

VEJI HOLDINGS LTD.

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2025 AND THE 15th MONTHS ENDED MARCH 31, 2024

(Expressed in Canadian dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Veji Holdings Ltd.

Opinion

We have audited the consolidated statements of Veji Holdings Ltd. (the "Company"), which comprise the statement of financial position as at March 31, 2025 and 2024, and the statements of loss and comprehensive loss, changes in shareholders' equity, cash flows for the year ended March 31, 2025 and fifteen months ended March 31, 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2025 and 2024, and its financial performance and its cash flows for the year ended March 31, 2025 and fifteen months ended March 31, 2024, in conformity with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the consolidated financial statements, which indicates that the Company incurred a net loss of \$357,362 during the year ended March 31, 2025 (net income fifteen months ended March 31, 2024: \$6,998,080) and, as of that date, the Company had an accumulated deficit of \$15,868,077 (March 31, 2024: \$15,510,715). As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matter

The key audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments.

knowing you.

Key Audit Matter (continued)

The communication of the key audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the key audit matter below providing a separate opinion on the key audit matter or on the accounts or disclosures to which it relates.

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

Other Information

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

Our opinion on the consolidated financial statements does not cover the other information and we do not and will 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 auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it 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.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

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

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

We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Kreston GTA LLP

Chartered Professional Accountants
Markham, Canada
July 29, 2025

Veji Holdings Ltd.
Statements of Financial Position
As at March 31, 2025 and March 31, 2024
(Expressed in Canadian dollars)

As at,	Notes	March 31, 2025 \$	March 31, 2024 \$
Assets			
Current assets			
Cash		400,960	61,318
Accounts receivable	4	23,959	15,081
Prepaid expenses and deposits	5	5,102	-
		430,021	76,399
Total assets		430,021	76,399
Liabilities and Shareholders' Equity			
Current liabilities			
Accounts payable and accrued liabilities	6	116,091	200,695
Loans and borrowings	7	2,105	99,525
Total liabilities		118,196	300,220
Shareholders' Equity			
Share capital	8	12,347,792	11,521,066
Contributed surplus	9	3,832,110	3,765,828
Accumulated deficit		(15,868,077)	(15,510,715)
Total shareholders' equity		311,825	(223,821)
Total Liabilities and Shareholders' Equity		430,021	76,399

Going Concern (Note 2)
Subsequent Event (Note 17)

Approved on July 29, 2025, by the Board of

Director signed "Ryan Hounjet"

Director signed "Amardeep Purewal"

See accompanying notes to the financial statements

Veji Holdings Ltd.
Statements of Income (Loss) and Comprehensive Income (Loss)
For the twelve months ended March 31, 2025 and the 15 months ended March 31, 2024
(Expressed in Canadian dollars)

		Twelve months ended, March 31, 2025	Fifteen months ended, March 31, 2024
	Notes	\$	\$
Expenses			
Selling and distribution		250	2,400
General and administrative expenses	10	262,791	312,719
Realized and unrealized foreign exchange loss		154	30,758
Loss on sale of short-term investments		-	172,704
Gain on derecognition of financial liabilities		-	(7,521,691)
Listing fees		15,050	-
Total expenses		278,245	(7,003,110)
Other Items			
Interest expense	7	(5,781)	(5,030)
Loss on settlement of debt	8	(73,336)	-
Total other items		(79,117)	(5,030)
Net comprehensive income (loss) for the year		(357,362)	6,998,080
Basic and diluted income (loss) per share for the year	11	(0.09)	3.39
Weighted average number of common shares outstanding		4,163,544	2,064,654

See accompanying notes to the financial statements

Veji Holdings Ltd.
Statements of Changes in Equity (Deficiency)
For the year ended March 31, 2025 and March 31, 2024
(Expressed in Canadian dollars)

