



**YNVISIBLE INTERACTIVE INC.**

**CONSOLIDATED FINANCIAL STATEMENTS**

**Years Ended December 31, 2024 and 2023**

**(Expressed in Canadian Dollars)**

# Ynvisible Interactive Inc.

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## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Ynvisible Interactive Inc.:

### *Opinion*

We have audited the consolidated financial statements of Ynvisible Interactive Inc. and its subsidiaries (together the "Company"), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of comprehensive loss, consolidated statements of changes in shareholders' equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting 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 *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 audit 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 1 in the consolidated financial statements, which describes conditions indicating 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 Matters*

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. 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.

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

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### ***Other Information***

Management is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis filed with the relevant Canadian securities commissions.

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 and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated. If, based on the work we have performed, 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 IFRS Accounting 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 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 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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.

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

The engagement partner on the audit resulting in this independent auditor's report is Anna C. Moreton.

*Baker Tilly WM LLP*

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, B.C.  
April 30, 2025

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**YNVISIBLE INTERACTIVE INC.**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
(Expressed in Canadian Dollars)

	As at	
	December 31, 2024	December 31, 2023
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents (Note 3)	\$ 3,348,851	\$ 7,445,758
Amounts receivable	238,922	808,879
Inventories (Note 3)	348,194	276,288
Prepaid expenses	106,781	125,173
<b>Total current assets</b>	<b>4,042,748</b>	<b>8,656,098</b>
<b>Non-current assets</b>		
Deposits	7,240	6,877
Right-of-use assets (Note 5)	170,382	407,625
Fixed assets (Note 6)	1,140,889	1,379,014
Intangible assets (Note 7)	174,732	248,641
<b>Total non-current assets</b>	<b>1,493,243</b>	<b>2,042,157</b>
<b>Total assets</b>	<b>\$ 5,535,991</b>	<b>\$ 10,698,255</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (Note 8)	\$ 821,631	\$ 1,088,608
Current portion of lease liabilities (Note 5)	182,313	261,063
Deferred revenue	32,600	140,893
<b>Total current liabilities</b>	<b>1,036,544</b>	<b>1,490,564</b>
<b>Non-current liabilities</b>		
Lease liabilities (Note 5)	-	164,673
<b>Total liabilities</b>	<b>1,036,544</b>	<b>1,655,237</b>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (Note 9)	38,034,281	37,532,180
Reserves (Note 9)	1,570,599	2,682,102
Obligation to issue shares (Note 9)	46,084	46,084
Deficit	(34,991,766)	(31,078,666)
Accumulated other comprehensive loss	(159,751)	(138,682)
<b>Total shareholders' equity</b>	<b>4,499,447</b>	<b>9,043,018</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 5,535,991</b>	<b>\$ 10,698,255</b>

**Note 1 – Corporate Information**  
**Note 5, 8, 14 – Commitments**  
**Note 16 – Subsequent Events**

Approved and authorized for issue on behalf of the Board of Directors on April 30, 2025:

"Alexander Helmel"  
\_\_\_\_\_  
Director

Alex Langer"  
\_\_\_\_\_  
Director

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



**YNVISIBLE INTERACTIVE INC.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS**  
(Expressed in Canadian Dollars)

	Years Ended December 31,	
	2024	2023
<b>Revenue</b>		
Sales	\$ 927,739	\$ 1,077,471
Cost of sales	(560,165)	(652,266)
<b>Gross profit</b>	<b>367,574</b>	<b>425,205</b>
<b>Expenses</b>		
Bad Debt	-	1,758
Compensation and consulting (Note 8)	3,045,689	3,155,957
Depreciation (Notes 5, 6, and 7)	593,204	586,698
Development and production	1,025,430	980,683
Interest and bank charges	10,760	6,996
Marketing and promotion	200,610	100,530
Office facilities and services	207,628	230,170
Professional fees	304,798	391,822
Share-based compensation (recovery) (Notes 8 and 9)	(10,100)	401,316
Transfer and listing fees	90,196	61,857
Travel and project investigation	138,300	161,771
<b>Total operating expenses</b>	<b>5,606,515</b>	<b>6,079,558</b>
<b>Loss before other items</b>	<b>(5,238,941)</b>	<b>(5,654,353)</b>
<b>Other items</b>		
Rental income	-	150,181
Income and gains	5,536	8,340
Interest revenue	175,723	455,085
Project grants	72,298	166,057
Other income (expenses)	(24,349)	46,557
Write-off of fixed assets	(3,579)	(73,309)
<b>Total other items</b>	<b>225,629</b>	<b>752,911</b>
<b>Loss before income taxes</b>	<b>(5,013,312)</b>	<b>(4,901,442)</b>
<b>Income tax expense (Note 14)</b>	<b>(1,191)</b>	<b>(1,023)</b>
<b>Net loss for the year</b>	<b>(5,014,503)</b>	<b>(4,902,465)</b>
<b>Other comprehensive loss</b>		
Item which may be subsequently reclassified to profit or loss		
Foreign currency translation adjustment	(21,069)	(62,807)
<b>Comprehensive loss for the year</b>	<b>\$ (5,035,572)</b>	<b>\$ (4,965,272)</b>
<b>Basic and diluted loss per common share</b>	<b>\$ (0.04)</b>	<b>\$ (0.04)</b>
<b>Weighted average number of common shares outstanding</b>	<b>125,464,265</b>	<b>124,671,915</b>

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



**YNVISIBLE INTERACTIVE INC.**

**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
(Expressed in Canadian Dollars)

	Share Capital			Reserves	Obligation to issue shares	Deficit	Accumulated other comprehensive income (loss)	Total shareholders' equity
	Number	Amount						
<b>Balance, December 31, 2022</b>	<b># 124,671,915</b>	<b>\$ 37,532,180</b>	<b>\$ 3,084,335</b>	<b>\$ 46,084</b>	<b>\$ (26,979,750)</b>	<b>\$ (75,875)</b>	<b>\$ 13,606,974</b>	
Share-based compensation	-	-	401,316	-	-	-	401,316	
Stock options cancelled	-	-	(803,549)	-	803,549	-	-	
Net loss for the year	-	-	-	-	(4,902,465)	-	(4,902,465)	
Other comprehensive loss	-	-	-	-	-	(62,807)	(62,807)	
<b>Balance, December 31, 2023</b>	<b># 124,671,915</b>	<b>\$ 37,532,180</b>	<b>\$ 2,682,102</b>	<b>\$ 46,084</b>	<b>\$ (31,078,666)</b>	<b>\$ (138,682)</b>	<b>\$ 9,043,018</b>	
Shares issued for private placement	5,000,000	500,000	-	-	-	-	500,000	
Recovery of finder fees	-	2,101	-	-	-	-	2,101	
Share-based compensation (recovery)	-	-	(10,100)	-	-	-	(10,100)	
Stock options cancelled	-	-	(600,090)	-	600,090	-	-	
Warrants expired	-	-	(501,313)	-	501,313	-	-	
Net loss for the year	-	-	-	-	(5,014,503)	-	(5,014,503)	
Other comprehensive loss	-	-	-	-	-	(21,069)	(21,069)	
<b>Balance, December 31, 2024</b>	<b># 129,671,915</b>	<b>\$ 38,034,281</b>	<b>\$ 1,570,599</b>	<b>\$ 46,084</b>	<b>\$ (34,991,766)</b>	<b>\$ (159,751)</b>	<b>\$ 4,499,447</b>	

