ECC VENTURES 5 CORP.

Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

For the six months ended June 30, 2025 and 2024

ECC Ventures 5 Corp.

(the “Company” or “ECC5”)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
As at and for the six months ended June 30, 2025

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The management of the Company is responsible for the preparation of the accompanying unaudited condensed interim consolidated financial statements. The unaudited condensed interim consolidated financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards for the preparation of condensed interim consolidated financial statements and are in accordance with IAS 34 – Interim Financial Reporting.

The Company’s auditor has not performed a review of these condensed interim consolidated financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity’s auditor.

ECC VENTURES 5 CORP.
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)
As at

		June 30, 2025		December 31, 2024
Assets				
Current Assets:				
Cash	**$**	**204**	$	1,086
GST receivable		**18,291**		17,058
Total Assets	**$**	**18,495**	$	18,144
Liabilities and Shareholders' Equity (Deficiency)				
Current Liabilities:				
Accounts payable and accrued liabilities	**$**	**32,187**	$	17,923
Promissory notes payable (Note 4)		**15,455**		-
		47,642		17,923
Shareholders' equity (deficiency)				
Share capital (Note 6)		**380,944**		380,944
Reserves (Note 6)		**65,233**		65,233
Deficit		**(475,324)**		(445,956)
		(29,147)		221
Total Liabilities and Shareholders' Equity (Deficiency)	**$**	**18,495**	$	18,144

Nature of business and continuing operations (Note 1)

Approved on Behalf of the Board on August 6, 2025:

"Doug McFaul"
Doug McFaul – CEO/CFO/Director

"Peter Dickie"
Peter Dickie - Director

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

ECC VENTURES 5 CORP.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)

	For the three months ended June 30, 2025	For the three months ended June 30, 2024	For the six months ended June 30, 2025	For the six months ended June 30, 2024
Expenses				
Administration and bank charges	**$ 3,018**	$ 3,018	**$ 6,036**	$ 6,036
Finance expense (Note 4)	**255**	-	**255**	-
Professional fees	**8,337**	7,595	**15,575**	14,857
Transfer agent and filing fees	**1,766**	-	**7,502**	8,243
	(13,376)	(10,613)	**(29,368)**	(29,136)
Loss and comprehensive loss for the period	**$ (13,376)**	$ (10,613)	**$ (29,368)**	$ (29,136)
Weighted average number of shares outstanding – basic and diluted	**3,650,000**	3,650,000	**3,650,000**	3,650,000
Basic and diluted loss per share	**$ (0.004)**	$ (0.003)	**$ (0.008)**	$ (0.008)

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

ECC VENTURES 5 CORP.
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency)
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)

	Share Capital				Total Shareholders' Equity (Deficiency)
	Number	Amount $	Reserves $	Deficit $	$
Balance, December 31, 2023	**5,650,000**	**380,944**	**65,233**	**(392,727)**	**53,450**
Loss for the period	-	-	-	(29,136)	(29,136)
Balance, June 30, 2024	**5,650,000**	**380,944**	**65,233**	**(421,863)**	**24,314**
Balance, December 31, 2024	**5,650,000**	**380,944**	**65,233**	**(445,956)**	**221**
Loss for the period	-	-	-	(29,368)	(29,368)
Balance, June 30, 2025	**5,650,000**	**380,944**	**65,233**	**(475,324)**	**(29,147)**

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

ECC VENTURES 5 CORP.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)

	For the six months ended June 30, 2025	For the six months ended June 30, 2024
Cash provided by (used for)		
Operating Activities:		
Loss for the period	**$ (29,368)**	$ (29,136)
Items not involving cash:		
Finance expense	**255**	-
Net change in non-cash working capital items:		
Accounts payable and accrued liabilities	**14,264**	2,487
GST receivable	**(1,233)**	(1,374)
Prepaid expenses	**-**	735
	(16,082)	(27,288)
Financing Activities:		
Proceeds from promissory notes (Note 4)	**15,200**	-
Change in cash for the period	**(882)**	(27,288)
Cash, beginning of the period	**1,086**	49,480
Cash, end of the period	**$ 204**	$ 22,192
Supplementary information with respect to cash flows:		
Income taxes paid	**$ -**	$ -
Interest paid	**$ -**	$ -