	Number of shares #	Amount \$	Contributed Surplus \$	Accumulated Other Comprehensive Income (loss) \$	Accumulated Deficit \$	Total \$
Balance, December 31, 2022	1,143,385	11,308,027	3,752,610	(129,022)	(22,508,795)	(7,577,180)
Net income and comprehensive income for the year	-	-	-	-	6,998,080	6,998,080
Reclass of AOCI to net income	-	-	-	129,022	-	129,022
Shares issued to settle liabilities	1,029,057	128,631	-	-	-	128,631
Share based compensation	-	-	12,627	-	-	12,627
Shares issued for private placement	1,700,000	84,408	-	-	-	84,408
Shares issued for finder's fee	170,000	-	591	-	-	591
Balance at March 31, 2024	4,042,442	11,521,066	3,765,828	-	(15,510,715)	(223,821)
Balance, March 31, 2024	4,042,442	11,521,066	3,765,828	-	(15,510,715)	(223,821)
Net loss and comprehensive loss for the year	-	-	-	-	(357,362)	(357,362)
Shares issued to settle liabilities	2,264,011	307,550	-	-	-	307,550
Shares issued to settle loans	1,332,220	79,933	-	-	-	79,933
Shares issued for private placement	4,600,000	433,333	66,667	-	-	500,000
Shares issued for warrant exercise	110,500	5,910	(385)	-	-	5,525
Balance, March 31, 2025	12,349,173	12,347,792	3,832,110	-	(15,868,077)	311,825

See accompanying notes to the financial statements

Veji Holdings Ltd.
Statements of Cash Flows
For the year ended March 31, 2025 and March 31, 2024
(Expressed in Canadian dollars)

	For the year ended, March 31, 2025 \$	For the fifteen months ended, March 31, 2024 \$
Cash flows used in for operating activities		
Net income (loss) and comprehensive loss for the year	(357,362)	6,998,080
Adjustments for items not involving cash:		
Share-based payments	-	12,627
Realized and unrealized foreign exchange loss	-	30,757
Loss on sale of investment	-	172,704
Loss on debt settlement	(73,336)	-
Gain on derecognition of financial liabilities	-	(7,774,790)
	(430,698)	(560,622)
Changes in non-cash working capital items:		
Amounts receivable	(8,878)	-
Prepays expenses and deposits	(5,102)	-
Loan and borrowings	(17,487)	-
Accounts payable and accrued liabilities	296,282	373,720
Net cash used in operating activities	(165,883)	(186,902)
Investing activities		
Proceeds from sale of short-term investments	-	52,295
Net cash used in investing activities	-	52,295
Financing activities		
Proceeds from issuance of common shares	500,000	85,000
Proceeds from exercise of warrants	5,525	-
Proceeds of loans and borrowings	-	99,525
Net cash received from financing activities	505,525	184,525
Change in cash	339,642	49,918
Effect of exchange rate changes on cash	-	(169)
Cash, beginning of the period	61,318	11,569
Cash, ending	400,960	61,318
SUPPLEMENTAL DISCLOSURE		
Issuance of shares to settle liabilities	307,550	128,631
Issuance of shares to settle loans	79,933	-
Issuance of shares to settle finder's fees	-	8,500
Taxes paid	-	-
Interest paid	-	-

See accompanying notes to the financial statements

1. REPORTING COMPANY

Veji Holdings Ltd. ("Veji" or the "Company") was incorporated on July 30, 2019 under the Business Corporations Act of British Columbia. During 2022, the Company ceased its principal business activity of providing a digital marketplace which offered thousands of plant-based and sustainable living products directly to consumers from a wide array of brands. The Company is currently evaluating its strategic alternatives which includes the identification and evaluation of potential acquisitions of assets and/or businesses.

The Company's registered office is located at 905 West Pender Street, 6th Floor, Vancouver, British Columbia, V6C 1L6. Beginning on November 10, 2021, the Company became listed on the Canadian Securities Exchange and trades under the symbol VEJI.