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

  
**YNVISIBLE INTERACTIVE INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
 (Expressed in Canadian Dollars)

	Years Ended December 31,	
	2024	2023
<b>Operating activities</b>		
Net loss for the year	\$ (5,014,503)	\$ (4,902,465)
<i>Items not involving the use of cash:</i>		
Depreciation	593,204	586,698
Depreciation included in cost of sales	22,779	22,375
Share-based compensation	(10,100)	401,316
Income tax expense	1,191	1,023
<i>Changes in working capital items:</i>		
Amounts receivable	569,957	(39,695)
Interest expense on lease liabilities	3,344	5,630
Inventories	(71,906)	(215,017)
Prepaid expenses	18,392	(7,755)
Accounts payable and accrued liabilities	(266,067)	282,411
Deferred project grants and revenue	(108,293)	(209,716)
<b>Cash used in operating activities</b>	<b>(4,262,002)</b>	<b>(4,075,195)</b>
<b>Investing activities</b>		
Purchase of fixed assets	(52,551)	(66,421)
Purchase of intangible assets	(1,419)	(6,586)
Disposal of intangible assets	16,743	-
Deposits	(363)	(1,047)
<b>Cash used in investing activities</b>	<b>(37,590)</b>	<b>(74,054)</b>
<b>Financing activity</b>		
Proceeds on issuance of shares	500,000	-
Repayment of lease liabilities	(285,325)	(281,261)
<b>Cash (used in) provided by financing activity</b>	<b>214,675</b>	<b>(281,261)</b>
<b>Effect of foreign exchange on cash</b>	<b>(11,990)</b>	<b>32,002</b>
<b>Net change in cash and cash equivalents</b>	<b>(4,096,907)</b>	<b>(4,398,508)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>7,445,758</b>	<b>11,844,266</b>
<b>Cash, end of year</b>	<b>3,348,851</b>	<b>1,075,004</b>
<b>Cash equivalents, end of year</b>	<b>-</b>	<b>6,370,754</b>
<b>Total cash and cash equivalents, end of year</b>	<b>\$ 3,348,851</b>	<b>\$ 7,445,758</b>
<b>Non-cash transactions</b>		
Interest received	\$ -	217,728
Reclassification of stock options cancelled	\$ 600,090	\$ 803,549
Reclassification of warrants expired	\$ 501,313	\$ -
Recovery of finder fees	\$ 2,101	\$ -

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

**YNVISIBLE INTERACTIVE INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
For the Years ended December 31, 2024 and 2023  
(Expressed in Canadian Dollars Unless Otherwise Noted)

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**1. CORPORATE INFORMATION**

Ynvisible Interactive Inc. (the “Company”) was incorporated on September 2, 1983, under the laws of British Columbia, Canada. The address of the Company’s head office and principal place of business is 830 – 1100 Melville Street, Vancouver, British Columbia, Canada, V6E 4A6, and the registered and records office is located at 1500 – 1055 West Georgia Street, Vancouver, British Columbia, Canada, V6E 4N7.

The Company’s principal business activity is the development and sale of electrochromic displays (“ECDs”). The Company’s shares are listed on the TSX Venture Exchange (“TSXV”) under the symbol “YNV”, and are quoted on the OTCQB under the symbol “YNVYF”, and on the FSE under the symbol “1XNA”.

The Company’s business financial condition and results of operations may be negatively affected by economic and other consequences as a result of recently announced American tariff policies and the potential resulting global trade war. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about on its business, results of operations, financial position and cash flows in the future.

These consolidated financial statements have been prepared by management using IFRS Accounting Standards (“IFRS”) applicable to a going concern, which contemplates the realization of assets and settlement of liabilities as they come due in the normal course of business for the foreseeable future. The Company is in the commercialization stage, has not yet realized profitable operations and has relied on non-operational sources of financing to fund operations.

For the year ended December 31, 2024, the Company recorded a comprehensive loss of \$5,035,572 (2023 – \$4,965,272). The Company’s ability to continue as a going concern is dependent on successfully executing its business plan, which includes the raising of additional funds and realization of profitable operations. The Company will continue to seek additional forms of debt or equity financing, but it cannot provide assurance that it will be successful in doing so. There is a material uncertainty related to these conditions that may cast significant doubt on the ability of the Company to continue as a going concern.

These consolidated financial statements do not reflect the adjustments to the carrying amounts of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

**2. BASIS OF PRESENTATION**

***Statement of Compliance***

These consolidated financial statements are prepared in accordance with IFRS and related interpretations of the IFRS Interpretations Committee (“IFRIC”) as issued by the International Accounting Standards Board (“IASB”).

***Basis of Consolidation***

These consolidated financial statements include the accounts of the Company, its 100% owned subsidiaries YD Ynvisible, S.A., Portugal (“Ynvisible SA”), Ynvisible GmbH, Germany, which is 100% owned by Ynvisible SA, and Ynvisible Production AB (“Ynvisible Production”), Sweden, which is 100% owned by the Company. All intercompany transactions and balances are eliminated on consolidation.

**YNVISIBLE INTERACTIVE INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
For the Years ended December 31, 2024 and 2023  
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**2. BASIS OF PRESENTATION (continued)**

***Basis of Measurement and Presentation***

The Company's consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value.

The consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The preparation of consolidated financial statements requires the use of certain critical accounting estimates and the exercise of management's judgment in applying the Company's accounting policies. Areas involving a high degree of judgment or complexity and areas where assumptions and estimates are significant to the Company's consolidated financial statements are discussed in Note 4.

**3. MATERIAL ACCOUNTING POLICY INFORMATION**

***Foreign Currency Translation***

These consolidated financial statements are expressed in Canadian Dollars.

Management has determined the functional currency of Ynvisible Interactive Inc. is the Canadian Dollar; the European Euro for Ynvisible SA and Ynvisible GmbH; and the Swedish krona for Ynvisible Production. Transactions in currencies other than the functional currency of the entity are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognized in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

In accordance with IAS 21 *The Effects of Changes in Foreign Exchange Rates*, the consolidated financial statements for all periods presented have been translated to the presentation currency as follows:

All assets and liabilities have been translated from their functional currency into the Canadian dollar presentation currency using the closing exchange rate at the date of each statement of financial position;

Revenue, income and expenses for each statement of comprehensive loss presented have been retranslated at average exchange rates prevailing during each reporting period or at exchange rates prevailing on the dates of the transactions;

Equity balances have been retrospectively translated at historical rates prevailing during the period incurred; and,

All resulting exchange differences have been recognized in equity as accumulated other comprehensive income (loss).