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

1. NATURE OF BUSINESS AND CONTINUING OPERATIONS

ECC Ventures 5 Corp. (the "Company") was incorporated on August 11, 2021 under the laws of British Columbia and is classified as a Capital Pool Company ("CPC") as defined in the TSX Venture Exchange ("TSX-V" or the "Exchange") Policy 2.4. The head office of the Company is located at 515 – 701 West Georgia Street, Vancouver, British Columbia, V7Y 1C6, and the records and registered office is located at 2200 HSBC Building 885 West Georgia Street, British Columbia, V6C 3E8.

Since its incorporation on August 11, 2021, the Company has had no active business operations. As a CPC, the Company's business objective is to identify and evaluate assets or businesses with a view to potential acquisition or participation by completing a Qualifying Transaction ("QT"), as defined in Exchange Policy 2.4 subject, in certain cases, to shareholder approval and acceptance by the TSX-V. As a CPC, the proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to $3,000 per month may be used for reasonable general and administrative expenses of the Company. These restrictions will apply until completion of a QT by the Company as defined under the policies of the Exchange.

On May 12, 2022, as amended August 30, 2023, the Company entered into a definitive arrangement agreement (the "Arrangement Agreement") pursuant to which it would acquire, through its subsidiary, 1360621 B.C. Ltd., all the issued and outstanding share capital of Shelfie-Tech Ltd. (the "Acquisition"), a private Israeli company whose principal activities have been the development of an artificial intelligence powered real time shelf inventory analytics robotic platform. On February 9, 2024, the proposed Acquisition was terminated by the parties in accordance with the terms of the Arrangement Agreement.

The Company is actively searching for a business within which to participate or acquire with a view to completing a QT.

The Company has an accumulated deficit of $475,324 as at June 30, 2025. The Company's ability to continue its operations is dependent upon obtaining additional financing sufficient to cover its operating costs. All the preceding indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY DISCLOSURE INFORMATION

Statement of compliance

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

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY DISCLOSURE INFORMATION (continued)

Statement of compliance (continued)

Standards ("IAS") 34, Interim Financial Reporting. Accordingly, these Financial Statements do not include all of the information required for full annual financial statements and should be read in conjunction with the most recent audited annual financial statements of the Company as at and for the year ended December 31, 2024, which is available on www.sedarplus.com. The Board of Directors authorized these Financial Statements for issue on August 6, 2025.

Principles of consolidation

These Financial Statements include accounts of the Company and its 100% owned and controlled inactive subsidiary 1360621 B.C. Ltd, which was incorporated on May 2, 2022, in connection with the proposed acquisition of Shelfie-Tech Ltd. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All significant intercompany transactions and balances have been eliminated.

Basis of preparation

These Financial Statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. These Financial Statements are presented in Canadian dollars, which is also the Company's functional currency. In addition, these Financial Statements have been prepared using the accrual basis of accounting except for cash flow information.

Recent accounting pronouncements

Classification of liabilities as current or non-current (Amendments to IAS 1)

The IASB has published Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) which clarifies the guidance on whether a liability should be classified as either current or non-current. The amendments: i) clarify that the classification of liabilities as current or non-current should only be based on rights that are in place at the end of the reporting period; ii) clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and iii) make clear that settlement includes transfers to the counterparty of cash, equity instruments, other assets or services that result in extinguishment of the liability.

This amendment is effective for annual periods beginning on or after January 1, 2024. Earlier application was permitted. The adoption of this amendment did not have any impact on the Company's financial statements.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY DISCLOSURE INFORMATION (continued)

Recent accounting pronouncements (continued)

IFRS 18 Presentation and disclosure in financial statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements ("IFRS 18") which introduces: i) new requirements on presentation within the statement of profit or loss; ii) disclosure standards regarding management defined performance measures; and iii) principles for aggregation and disaggregation of financial information in the financial statements and the notes.

