Notes to the Consolidated Financial Statements****For the years ended June 30, 2025 and 2024****(Expressed in Canadian dollars, except where noted)**

15. FINANCIAL INSTRUMENTS AND RISKS (continued)*Credit risk*

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk on its cash and receivables. The Company minimizes its credit risk on its cash and restricted cash (standby letter of credit), by holding the funds with high-credit quality Canadian chartered banks. Management believes that the Company's credit risk attributable to its various components of receivables is low.

Price risk

Equity price risk is defined as the potential adverse impact on the Company's results of operations and the ability to obtain equity financing, or the ability of holders of convertible equity securities (options and warrants) to exercise their securities, which affects proceeds to the Company on such exercises, due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements to determine the appropriate course of action to be taken by the Company.

Currency risk

Currency risk is the risk of fluctuation in profit or loss that arises from fluctuations in foreign exchange rates and the degree of volatility of those rates. The Company is exposed to currency risk as it incurs certain transactions in United States dollar and the Australian dollar, as the Company had accounts payable that were denominated in United States dollars and the sale of Antenna in Australian dollars (note 4).

16. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes for the years ended June 30, 2025, and 2024, is as follows:

	June 30, 2025	June 30, 2024
	\$	\$
Income (loss) for the year before income taxes	(12,880,042)	(2,804,320)
Statutory Canadian corporate tax rate	23%	23%
Expected income tax expense (recovery)	(2,962,410)	(644,994)
Change in tax resulting from:		
Permanent differences	1,692,812	86,043
Change in tax jurisdiction	-	62,138
Change in recognized deductible temporary difference and other	1,269,598	496,813
Total deferred income tax expenses (recovery)	-	-

The significant components of the Company's net deferred tax assets (liabilities) as at June 30, 2025 are non-capital losses carried forward of \$1,751,025 (June 30, 2024 - \$562,000). The non-capital loss carry forwards will expire between 2039 and 2043.

Tax attributes are subject to review, and potential adjustment, by tax authorities.

17. COMPARATIVE AMOUNTS

The consolidated financial statements for the prior year have been reclassified, where applicable, to confirm to the presentation used in the current year. The changes do not affect prior year earnings.

Credissential Inc. (formerly Impact Analytics Inc.)

Notes to the Consolidated Financial Statements

For the years ended June 30, 2025 and 2024

(Expressed in Canadian dollars, except where noted)

18. EVENTS AFTER THE REPORTING PERIOD

On July 4, 2025, the Company announced it had closed a non-brokered private placement of convertible debenture units ("Unit(s)") of the Company at a price of \$1,000 per Unit, for gross proceeds of \$150,000. Each Unit consists of (i) a \$1,000 principal amount convertible debenture and (ii) 20,000 common share purchase warrants of the Company, with each warrant entitles the holder to acquire one common share of the Company at a price of \$0.05 for a period of twenty-four months following the closing date. The convertible debentures will mature 24 months from the date of issuance and bear interest at a rate of 12.0% per annum. Each convertible debenture will be convertible, in whole or in part, at any time while any principal or interest remains outstanding, into Common Shares, at the option of the holder, at a price of \$0.05 per Common Share. The convertible debentures are unsecured obligations of the Company. The net proceeds received by the Company were intended to be used for general corporate and working capital purposes. No finder's fees were paid in connection with the transaction. The Units and underlying securities were subject to a hold period of four months and one day pursuant to applicable securities laws.

On August 15, 2025, the Company granted 22,300,000 RSUs to certain consultants, directors and officers of the Company pursuant to its Omnibus Equity Incentive Plan, adopted by the shareholders on February 23, 2024. The RSUs were subject to a hold period of four months and one day pursuant to applicable securities laws.

On October 15, 2025, the Company granted 7,000,000 RSUs to certain consultants of the Company pursuant to its Omnibus Equity Incentive Plan, adopted by the shareholders on February 23, 2024. The RSUs were subject to a hold period of four months and one day pursuant to applicable securities laws. Of the 7,000,000 RSUs granted, 2,000,000 were exercised resulting in the issue of 2,000,000 common shares.

On October 31, 2025, the Company announced it had closed a non-brokered private placement of Convertible Notes for gross proceeds of \$510,750. The Convertible Notes bear interest at a rate of 20% per annum, and have a maturity date of twelve months from the date of issuance. The Convertible Notes are convertible into common shares at a price equal to 100% of the closing price of the Common Shares on the trading day immediately preceding the submission of a conversion notice, subject to a minimum conversion price of \$0.05 per share or such other price as may be permitted under the policies of the CSE. HSO was issued \$360,750 of the total Convertible Notes. The Company retains the right, at its option, to redeem all or part of the Convertible Notes prior to maturity by providing ten (10) trading days' written notice to HSO and paying 110% of the principal amount being redeemed, during which period HSO may continue to exercise its conversion rights. The Convertible Notes also include a 9.99% ownership limitation, preventing HSO and any joint actors from beneficially owning more than 9.99% of the Company's issued and outstanding Common Shares following any conversion. In accordance with CSE Policy 6.7, the Convertible Notes constitute senior unsecured obligations of the Company, ranking pari passu with all other existing and future senior unsecured indebtedness, senior to all subordinated indebtedness, and junior to all secured indebtedness. The net proceeds from this offering were used to repay certain debts owed to creditors. No finder's fees were paid in connection with the transaction.

During December 2025, 1,129,140 share purchase warrants with an exercise price of \$1.25 expired, unexercised.