**YNVISIBLE INTERACTIVE INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
For the Years ended December 31, 2024 and 2023  
(Expressed in Canadian Dollars Unless Otherwise Noted)

**3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

***Inventories***

Inventories are valued at the lower of cost and net realizable value. Cost of inventory includes cost of purchase (purchase price, import duties, transport, handling, and other costs directly attributable to the acquisition of inventories), and other costs incurred in bringing the inventories to their present location and condition. Net realizable value for inventories is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Provisions are made in profit or loss in the period for any difference between carrying value and net realizable value. The Company reverses write-downs in the event that there is a subsequent increase in net realizable value.

Breakdown of inventory transactions are as follows:

<b>Year ended December 31,</b>	<b>2024</b>	<b>2023</b>
Beginning balance	\$ 276,288	61,271
Purchases	632,071	867,284
Cost of goods sold	(560,165)	(652,267)
<b>Year end balance</b>	<b>\$ 348,194</b>	<b>276,288</b>

The Cost of goods sold includes \$0 (2023- \$0) for write-off of inventory.

***Fixed Assets***

Fixed assets are initially recorded at the cost of acquisition or production, which includes the purchase cost, any costs directly attributable to the activities required to put the assets in the necessary location and condition to operate in the manner intended. When applicable, the initial estimated decommissioning costs, asset removal and the restoration of the respective location of installation/operation which the Company expects to incur are capitalized.

Depreciation is calculated after the asset is available for use, according to the straight-line method, except for some basic equipment assets for which the declining balance method is used, in accordance with the estimated useful lives for each group of assets.

The straight-line depreciation rates used correspond to the following estimated useful lives:

Equipment	3 – 8 years
Manufacturing equipment	10 years
Leasehold building improvements	Term of the lease
Office equipment	3 – 8 years
Laboratory	8 - 10 years

The useful lives and depreciation methods for the various assets are reviewed annually. The effect of any changes to these estimates is recognized prospectively in profit or loss. Maintenance and repair expenses (subsequent expenditure) that are unlikely to generate additional economic benefits in the future are recorded as expenses in the period they are incurred. The gain (or loss) resulting from the abandonment or disposal of fixed assets is determined as the difference between the fair value of the amount received or receivable in the transaction, and the carrying amounts of the asset, and is recognized in profit or loss in the period in which the disposal or abandonment occurs.

**YNVISIBLE INTERACTIVE INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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(Expressed in Canadian Dollars Unless Otherwise Noted)

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

***Cash and Cash Equivalents***

Cash and cash equivalents include cash on hand, demand deposits, and short-term, highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. As at December 31, 2024, the Company has cash of \$3,348,851 (2023 - \$1,845,758) and cash equivalents of \$nil (2023 - \$5,600,000).

***Leases***

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company assesses whether the contract involves the use of an identified asset, whether the right to obtain substantially all of the economic benefits from use of the asset during the term of the arrangement exists, and if the Company has the right to direct the use of the asset. At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

As a lessee, the Company recognizes a right-of-use asset and a lease liability at the commencement date of a lease. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received.

The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the interest rate implicit in the lease, or if that rate cannot be readily determined, the incremental borrowing rate. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Lease payments included in the measurement of the lease liability are comprised of:

- Fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee;
- Exercise prices of purchase options if the Company is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in the estimate or assessment of the expected amount payable under a residual value guarantee, purchase, extension, or termination option. Variable lease payments not included in the initial measurement of the lease liability are charged directly to profit or loss.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to profit or loss.

**YNVISIBLE INTERACTIVE INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

***Leases (continued)***

Where the Company is the intermediate lessor of a sublease arrangement, the Company determines whether it is a finance or operating lease by assessing: i) if the terms of sublease transfers substantially all the risks and rewards to the sublessee; and ii) the present value of the sublease payments in relation to the right of use asset. For finance subleases, the Company derecognizes the right of use assets and recognizes a corresponding lease receivable within lease obligations. Sublease income from operating leases is recognized in profit or loss.

***Intangible Assets***

Intangible assets are comprised of patents and software, a customer list, intellectual property (“IP”) rights and a license with finite use lives and are depreciated over the estimated useful life of the asset. Intangible assets are recorded at the cost of acquisition less depreciation and any accumulated impairment losses. Intangible assets are only recognized if it is probable that attributable future economic benefits to the asset flow to the Company, and that they are controllable, and their cost can be measured with reliability. The assets are amortized on a straight-line basis over their estimated useful lives.

The straight-line depreciation rates used correspond to the following estimated useful lives:

Patents and Software	3 – 10 years
Customer List	5 years
IP Rights	5 - 15 years
License	10 years

***Share Capital***

Common shares, equity settled options and warrants are classified as equity. Incremental costs directly attributable to the issuance of common shares and warrants are recognized as a deduction from equity, net of any tax effects.

Proceeds from the exercise of stock options and warrants are recorded as share capital in the amount of consideration received along with any respective amount included in reserves at original issuance. Share capital issued for non-monetary consideration is valued at the closing quoted market price at the date of issuance. The proceeds from the issuance of units are allocated between common shares and warrants based on the residual value method. Under this method, the proceeds are allocated first to share capital based on the fair value of the common shares when issued and any residual value is allocated to reserves. Amounts in reserves for expired and cancelled options and warrants are transferred to deficit.

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

***Share-Based Compensation***

The Company has a stock option plan under which it grants stock options and Restricted share units (RSU's) to officers, directors, employees and consultants.

Share-based compensation to employees is measured at the fair value of the instruments issued and recognized over the vesting periods. Share-based compensation to non-employees is measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and is recorded at the date the goods or services are received. The corresponding amount is recorded to reserves. RSUs are measured at the fair value of the underlying shares on the date of grant. The fair value of options is determined using the Black-Scholes option pricing model which incorporates all market vesting conditions. The number of options or RSUs expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest. As the options or RSUs are exercised, the consideration paid, together with the amount previously recognized in reserves, is recorded as an increase in share capital.

***Revenue Recognition***

Revenue is recognized at the point in time that control of goods is transferred to the customer. Goods include standard ("products"), and customized ("service products") printed electrochromic displays. Amounts received from customers in advance of revenue recognition are recognized as deferred revenue. The Company presents revenues net of taxes collected from customers at the time of sale to be remitted to governmental authorities, including sales taxes. No element of financing is present as the sales are made with credit terms standard for the market. The following criteria is used to determine the contract/agreement:

- (a) the parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations;
- (b) the Company can identify each party's rights regarding the goods or services to be transferred;
- (c) the Company can identify the payment terms for the goods or services to be transferred;
- (d) the contract has commercial substance (ie the risk, timing or amount of the Company's future cash flows is expected to change as a result of the contract); and
- (e) it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, the Company considers only the customer's ability and intention to pay that amount of consideration when it is due. The amount of consideration to which the Company will be entitled may be less than the price stated in the contract if the consideration is variable because the Company may offer the customer a price concession.