2. BASIS OF PRESENTATION

Statement of compliance

These financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS") and International Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the IFRS Interpretations Committee ("IFRIC"), effective for the Company's reporting for the year ended March 31, 2025 and 2024. These financial statements were approved by the Board of Directors on July 29, 2025.

Basis of measurement

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value.

Functional and presentation currency

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

Going concern

These financial statements have been prepared on a going concern basis, which assumes the Company will be able to realize its assets and settle its liabilities in the normal course of business. The nature of the Company's commencement of operations resulted in significant expenditures for setting up the operations to scale for a large volume of transactions. The eventual generation of profit is dependent upon several factors including expanding into various markets, the ability of the Company to obtain financing to support growth and scale of operations, and to meet working capital requirements and generate positive cash flows from operations.

To date, the Company has not generated positive cash flows from operations. As at March 31, 2025, the Company had an accumulated deficit of \$15,868,077 (March 31, 2024 – \$15,510,715) and a net working capital of \$311,825 (March 31, 2024 – deficiency of \$223,821). These conditions give rise to a material uncertainty that may cast a significant doubt on the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent upon its ability to obtain additional funding from loans or equity financings provided by the Company's existing shareholders and/or new shareholders or through other arrangements. There is no assurance that the Company will be successful in this regard. These events and conditions indicate a material uncertainty that may cast a significant doubt on the Company's ability to continue as a going concern.

Veji Holdings Ltd.
Notes to the Financial Statements
For the year ended March 31, 2025 and 2024
(Expressed in Canadian dollars)

These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and consolidated statement of financial position classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material.

Critical accounting estimates and judgments

In preparing these consolidated financial statements, management has made judgments and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumption are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements relate to the following:

- the assessment of the Company's ability to continue as a going concern
- collectability of the Company's accounts receivable
- write-down of assets, liabilities, and debt obligations

3. SIGNIFICANT ACCOUNTING POLICIES

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate in effect at the year-end date. Foreign currency transactions are translated into the relevant functional currency using the exchange rate prevailing at the date of the transaction. Foreign currency differences are recognized in profit or loss.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the reporting currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the reporting currency at the exchange rates at the dates of the transactions. Foreign currency differences are recognized in other comprehensive loss.

Business combinations

The Company accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Company.

In determining whether a particular set of activities and assets is a business, the Company assesses whether the set of assets and activities acquired is capable of being conducted and managed for the purpose of providing goods or services to customers.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

Veji Holdings Ltd.
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(Expressed in Canadian dollars)

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

Intra-group balances and transactions, and any unrealized income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated.

Leases

At inception of a new contract, the Company assesses whether a contract is, or contains a lease. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company.
- The Company has the right to obtain substantially all the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
- The Company has the right to direct the use of the identified asset throughout the period of use. The Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

At lease commencement date, the Company recognizes a right-of-use (ROU) asset and a lease liability on the consolidated statement of financial position. The ROU asset is initially recorded at cost, which comprises the initial amount of the lease liability and any initial direct costs incurred less any lease payments made at or before the initial adoption date. The ROU asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term. The ROU asset is periodically reduced by impairment losses, if any, and adjusted for remeasurements of the lease liability. The lease liability is measured at the present value of the expected lease payments over the lease term, discounted at the interest rate implicit in the lease; if the rate cannot be determined, the incremental borrowing rate is used. The Company determines its incremental borrowing rate with reference to interest rates evidenced from external financing sources together with adjustments as appropriate to reflect the terms of the lease and the nature of the asset.

The liability is increased for the passage of time and payments on the lease are offset against the lease liability.

Financial Instruments

Accounts receivable are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets

A financial asset other than a trade receivable (without a significant financing component) is initially measured at fair value plus or minus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. A financial asset is measured at amortized cost if it is not designated as at fair value through profit or loss (FVTPL) and meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Veji Holdings Ltd.
Notes to the Financial Statements
For the year ended March 31, 2025 and 2024
(Expressed in Canadian dollars)

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

The Company derecognizes a financial asset when:

- the contractual rights to the cash flows from the financial asset expire or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred or
 - the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred, or liabilities assumed) is recognized in profit or loss.