IFRS 18 will be effective for annual reporting periods beginning on or after January 1, 2027 but companies can apply it earlier. IFRS 18 replaces IAS 1. It carries forward many requirements from IAS 1 unchanged. The Company is assessing the impact of the adoption of this standard.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these Financial Statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the Financial Statements and the reported expenses incurred during the period. Actual results could differ from these estimates. The preparation of these Financial Statements requires management to make judgements regarding the going concern of the Company, as discussed in Note 1. Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Deferred tax assets and liabilities

The measurement of deferred income tax provision is subject to uncertainty associated with the timing of future events and changes in legislation, tax rates and interpretations by tax authorities. The estimation of taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful operations of the Company. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and deferred tax provisions or recoveries could be affected.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

Stock options

Determining the fair value of stock options requires estimates related to the choice of a pricing model, the estimation of stock price volatility, 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.

4. PROMISSORY NOTES PAYABLE

Pursuant to promissory notes dated April 7, 2025 and May 30, 2025, the Company borrowed $8,700 and $6,500, respectively, from the Emprise Special Opportunities Fund (2017) Limited Partnership ("LP2017"). The principal outstanding under these promissory notes bear interest at the simple rate of 10% per annum, and the entire unpaid principal and any interest are payable upon demand of LP2017. As at June 30, 2025, the principal amount owing is $15,200 (December 31, 2024 - $nil), and the Company has incurred $255 in interest costs (2024 - $nil). The Company may repay the principal and all accrued interest thereon at any time and from time to time without notice or penalty.

5. 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. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management personnel include those persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has identified its directors and certain senior officers as its key management personnel and the compensation costs for key management personnel and companies related to them are recorded at their exchange amounts as agreed upon by transacting parties.

During the six months ended June 30, 2025 and 2024, there was no key management compensation. There were no other related party transactions during the six months ended June 30, 2025 or during year ended December 31, 2024.

6. SHARE CAPITAL

a. Authorized

Unlimited number of common and preferred shares without par value.

6. SHARE CAPITAL (continued)

b. Issued and outstanding

As at June 30, 2025, and December 31, 2024, the issued share capital was comprised of 5,650,000 common shares.

c. Escrowed shares

As at June 30, 2025, the 2,000,000 common shares issued at $0.05 per share are being held in escrow pursuant to the requirements of the Exchange. Twenty five percent of the escrowed common shares will be released from escrow on the issuance of the Final Exchange Bulletin (as defined in the policies of the Exchange) (the “Initial Release”) and an additional twenty five percent will be released on each of the dates which are six, twelve and eighteen months following the Initial Release.

All common shares acquired on exercise of stock options granted to directors and officers of the Company prior to completion of the QT, must also be deposited in escrow until the Final Exchange Bulletin is issued.

All common shares acquired in the secondary market prior to completion of a QT by a Control Person (as defined in the policies of the Exchange), are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Company held by principals of the resulting issuer will also be subject to escrow.

d. Stock options

On August 25, 2021, the Company adopted a stock option plan (the “Stock Option Plan”) whereby it can grant incentive stock options to directors, officers, employees, and technical consultants of the Company. The maximum numbers of shares that may be reserved for issuance under the Stock Option Plan is limited to 10% of the issued common shares of the Company at any time. The vesting period for all options is at the discretion of the Board of Directors. The exercise price will be set by the Board of Directors at the time of grant and cannot be less than the discounted market price of the Company’s common shares.

The Stock Option Plan provides that the number of common shares that may be reserved for the issuance to any one individual upon exercise of all stock options held by such an individual may not exceed 5% of the issued common shares, if the individual is a director or officer, or 2% of the issued common shares, if the individual is a consultant or engaged in providing investor relations services, on a yearly basis. All options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) 90 days from date of termination other than for cause; or (iii) one year from the date of death or disability. Options

(Expressed in Canadian dollars)

6. SHARE CAPITAL (continued)

d. Stock options (continued)

granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession. All common shares acquired on exercise of stock options granted to directors and officers prior to the completion of a QT must be deposited in escrow until the final exchange bulletin relating to a QT is issued.