***Income Tax***

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income (loss).

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

***Income Tax (continued)***

Deferred tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable income will be available against which those deductible temporary differences, and the carry forward of non-capital losses, can be utilized.

Deferred tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rate that is expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same taxation authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realized simultaneously.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future profit will be available against which the deductible temporary differences can be utilized.

***Earnings (Loss) per Share***

Basic earnings (loss) per share is computed by dividing the earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share reflects the potential dilution of outstanding stock options and warrants that could share in the earnings of the Company. In a loss period, potentially dilutive common shares are excluded from the loss per share calculation as the effect would be anti-dilutive.

***Government Assistance***

The Company is eligible for various European Union (“EU”) co-funded grants.

A government grant is not recognized until there is reasonable assurance that the Company will comply with the conditions attached to the grant and the grant is received. Government grants are recognized as other income on a systematic basis over the periods in which the Company recognizes expenses for which the grants are intended to compensate.

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

***Financial Instruments***

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit or loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The following table shows the classification:

<u>Financial assets/liabilities</u>	<u>classification</u>
Cash and cash equivalents	Amortized cost
Amounts receivable	Amortized cost
Deposits	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

Measurement

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. Interest income is recognized according to the effective interest method. The effective interest rate is the rate that discounts estimated future cash flows over the expected life of the financial instrument, or where appropriate, a shorter period.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company recognizes in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

***Impairment of non- financial assets***

At each reporting date, the Company assesses its non-financial assets to determine whether an indication of impairment exists. If such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. 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.

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**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

***Impairment of non-financial assets (continued)***

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted at a rate that reflects current market assessments of the time value of money and risks specific to the asset.

Intangible assets with an indefinite useful life are not amortized and a formal estimate of recoverable amount is made annually and whenever there is an indication that the intangible asset may be impaired. The useful life of an indefinite life intangible asset is reviewed each period to determine whether events and circumstances continue to support an indefinite useful life assessment.

When an impairment loss is subsequently reversed the carrying amount of the asset is increased to the revised estimate of its recoverable amount such that the increased carrying amount does not exceed the carrying amount that would have been recorded had no impairment losses been recognized for the asset in prior years. The reversal of an impairment loss is recognized in profit or loss.

***Development and Production Expenses***

The Company expenses all research costs as they are incurred. Development costs are also expensed unless they meet all of the specific capitalization criteria established in IAS 38, *Intangible Assets*. Capitalized development costs are stated at cost, net of investment tax credits and government assistance, and net of accumulated amortization and accumulated impairment losses, if any. There were no capitalized development costs as at year end.

***New and Upcoming Accounting Standards and Interpretations***

During the year ended December 31, 2024, the Company adopted the following amendments:

Amendments to IAS 1 – Classification of Liabilities as Current or Non-current

The amendments to IAS 1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date.

These amendments are effective for reporting periods beginning on or after January 1, 2024 and did not have a material impact on the Company.

A number of new accounting standards and amendments to standards and interpretations are not yet effective for the year ending December 31, 2024 and have not been applied in preparing these financial statements. New standards and amendments to standards and interpretations that are currently under review include:

- Amendments to the classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7)
- Annual improvements to IFRS Accounting Standards (includes Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 110 and IAS 7), and,
- IFRS 18 Presentation and disclosure in financial statements.

The Company does not intend to adopt the Amendments in its financial statements before the annual period beginning on January 1, 2025. The Company does not expect the amendments to have a material impact on the financial statements, with the exception of Amendments to IFRS 9 and IFRS 7, and adoption of IFRS 18, for which the impact is being assessed by management.

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**4. CRITICAL JUDGMENTS AND ACCOUNTING ESTIMATES**

When preparing the consolidated financial statements in conformity with IFRS, management undertakes a number of judgments, estimates and assumptions about the application of accounting policies and the reported amounts of assets, liabilities, revenue, losses and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

Significant areas of judgments and estimation uncertainty considered by management in preparing the consolidated financial statements are as follows:

**ACCOUNTING ESTIMATES**

- a. The amounts disclosed related to fair values of stock options issued are based on estimates of future volatility of the Company's share price, expected forfeiture rates, expected lives of the options and expected dividends.
- b. Depreciation of tangible and intangible assets is dependent upon estimates of useful lives, which are determined through the exercise of estimates. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.
- c. The amounts receivable balance is recorded at the estimated recoverable amount, which involves the estimate of expected credit losses.

**ACCOUNTING JUDGMENTS**

The application of IFRS 16 requires the Company to make judgment that affect the measurement of the right-of-use assets and lease liabilities. These include determining agreements in scope of IFRS 16, determining the contract term and determining the interest rate used for discounting of future cash flows. The lease term determined by the Company is comprised of the non-cancellable period of lease agreements, periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. The present value of the lease payment is determined using a discount rate representing the incremental borrowing rate, observed in the period when the lease agreement commences or is modified.

At the end of each reporting period, the Company reviews the carrying amounts of its long-lived assets consisting of fixed assets, intangible assets, and goodwill to determine whether there is any indication that the carrying amount is not recoverable. The determination of whether any such indication exists requires significant management judgment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When an individual asset does not generate independent cash flows, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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**5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES**

Right-of-Use Assets

		<b>Leases</b>
<b>Cost:</b>		
At December 31, 2022	\$	1,246,730
Lease modification		353,408
Foreign exchange adjustment		(16,026)
At December 31, 2023		1,584,112
Lease modification		53,877
Foreign exchange adjustment		(9,749)
<b>At December 31, 2024</b>	<b>\$</b>	<b>1,628,240</b>
<b>Depreciation:</b>		
At December 31, 2022	\$	939,301
Charge for the year		280,271
Foreign exchange adjustment		(43,085)
At December 31, 2023		1,176,487
Charge for the year		285,325
Foreign exchange adjustment		(3,954)
<b>At December 31, 2024</b>	<b>\$</b>	<b>1,457,858</b>
<b>Carrying amount:</b>		
At December 31, 2023	\$	407,625
<b>At December 31, 2024</b>	<b>\$</b>	<b>170,382</b>

Depreciation of right-of-use assets is calculated using the straight-line method over the remaining lease term.

During the year ended December 31, 2024, the Company entered into an amendment to the agreement whereby the lease was extended to August 31, 2025 with a clause that the agreement must be terminated nine months before the due date otherwise the contract will be extended by one year. The Right-of-Use asset and lease liabilities have been updated to reflect management intention to extend the lease for another twelve-month period expiring August 31, 2025.