Impairment

Financial assets

The Company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortized cost. Loss allowances for accounts receivable are always measured at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, that includes forward-looking information.

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Veji Holdings Ltd.
Notes to the Financial Statements
For the year ended March 31, 2025 and 2024
(Expressed in Canadian dollars)

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, 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 or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, 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 amortisation, if no impairment loss had been recognised.

Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity in which case, the income tax is also recognized in other comprehensive income or directly in equity, respectively.

Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the Company and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred income tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. The Company has determined that it is not yet probable that deferred tax assets on the tax losses carried forward and other temporary differences will be realized and has recognized deferred tax assets to the extent of recognized deferred tax liabilities.

Veji Holdings Ltd.
Notes to the Financial Statements
For the year ended March 31, 2025 and 2024
(Expressed in Canadian dollars)

Deferred income tax is provided on temporary differences arising on the Company's investment in its subsidiary, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable Company or different taxable entities where there is an intention to settle the balances on a net basis.

Share capital

Common shares issued by the Company are classified as equity. Costs directly attributable to the issue of common shares, share purchase warrants and share options are recognized as a deduction from equity, net of any related income tax effects. The Company adopted a relative value method with respect to the measurement of shares and warrants issued as units in the private placement of Subscription Receipts and Special Warrants (see Note 14 for details).

Share based compensation

Employees (including directors and senior executives) of the Company may receive a portion of their remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The value of equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date on which they are granted. The Company is also required to estimate the expected future forfeiture rate of options in its calculation of share-based payments.

In situations where equity instruments are issued to non-employees for goods or services, the transaction is measured at the fair value of the goods or services received by the Company. When the value of the goods or services cannot be reliably estimated, they are measured at the fair value of the share-based payment.

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

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence, and related parties may be individuals or corporate entities.

Net income (loss) per share

Basic net income (loss) per share is computed by dividing net income (loss) attributable to common shareholders by the weighted average number of common shares outstanding during the year. The computation of diluted net income (loss) per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on net loss per share. The dilutive effect of outstanding options and warrants and their equivalents is reflected in diluted net loss per share by the treasury stock method. In a loss period, potentially dilutive stock options and warrants are excluded from the loss per share calculation as the effect is anti-dilutive.

Comprehensive income

Comprehensive income consists of changes to foreign currency translation adjustments of the non-Canadian subsidiaries during the year. Amounts reported as other comprehensive income are accumulated in a separate component of shareholder's equity.

Adoption of new and revised standards and interpretations

At the date of authorization of these consolidated financial statements, the IASB and the IFRIC have issued new and revised Standards and Interpretations, where certain Standards and Interpretations have come into effect during the reporting period and others have not yet come into effect. All recently issued pronouncements that have come into effect did not have a material effect on the consolidated financial statements and the pronouncements not yet effective are not expected to have a material effect on the consolidated financial statements of the Company.

4. ACCOUNTS RECEIVABLE

Accounts receivable consists of government remittance receivables of \$ 23,959 (March 31, 2024 – \$ 15,081).

5. PREPAID EXPENSES AND DEPOSITS

Prepays consists of deposits of \$ 5,102 (March 31, 2024 – \$ Nil).

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of:

	March 31, 2025	March 31, 2024
	\$	\$
Accounts payable	80,991	98,415
Accrued liabilities	35,100	102,280
Total	116,091	200,695

Veji Holdings Ltd.
Notes to the Financial Statements
For the year ended March 31, 2025 and 2024
(Expressed in Canadian dollars)

7. LOANS AND BORROWINGS

Below is a summary of loans and borrowings of the Company:

	March 31, 2025	March 31, 2024
Short-term debt:		
Due to related parties (i)	2,105	-
Third party advances (ii)	-	26,252
Third party loan (iii)	-	73,273
Total short-term debt	\$ 2,105	\$ 99,525