A summary of the Company's stock option activity is as follows:

	Number of Options	Weighted Average Exercise Price
Balance, June 30, 2025, December 31, 2024 and 2023	**565,000**	**$0.10**

As at June 30, 2025, outstanding options were as follows:

Grant Date	Number of Options Outstanding and Exercisable	Exercise Price	Expiry Date	Remaining Contractual Life (Years)
December 16, 2021	565,000	$0.10	December 16, 2031	6.46
Fully vested and exercisable, June 30, 2025	**565,000**	**$0.10**		

e. Agent options

A summary of the Company's agent option activity is as follows:

	Number of Agent Options	Weighted Average Exercise Price
Balance, June 30, 2025, December 31, 2024, and 2023	**200,000**	**$0.10**

As at June 30, 2025, outstanding agent options were as follows:

Grant Date	Number of Agent Options Outstanding and Exercisable	Exercise Price	Expiry Date	Remaining Contractual Life (Years)
December 16, 2021	200,000	$0.10	December 16, 2026	1.46
Fully vested and exercisable, June 30, 2025	**200,000**	**$0.10**		

7. BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted loss per share for the six months ended June 30, 2025 was based on the loss attributable to common shareholders of $29,368 (June 30, 2024 - $29,136) and the weighted average number of common shares outstanding of 3,650,000 (June 30, 2024 – 3,650,000).

Escrow shares are considered contingently returnable until the Company completes a QT. Accordingly, subsequent to the Company's listing on the TSX-V on December 16, 2021, the 2,000,000 shares held in escrow will not be considered to be outstanding for the purposes of the loss per share calculations.

8. MANAGEMENT OF CAPITAL

Capital is comprised of the Company's shareholders' equity and any debt that it may issue. The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its ongoing liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels.

There were no changes to management's approach to capital management during the period.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to $3,000 per month may be used for reasonable general and administrative expenses of the Company. These restrictions apply until completion of a QT by the Company as defined under the policies of the Exchange.

9. FINANCIAL INSTRUMENTS

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Market Risk

Market risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market prices or prevailing conditions. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk and are disclosed as follows:

9. FINANCIAL INSTRUMENTS (continued)

Market Risk (continued)

(i) Currency risk
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds no financial instruments that are denominated in a currency other than Canadian dollars. As at June 30, 2025, the Company is not exposed to currency risk.

(ii) Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in interest rates. The Company's sensitivity to interest rates relative to its cash balances is currently immaterial. The Company also has no long-term debt with variable interest rates, so it has no negative exposure to changes in the market interest rate.

(iii) Price rate risk
The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock markets to determine the appropriate course of action to be taken by the Company.

Credit Risk
Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits the exposure to credit risk by only investing its cash with high-credit quality financial institutions. The Company's maximum exposure to credit risk is equal to the carrying amount of cash and GST receivable. Management believes that the credit risk related to its cash and GST receivable is negligible.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. At June 30, 2025, the Company has a cash balance of $204 to settle current liabilities of $47,642.

The Company has insufficient funds from which to finance any identified business acquisition and as such will require additional financing to accomplish the Company's long-term strategic objectives. Future funding may be obtained by means of issuing share capital and/or debt financing. There can be no certainty of the Company's ability to raise additional financing through these means. If the Company is unable to continue to finance itself through these means, it is possible that the Company will be unable to continue as a going concern. Consequently, the Company is exposed to liquidity risk as at June 30, 2025.

9. FINANCIAL INSTRUMENTS (continued)

Fair Value Measurements

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 asset or liability either directly or indirectly, and
- Level 3 – Inputs that are not based on observable market date.

As at June 30, 2025 the Company's financial instruments consist of cash, GST receivable, accounts payable and accrued liabilities, and promissory notes payable. These financial instruments are classified as amortized cost. The fair values of these financial instruments approximate their carrying values because of their short-term nature and/or the existence of market related interest rates on the instruments.