Lease Liabilities

<b>Year ended December 31,</b>		<b>2024</b>	<b>2023</b>
Beginning balance	\$	425,736	317,581
Lease payments made		(285,325)	(281,261)
Interest expense on lease liabilities		3,344	5,630
Lease modification		44,264	353,408
Foreign exchange adjustment		(5,706)	30,378
<b>Year end balance</b>		<b>182,313</b>	<b>425,736</b>
Less: current portion		(182,313)	(261,063)
<b>Non-Current Portion</b>	<b>\$</b>	<b>-</b>	<b>164,673</b>

The lease liabilities were measured by discounting the lease payments using an incremental borrowing rate of 12%. Interest expense of \$3,344 (2023 - \$5,630) is included in interest and bank charges.

The remaining minimum future lease payments, excluding estimated operating costs, for the term of the lease including assumed renewal periods are as follows:

Fiscal 2025	\$	182,313
<b>Total</b>	<b>\$</b>	<b>182,313</b>

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**6. FIXED ASSETS**

		Equipment	Manufacturing Equipment	Leasehold Building Improvements	Office Equipment	Other	Total
<b>Costs</b>							
Balance, December 31, 2022	\$	590,715	\$ 1,839,109	\$ 71,379	\$ 170,542	\$ 81,090	\$ 2,752,835
Additions		43,988	-	-	22,157	276	66,421
Disposal		(46,253)	-	(17)	(40,995)	(1,179)	(88,444)
Foreign exchange adjustment		(4,281)	(22,418)	(152)	12,214	(14,441)	(29,078)
Balance, December 31, 2023		584,169	1,816,691	71,210	163,918	65,746	2,701,734
Additions		18,171	4,339	4,075	5,204	20,762	52,551
Disposal		-	(599)	-	(961)	-	(1,560)
Foreign exchange adjustment		11,701	20,056	1,237	(10,614)	15,034	37,414
<b>Balance, December 31, 2024</b>	<b>\$</b>	<b>614,041</b>	<b>\$ 1,840,487</b>	<b>\$ 76,522</b>	<b>\$ 157,547</b>	<b>\$ 101,542</b>	<b>\$ 2,790,139</b>
<b>Accumulated Depreciation</b>							
Balance, December 31, 2022	\$	283,913	\$ 655,934	\$ 27,813	\$ 66,232	\$ 59,515	\$ 1,093,407
Charge for the year		69,830	159,119	9,439	29,868	5,088	273,344
Foreign exchange adjustment		(7,698)	(32,391)	(639)	11,337	(14,640)	(44,031)
Balance, December 31, 2023		346,045	782,662	36,613	107,437	49,963	1,322,720
Charge for the year		69,764	171,210	7,836	27,348	8,230	284,388
Foreign exchange adjustment		7,167	31,297	551	(11,433)	14,560	42,142
<b>Balance, December 31, 2024</b>	<b>\$</b>	<b>422,976</b>	<b>\$ 985,169</b>	<b>\$ 45,000</b>	<b>\$ 123,352</b>	<b>\$ 72,753</b>	<b>\$ 1,649,250</b>
<b>Carrying Value</b>							
Balance, December 31, 2023	\$	238,124	\$ 1,034,029	\$ 34,597	\$ 56,481	\$ 15,783	\$ 1,379,014
<b>Balance, December 31, 2024</b>	<b>\$</b>	<b>191,065</b>	<b>\$ 855,318</b>	<b>\$ 31,522</b>	<b>\$ 34,195</b>	<b>\$ 28,789</b>	<b>\$ 1,140,889</b>

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**7. INTANGIBLE ASSETS**

Costs	Patents and Software		Customer List*		IP Rights*		License		Goodwill		Total	
Balance, December 31, 2022	\$	117,212	\$	162,302	\$	49,357	\$	116,099	\$	71,253	\$	516,223
Additions		-		6,586		-		-		-		6,586
Foreign exchange adjustment		(2,072)		(747)		(694)		18,877		-		15,364
Balance, December 31, 2023		115,140		168,141		48,663		134,976		71,253		538,173
Additions		-		1,419		-		-		-		1,419
Disposal		(16,743)		-		-		-		-		(16,743)
Foreign exchange adjustment		2,767		861		360		(19,601)		-		(15,613)
<b>Balance, December 31, 2024</b>	<b>\$</b>	<b>101,164</b>	<b>\$</b>	<b>170,421</b>	<b>\$</b>	<b>49,023</b>	<b>\$</b>	<b>115,375</b>	<b>\$</b>	<b>71,253</b>	<b>\$</b>	<b>507,236</b>

<b>Accumulated Depreciation</b>												
Balance, December 31, 2022	\$	55,866	\$	71,949	\$	23,128	\$	49,768	\$	-	\$	200,711
Charge for the year		8,291		41,113		12,399		12,677		-		74,480
Foreign exchange adjustment		(2,767)		(1,437)		(498)		19,043		-		14,341
Balance, December 31, 2023		61,390		111,625		35,029		81,488		-		289,532
Charge for the year		5,150		30,519		8,652		12,634		-		56,955
Foreign exchange adjustment		2,805		1,599		548		(18,935)		-		(13,983)
<b>Balance, December 31, 2024</b>	<b>\$</b>	<b>69,345</b>	<b>\$</b>	<b>143,743</b>	<b>\$</b>	<b>44,229</b>	<b>\$</b>	<b>75,187</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>332,504</b>

<b>Carrying Value</b>												
Balance, December 31, 2023	\$	53,750	\$	56,516	\$	13,634	\$	53,488	\$	71,253	\$	248,641
<b>Balance, December 31, 2024</b>	<b>\$</b>	<b>31,819</b>	<b>\$</b>	<b>26,678</b>	<b>\$</b>	<b>4,794</b>	<b>\$</b>	<b>40,188</b>	<b>\$</b>	<b>71,253</b>	<b>\$</b>	<b>174,732</b>

\* In May 2020, the Company entered into a business transfer agreement with rdot AB ("rdot") to acquire customer lists and IP rights in the amount of \$175,080 (Swedish krona 1,200,000) ("Fixed Purchase Price") (paid). Rdot was entitled to contingent consideration ("Success Fees") based on the Company's revenue generated from rdot customers during the period May 18, 2020 – May 17, 2023, as follows:

Time period from closing date	Percentage on invoiced sales for rdot customer	Percentage on invoiced sales for Shared customer
Month 1-12	15%	7.5%
Month 13-24	12%	6%
Month 25-36	5%	2.5%

If sales related to rdot or a shared customer were ordered or earned in one of the time periods, but invoiced at a later time period, the Success Fees percentage is calculated using the formula: (year booked percentage + year invoiced percentage)/2. Each instalment of the Success Fees shall be paid within 30 days after the closing of each fiscal quarter. During the year ended December 31, 2024, \$1,419 (2023 - \$6,586) of contingent consideration was capitalized to Customer List.

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**8. 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. 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 are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Director members.