- (i) The Company was advanced amounts totaling \$2,105 from a current director. The advances are non-interest bearing and repayable on demand.
- (ii) The Company was advanced amounts totaling \$31,412 by a former director. The advances are non-interest bearing and repayable on demand. During the year ended March 31, 2025, the Company settled this advance by issuing 79,551 common shares at a deemed value of \$0.33.
- (iii) On July 17, 2023, the Company entered into a non-interest-bearing loan agreement for a term of the earlier of one year or the completion of a successful equity financing. During the year ended March 31, 2025, the Company settled this advance by issuing 1,332,220 common shares at a deemed value of \$0.055.

8. SHARE CAPITAL

The Company is authorized to issue an unlimited number of common shares without par value. As at March 31, 2025, there were 12,349,173 (March 31, 2024 – 4,042,442) common shares issued and outstanding.

Issued

On April 5, 2024, the Company settled an aggregate of \$112,500 in debt (the “Debt”) through the issuance of 1,874,998 common shares of the Company with a fair value of \$150,000. All securities issued in connection with the Debt Settlement are subject to a statutory hold period of four months and one day from the date of issuance. \$65,000 of the Debt was held by companies wholly-owned by Amar Purewal and Ryan Hounjet, who are both directors of the Company. The Company recognized a loss on debt settlement of \$37,500.

On May 2, 2024, the Company settled a debt of \$73,272 owing to a creditor through the issuance of 1,332,220 common shares with a fair value of \$79,933. The Company recorded a loss on debt settlement of \$6,661.

On December 13, 2024, the Company closed a non-brokered private placement and issued 4,000,000 units (each, a “Unit”) at a price of \$0.05 per Unit for gross proceeds to the Company of \$200,000 (the “Private Placement”). Each Unit is comprised of one common share of the Company and one-half of one common share purchase warrant (with two such half warrants equaling one whole “Warrant”). Each Warrant will entitle the holder thereof to purchase one additional common share in the capital of the Company at a price of \$0.06 per common share for a period of thirty-six months from the date of issuance.

On February 19, 2025, the Company closed a non-brokered private placement and issued 600,000 common shares for gross proceeds of \$300,000.

During the year ended March 31, 2025, the Company issued 110,500 common shares pursuant to a warrant exercise for gross proceeds of \$5,525. The Company re-allocated \$385 from contributed surplus to share capital.

On March 7, 2025, the Company issued 389,013 common shares with a fair value of \$157,550 and settled debt of \$128,375. The Company recorded a loss on debt settlement of \$29,175.

9. STOCK OPTION PLAN, WARRANTS AND ADVISOR OPTIONS

An employee stock option plan (the "Stock Option Plan") was established by the Company to attract and retain employees, consultants, officers and directors of the Company. The Stock Option Plan provides for the granting of options to purchase common shares of the Company. Under the Stock Option Plan, stock options generally vest over a period of two years and expire five years from the grant date. For the year ended March 31, 2025, share based compensation expense of \$ Nil (2024 – \$ 12,627), was recorded in the Statements of Income (Loss) and Comprehensive Income (Loss) in relation to the Stock Option Plan and Contributed Surplus.

A restricted share unit plan (the "RSU Plan") was established by the Company to attract and retain employees, officers and directors. The RSU Plan provides for a maximum number of common shares available and reserved for issuance shall not exceed 15% of the Company's issued and outstanding common shares, less any shares reserved for issuance under the Stock Option Plan. As at March 31, 2025, no RSUs are issued and outstanding.