Key Management Compensation

	<b>Years Ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
Compensation and consulting	\$ 842,138	\$ 641,957
Share-based compensation	38,704	109,729
	<b>\$ 880,842</b>	<b>\$ 751,686</b>

As at December 31, 2024, accounts payable and accrued liabilities include \$37,525 (2023 - \$25,665) due to officers and directors. Accounts payable and accrued liabilities due to related parties are unsecured, non-interest bearing and have no specified terms of repayment.

**9. SHARE CAPITAL AND RESERVES**

***Authorized***

Unlimited number of Class A common shares without par value.

Unlimited number of Class B non-voting convertible common shares without par value, convertible to Class A common shares on a one-for-one basis.

***Issued***

There are no Class B non-voting convertible common shares issued.

Class A common shares

*For the year ended December 31, 2024:*

In November 2024, the Company issued 5,000,000 Class A common shares for private placement at a price of \$0.10 per share for gross proceeds of \$500,000.

*For the year ended December 31, 2023:*

There was no share issuance during the year ended December 31, 2023.

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

***Obligation to Issue Shares***

On November 9, 2018, the Board of Directors approved the issuance of up to 1,032,496 Class A common shares (the “SEA Shares”) to certain Ynvisible SA minority shareholders (the “SEA Minority Shareholders”) pursuant to the terms of share exchange agreements (the “Post-RTO Share Exchange Agreements”) between the Company and the SEA Minority Shareholders. The Board of Directors corrected the number of SEA Shares being issued to the SEA Minority Shareholders to 1,022,496 on September 4, 2019.

On September 4, 2019, the Company implemented a squeeze-out transaction, as per the applicable Portuguese law, pursuant to the RTO transaction, whereby the Company acquired the remaining 499,369 shares of Ynvisible SA, on a one-for-one basis for the Class A common shares of the Company, held by certain minority shareholders of Ynvisible SA (the “Squeeze-Out Minority Shareholders”). Accordingly, the Company recorded an obligation to issue 499,369 Class A common shares with a fair value of \$172,282, which has been reported as RTO transaction costs. As a result of the squeeze-out transaction, the Company now owns 100% of Ynvisible SA. As at December 31, 2024, the Company recorded \$46,084 (2023 - \$46,084) for an obligation to issue 133,577 outstanding shares (2023- 133,577).

***Stock Options***

The Company has a 10% rolling security-based compensation plan (the “Plan”) which allows for the issuance of options, deferred share units (“DSUs”), performance share units (“PSUs”), or restricted share units (“RSUs”) (collectively, “Awards”). Under the terms of the Plan, the maximum number of common shares of the Company reserved for issuance, together with all of the Company’s other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of shares, shall not exceed 10% of the issued and outstanding common shares as at the date of grant of any Award. Within this 10% limit, a maximum of 10% as fixed in the Plan can be allocated for awards other than stock options. Prior to the adoption of the Omnibus Incentive Plan the Company had a 10% “rolling” stock option plan, whereby the aggregate number of Common Shares reserved for issuance, shall not exceed 10% of the total number of issued and outstanding Common Shares at the time of the option grant. The Omnibus Incentive Plan replaced the 10% “rolling” stock option plan. The stock options granted under the old plan continue to be governed by the old plan. The Plan was most recently approved by Shareholders at an Annual General Meeting held December 11, 2024.

The Company has a rolling stock option plan, which follows the policies of the TSXV regarding stock option awards granted to employees, directors and consultants. According to the plan, the Company may grant incentive stock options up to a total of 10% of the Company’s issued and outstanding common shares.

In February 2023, the Company granted 2,427,500 stock options to various directors, officers, consultants, and employees at an exercise price of \$0.20 per share for a period of five years, vesting as follows: 1/4th at the date of grant, 1/4th at four months from the date of grant, 1/4th at eight months from the date of grant, and 1/4th at twelve months from the date of grant. The options were valued at \$162,856 using the Black-Scholes option pricing model. In addition, the Company granted 25,000 stock options to a provider of investor relations services at an exercise price of \$0.20 per share for a period of five years, vesting as follows: 1/4th at three months from the date of grant, 1/4th at six months from the date of grant, 1/4th at nine months from the date of grant, and 1/4th at twelve months from the date of grant. These options were valued at \$1,677 using the Black-Scholes option pricing model.

In March 2023, the Company granted 20,000 stock options to employees at an exercise price of \$0.20 per share for a period of five years, vesting as follows: 1/4th at the date of grant, 1/4th at four months from the date of grant, 1/4th at eight months from the date of grant, and 1/4th at twelve months from the date of grant. The options were valued at \$1,174 using the Black-Scholes option pricing model.

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

***Stock Options (continued)***

In June 2023, the Company granted 20,000 stock options to employees at an exercise price of \$0.20 per share for a period of five years, vesting as follows: 1/4th at the date of grant, 1/4th at four months from the date of grant, 1/4th at eight months from the date of grant, and 1/4th at twelve months from the date of grant. The options were valued at \$1,928 using the Black-Scholes option pricing model.

In September 2023, the Company granted 100,000 stock options to an officer at an exercise price of \$0.20 per share for a period of five years, vesting as follows: 1/4th at the date of grant, 1/4th at four months from the date of grant, 1/4th at eight months from the date of grant, and 1/4th at twelve months from the date of grant. The options were valued at \$7,922 using the Black-Scholes option pricing model. In addition, the Company granted 50,000 stock options to a provider of investor relations services at an exercise price of \$0.20 per share for a period of five years, vesting as follows: 1/4th at three months from the date of grant, 1/4th at six months from the date of grant, 1/4th at nine months from the date of grant, and 1/4th at twelve months from the date of grant. These options were valued at \$3,961 using the Black-Scholes option pricing model.

In January 2024, the Company granted 400,000 stock options to officers, directors, employees, and consultants at an exercise price of \$0.09 per share for a period of five years vesting as follows: 1/4th at the date of grant, 1/4th at four months from the date of grant, 1/4th at eight months from the date of grant, and 1/4th at twelve months from the date of grant. The options were valued at \$27,032 using the Black-Scholes option pricing model.

In January 2024, the Company granted 120,000 stock options to employees at an exercise price of \$0.20 per share for a period of five years, vesting as follows: 1/4th at the date of grant, 1/4th at four months from the date of grant, 1/4th at eight months from the date of grant, and 1/4th at twelve months from the date of grant. The options were valued at \$7,427 using the Black-Scholes option pricing model.

In May 2024, the Company granted 130,000 stock options to various directors, officers, consultants, and employees at an exercise price of \$0.20 per share for a period of five years, vesting as follows: 1/4th at the date of grant, 1/4th at four months from the date of grant, 1/4th at eight months from the date of grant, and 1/4th at twelve months from the date of grant. The options were valued at \$10,557 using the Black-Scholes option pricing model. In addition, the Company granted 50,000 stock options to a provider of investor relations services at an exercise price of \$0.20 per share for a period of five years, vesting as follows: 1/4th at three months from the date of grant, 1/4th at six months from the date of grant, 1/4th at nine months from the date of grant, and 1/4th at twelve months from the date of grant. These options were valued at \$4,060 using the Black-Scholes option pricing model.

In September 2024, the Company granted 250,000 stock options to director, at an exercise price of \$0.09 per share for a period of five years vesting as follows: 1/4th at the date of grant, 1/4th at four months from the date of grant, 1/4th at eight months from the date of grant, and 1/4th at twelve months from the date of grant. The options were valued at \$19,557 using the Black-Scholes option pricing model.

In September 2024, the Company granted 20,000 stock options to employees at an exercise price of \$0.20 per share for a period of five years, vesting as follows: 1/4th at the date of grant, 1/4th at four months from the date of grant, 1/4th at eight months from the date of grant, and 1/4th at twelve months from the date of grant. The options were valued at \$2,181 using the Black-Scholes option pricing model.

In December 2024, the Company granted 40,000 stock options to various consultants, and employees at an exercise price of \$0.20 per share for a period of five years, vesting as follows: 1/4th at the date of grant, 1/4th at four months from the date of grant, 1/4th at eight months from the date of grant, and 1/4th at twelve months from the date of grant. The options were valued at \$5,121 using the Black-Scholes option pricing model. In addition, the Company granted 50,000 stock options to a provider of investor relations services at an exercise price of \$0.20 per share for a period of five years, vesting as follows: 1/4th at three months from the date of grant, 1/4th at six months from the date of grant, 1/4th at nine months from the date of grant, and 1/4th at twelve months from the date of grant. These options were valued at \$6,401 using the Black-Scholes option pricing model.

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

***Stock Options (continued)***

Share-based compensation recognized during the year ended December 31, 2024 was \$107,379 (2023 - \$401,316) from vesting of options.

The Company's valuation of share purchase options granted during the year was estimated using the Black-Scholes option pricing model based on the Company's historical stock price and volatility with the following weighted average assumptions:

	For the years ended December 31,	
	2024	2023
Risk-free interest rate	3.21%	3.58%
Expected dividend yield and forfeiture	8.43%	0%
Expected stock price volatility	128%	118%
Expected option life in years	5	5
Exercise price	0.20	0.20
Spot price	0.09	0.09

During the year ended December 31, 2024, 1,985,000 (2023 - 2,540,000) stock options were cancelled, and the fair value of \$600,090 (2023 - \$803,549) attributable to these stock options was transferred from reserves to deficit.

Stock option transactions and the number of stock options outstanding are summarized as follows:

	Year Ended December 31, 2024		Year Ended December 31, 2023	
	Number of Options #	Weighted Average Exercise Price \$	Number of Options #	Weighted Average Exercise Price \$
Outstanding, beginning	9,575,000	0.35	9,472,500	0.39
Granted	1,060,000	0.13	2,642,500	0.20
Cancelled/Forfeited	(1,985,000)	0.40	(2,540,000)	0.35
<b>Outstanding, ending</b>	<b>8,650,000</b>	<b>0.31</b>	<b>9,575,000</b>	<b>0.35</b>

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

***Stock Options (continued)***

As at December 31, 2024, the following options were granted and vested:

Expiry Date	Weighted Average Exercise Price (\$)	Number of Options Outstanding	Number of Options Vested and Exercisable	Weighted Remaining Contractual Life (years)
May 20, 2025	0.33	195,000	195,000	0.38
September 16, 2025	0.25	215,000	215,000	0.71
November 11, 2025	0.29	125,000	125,000	0.86
March 17, 2026	1.29	10,000	10,000	1.21
June 3, 2026	0.63	100,000	100,000	1.42
July 1, 2026	0.75	1,140,000	1,140,000	1.50
July 22, 2026	0.62	80,000	80,000	1.56
August 26, 2026	0.55	250,000	250,000	1.65
October 20, 2026	0.44	370,000	370,000	1.80
December 7, 2026	0.32	500,000	500,000	1.93
July 20, 2027	0.20	2,400,000	2,400,000	2.55
February 24, 2028	0.20	2,095,000	2,095,000	3.15
June 26, 2028	0.20	20,000	20,000	3.49
September 15, 2028	0.20	150,000	150,000	3.71
January 11, 2029 (1)	0.20	100,000	75,000	4.03
January 11, 2029	0.09	400,000	300,000	4.03
May 28, 2029	0.20	140,000	70,000	4.41
September 4, 2029	0.09	250,000	62,500	4.68
September 23, 2029	0.20	20,000	5,000	4.73
December 3, 2029	0.20	50,000	-	4.93
December 3, 2029	0.20	40,000	10,000	4.93
	<b>0.31</b>	<b>8,650,000</b>	<b>8,172,500</b>	<b>2.55</b>

(1) Subsequent to year end, 20,000 options which were to expire January 11, 2029 with an exercise price of \$0.20, were cancelled.

***Restricted share units ("RSUs")***

In December 2024, the Company awarded 1,100,000 restricted share units ("RSUs"), subject to the terms and conditions of the Company's omnibus equity incentive compensation plan, to certain directors and officers of the Company, effective December 10, 2024 (the "RSU Grant Date"). A total of 700,000 of these RSU's were granted to a director and will vest one year from the RSU Grant Date. Another director and an officer were each granted 200,000 RSUs. 50% of which will vest one year from the RSU Grant Date with the remainder vesting two years from the RSU Grant Date.

Restricted share units ("RSUs") transactions and the number of ("RSUs") outstanding are summarized as follows:

	December 31, 2024	December 31, 2023
	Number of ("RSU") #	Number of ("RSU") #
Outstanding, beginning	-	-
Awarded	1,100,000	-
<b>Outstanding, end</b>	<b>1,100,000</b>	-

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

**Warrants**

During the year ended December 31, 2024, 20,891,603 (2023 – Nil) warrants expired, and the fair value of \$501,313 (2023 -\$nil) attributable to these warrants was transferred from reserves to deficit.

Warrant transactions and the number of warrants outstanding are summarized as follows:

	Year Ended December 31, 2024		Year Ended December 31, 2023	
	Number of Warrants #	Weighted Average Exercise Price \$	Number of Warrants #	Weighted Average Exercise Price \$
Outstanding, beginning	20,891,603	0.75	20,891,603	0.71
Expired	(20,891,603)	(0.75)	-	-
<b>Outstanding, end</b>	<b>-</b>	<b>-</b>	<b>20,891,603</b>	<b>0.75</b>

**10. REVENUE AND COST OF SALES**

For the year ended December 31, 2024 and 2023, the Company's revenue and related cost of sales is composed of services and products as follows:

	Year Ended December 31,								
	2024						2023		
	Service Products	Products	Total	Service Products	Products	Total			
Sales	\$ 443,785	\$ 483,954	\$ 927,739	\$ 500,982	\$ 576,489	\$ 1,077,471			
Cost of sales	(225,676)	(334,489)	(560,165)	(315,952)	(336,314)	(652,266)			
Gross profit	218,109	149,465	367,574	185,030	240,175	425,205			

**11. FAIR VALUES AND RISK MANAGEMENT**

As at December 31, 2024, the Company's financial instruments consist of cash, amounts receivable, deposits, and accounts payable and accrued liabilities. The fair value of cash, amounts receivable, deposits, and accounts payable and accrued liabilities, approximate their carrying values because of their short-term nature.