The following table summarizes the continuity of the stock options during the year ended March 31, 2025 and March 31, 2024:

	Number of Options	Weighted Average Exercise Price
Balance, December 31, 2022	98,750	31.66
Balance, March 31, 2024	98,750	31.66
Balance, March 31, 2025	98,750	31.66

WARRANTS AND ADVISOR OPTIONS

The Company has outstanding share warrants and advisor options. Each warrant and advisor option is convertible into one common share of the Company upon exercise. The following table summarizes warrants and advisor options outstanding and exercisable:

Outstanding and exercisable	Exercise Price	Weighted Average remaining life	Expiry date
200,000	15.00	0.04	2-Sep-25
100,000	25.00	0.02	11-Sep-25
59,500	0.05	0.01	23-Aug-25
2,000,000	0.70	2.33	31-Dec-27
2,359,500		2.40	

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- (a) The exercise price of the warrants issued on September 2, 2020 increased to \$15.00 from \$0.10 and the exercise price of the warrants issued September 11, 2020 increased to \$50.00 from \$1.00 (collectively these warrants are referred to as the “2020 warrants”) upon the Company listing on a public stock exchange. Given the repricing terms of these 2020 warrants and the embedded derivative thereof, the Company estimated the fair value of these warrants (classified as financial liabilities at FVTPL) at grant date and at December 31, 2020 to be \$nil. At the point of completing a listing in November 2021, the Company remeasured the fair value of these warrants to be \$3,117,856 which was recorded as a loss on remeasurement of warrant liability within the statements of loss and comprehensive loss. Pursuant to the repricing adjustment, the Company determined that the 2020 warrants met the criteria for classification as equity instruments and accordingly, at December 31, 2021 \$3,117,856 has been reclassified within contributed surplus. The fair value of the 2020 warrants was remeasured using the Black-Scholes Option Pricing model, with the following estimated inputs: risk free rate of interest of 1.36%, expected volatility of 54.11% and expected life of 4 years.

10. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses are comprised of the following for the year ended March 31, 2025:

	For the year ended, March 31, 2025 \$	For the fifteen months ended, March 31, 2024 \$
Compensation and contract services	69,640	10,250
Professional services	175,576	241,939
Share based compensation	-	12,627
Software and IT expenses	522	13,104
Licenses, dues and subscriptions	15,666	15,771
Other	1,387	19,028
Total	262,791	312,719

11. BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted net income per share for the year ended March 31, 2025 was based on the net loss attributable to common shareholders of \$357,362 (March 31, 2024 – net income \$ 6,998,080) and the basic and diluted weighted average number of common shares outstanding of 4,163,544 (March 31, 2024 – 2,064,654).

12. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties and related party transactions are summarized below and include transactions with the following individuals or entities:

Key management compensation

Key management personnel, including companies controlled by them, are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

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Remuneration attributed to key management personnel is summarized as follows for the period ended:

	For the year ended, March 31, 2025 \$	For the fifteen months ended, March 31, 2024 \$
Consulting fees	120,000	65,000
Share based compensation	-	10,152
Total	120,000	75,152

As at March 31, 2025, the Company owes three directors a total of \$15,250 and the Chief Executive Officer a total of \$2,100 for services provided. The Company owes one director a total of \$693 for funds advanced by the director and owes the former CEO and director a total of \$1,412 for funds advanced by the former CEO and director.

13. INCOME TAX

The Company operates in Canada and the United States and is subject to statutory income tax rates of 27%. The income tax provision differs from the amounts that would be obtained by applying the Canadian statutory income tax rate to net income (loss) before taxes as follows:

	March 31, 2025	March 31, 2024
Canada statutory income tax rate	27.00%	27.00%
Accounting income (loss) before income taxes	\$ (357,362)	\$ 6,998,080
Expected income tax (recovery) at statutory rates	\$ (96,000)	\$ 1,889,482
Permanent differences	1,000	-
Non-deductible expenditures	20,000	3,521
Other	-	(2,030,857)
Change in deferred tax assets not recognized	75,000	137,854
Income tax expense (recovery)	\$ -	\$ -

The Company did not recognize the deferred tax assets related to the following deductible temporary differences:

	March 31, 2025 \$	March 31, 2024 \$
Non-capital losses	2,309,000	2,197,513
Non-capital losses acquired	-	-
Property and equipment	-	-
Share issuance costs	36,000	74,776
Balance	2,345,000	2,272,289

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At March 31, 2025, the Company has non-capital losses of approximately \$8,551,110 (2024 - \$8,138,937) which may be carried forward and applied against future income for Canadian and United States income tax purposes, subject to final determination by tax authorities, expiring in the following years:

Year of expiry	March 31, 2025	March 31, 2024
	\$	\$
2040	-	-
2041	-	-
2042	1,774,078	1,774,078
2043	5,363,115	5,363,115
2044	1,001,744	1,001,744
2045	412,173	-
Balance	8,551,110	8,138,937

14. CAPITAL MANAGEMENT

The Company's objectives in managing its capital are as follows:

- To safeguard its ability to continue as a going concern; and
- To have sufficient capital to be able to meet its strategic objectives including the continued expansion of its services offerings and locales.

The Company's primary source of capital is derived from debt and equity issuances. Capital consists of equity attributable to common shareholders.

The Company has no externally imposed capital requirements and manages its capital structure in accordance with its strategic objectives and changes in economic conditions. In order to maintain or adjust its capital structure, the Company may issue new shares in the form of private placements and/or secondary public offerings. There has been no change in the Company's approach to capital management during the year ended March 31, 2025.

15. FINANCIAL INSTRUMENTS

Carrying value and fair value

The Company's financial instruments comprise cash, short term investments, accounts receivable, amounts due from related party, loans and borrowings, accounts payable and accrued liabilities and amounts due to related parties.

Financial instruments recognized at fair value on the statement of financial position are classified in fair value hierarchy levels as follows:

- Level 1: Valuation based on unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2: Valuation techniques based on inputs other than Level 1 quoted prices that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices)
- Level 3: Valuation techniques with unobservable market inputs (involves assumptions and estimates by management).

Cash, accounts receivable, and amounts due from related party are recorded at amortized cost.

Accounts payable and accrued liabilities and amounts due to related parties are classified as other financial liabilities and are recorded at amortized cost.

Fair value

The carrying amounts of cash, accounts receivable, amounts due from and due to related parties, loans and borrowings, accounts payable and accrued liabilities do not materially differ from their fair values given their short-term period to maturity.

16. RISK MANAGEMENT AND LIQUIDITY

The Company's activities expose it to a variety of financial risks, including foreign exchange risk, credit risk and interest rate risk.

Credit risk

Credit risk is the risk of economic loss arising from a counterparty's failure to repay or service debt according to the contractual terms. Financial instruments that potentially subject the Company to credit risk consist of cash.

The carrying amount of the Company's financial assets represents the Company's maximum exposure to credit risk. The Company manages credit risk by placing cash and short-term investments with major Canadian financial institutions. The Company manages credit risk of its accounts receivable by only extending credit to creditworthy customers. Management believes the credit risk is low.

Interest Rate Risk

Interest rate risk is the risk that cash flows will fluctuate due to changes in market interest rates. While the Company's financial assets are generally not exposed to significant interest rate risk because of their short-term nature, changes in interest rates will have a corresponding impact on interest income realized on such assets.

The Company's financial liabilities are not exposed to significant interest rate risk because they are either non interest bearing or carry a fixed interest rate. Changes in interest rates will not have a corresponding impact on interest expense incurred on such liabilities.

Liquidity Risk

Liquidity risk arises from the Company's general and capital financing needs. The Company continuously monitors and reviews both actual and forecasted cash flows and matches the maturity profile of financial assets and liabilities, when feasible.

17. Subsequent Event

On March 18, 2025, the Company entered into an agreement with an arm's length party to acquire 8,750 grams of graphene and proprietary technology by issuing 4,200,000 common shares at a deemed share price of \$0.50 per share. On June 28, 2025, the parties agreed to extend the closing deadline to August 30, 2025. As of March 31, 2025 and the audit report date, this transaction has not closed.