The Company is exposed to financial risks arising from its financial instruments. The Company manages its exposure to financial risks by operating in a manner that minimizes its exposure to the extent practical. The main financial risks affecting the Company are:

**Credit Risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash and cash equivalents is exposed to minimal credit risk. The credit risk on cash and cash equivalents is low because the counterparties are highly rated banks. Receivables are comprised primarily of amounts due from various customers. The Company is exposed to credit risk through accounts receivable from customers. At December 31, 2023, trade receivables from five customers accounted for 91% in aggregate. At December 31, 2024, trade receivables from five customers accounted for 100%. As such the Company is subject to credit risk on it's receivables given the high concentration of receivables on it's five top clients. In addition the Company is subject to concentration risk on its sales as sales to it's top 3 clients represents 80% of revenue in 2024.

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## 11. FAIR VALUES AND RISK MANAGEMENT (continued)

### ***Credit Risk (continued)***

Cash and cash equivalents and amounts receivable are subject to the impairment requirements of IFRS 9; however, impairment was not identified for the year ended December 31, 2024. The carrying amount of cash and cash equivalents, and amounts receivable represents the maximum credit exposure.

The Company's management of credit risk has not changed materially from that of the prior year.

### ***Liquidity Risk***

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company ensures that it has sufficient capital to meet short term financial obligations after taking into account its cash on hand. The Company's management of liquidity risk has not changed materially from that of the prior year.

### ***Market Risk***

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises: currency risk, interest rate risk and other price risk. The Company's management of market risk has not changed materially from that of the prior year and the Company's financial instruments aren't subject to other price risk.

### ***Interest Rate Risk***

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash is exposed to minimal interest rate risk as the Company invests cash at floating rates and cash equivalents at fixed rates of interest in highly liquid instruments, when applicable.

### ***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's functional currency is the Canadian dollar. The Company funds the operations of Ynvisible SA in Portugal, Ynvisible GmbH in Germany, and Ynvisible Production in Sweden by using Euros and Swedish krona, respectively, converted from its Canadian dollar bank accounts. Based on the Company's Euro and Swedish krona denominated financial instruments at December 31, 2024, a 10% change in exchange rates between the Canadian dollar and the Euro and Swedish krona, would result in an approximately \$65,521 and \$17,321, respectively, change in foreign exchange gain or loss.

## 12. CAPITAL MANAGEMENT

Management determines the Company's capital structure and makes adjustments to it based on funds available to the Company, in order to support its business operations, at December 31, 2024 management considered shareholders' equity to be capital managed \$4,499,447 (2023 - \$9,043,018). The Board of Directors has not established quantitative return on capital criteria for capital management but rather relies upon the expertise of the management team to sustain the future development of the business. As the Company does not generate significant revenue, the Company is dependent upon external financing to fund technology and business development as well as its administrative costs. The Company will spend existing working capital and raise additional amounts as needed. The Company will continue to assess new business verticals for its technology and know-how and may seek to acquire an interest in supporting business opportunities, if management feels there is sufficient economic potential, provided it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that its approach, given the relative size of the Company, is reasonable. There have been no changes in the Company's approach to capital management during the year ended December 31, 2024. The Company is not subject to externally imposed capital requirements. Management includes its net working capital in its capital calculations. As at December 31, 2024, working capital was \$3,006,204 (2023 - \$7,165,534).

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**13. SEGMENTED DISCLOSURE**

The Company has one operating segment, being the development and sale of ECDs in Europe. At December 31, 2024, the Company's revenues, assets, liabilities and comprehensive loss are geographically located as follows:

Revenue	Portugal	Germany	Sweden	Canada	Total
2024	\$ 537,683	\$ -	\$ 390,056	\$ -	\$ 927,739

  

	Europe	Canada	Total
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ 1,139,688	\$ 2,209,163	\$ 3,348,851
Amounts receivable	231,922	7,000	238,922
Inventories	348,194	-	348,194
Prepaid expenses	75,085	31,696	106,781
<b>Total current assets</b>	<b>1,794,889</b>	<b>2,247,859</b>	<b>4,042,748</b>
<b>Non-current assets</b>			
Deposits	7,240	-	7,240
Right-of-use assets	170,382	-	170,382
Fixed assets	1,140,889	-	1,140,889
Intangible assets	103,479	71,253	174,732
<b>Total non-current assets</b>	<b>1,421,990</b>	<b>71,253</b>	<b>1,493,243</b>
<b>Total assets</b>	<b>\$ 3,216,879</b>	<b>\$ 2,319,112</b>	<b>\$ 5,535,991</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	\$ 592,904	\$ 228,727	\$ 821,631
Current portion of lease liabilities	182,313	-	182,313
Deferred revenue	32,600	-	32,600
<b>Total current liabilities</b>	<b>807,817</b>	<b>228,727</b>	<b>1,036,544</b>
<b>Non-current liabilities</b>			
Lease liabilities	-	-	-
<b>Total non-current liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>\$ 807,817</b>	<b>\$ 228,727</b>	<b>\$ 1,036,544</b>
<b>Comprehensive loss for the year ended</b>			
<b>December 31, 2024</b>	<b>\$ 4,187,281</b>	<b>\$ 848,291</b>	<b>\$ 5,035,572</b>

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**13. SEGMENTED DISCLOSURE (continued)**

The Company has one operating segment, being the development and sale of ECDs in Europe. At December 31, 2023, the Company's revenues, assets, liabilities and comprehensive loss are geographically located as follows:

Revenue	Portugal	Germany	Sweden	Canada	Total
2023	\$ 694,868	\$ 174,801	\$ 207,802	\$ -	\$ 1,077,471

  

	Europe	Canada	Total
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ 978,176	\$ 6,467,582	\$ 7,445,758
Amounts receivable	587,529	221,350	808,879
Inventories	276,288	-	276,288
Prepaid expenses	83,592	41,581	125,173
<b>Total current assets</b>	<b>1,925,585</b>	<b>6,730,513</b>	<b>8,656,098</b>
<b>Non-current assets</b>			
Deposits	6,877	-	6,877
Right-of-use assets	407,625	-	407,625
Fixed assets	1,379,014	-	1,379,014
Intangible assets	177,388	71,253	248,641
<b>Total non-current assets</b>	<b>1,970,904</b>	<b>71,253</b>	<b>2,042,157</b>
<b>Total assets</b>	<b>\$ 3,896,489</b>	<b>\$ 6,801,766</b>	<b>\$ 10,698,255</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	\$ 867,511	\$ 221,097	\$ 1,088,608
Current portion of lease liabilities	261,063	-	261,063
Deferred project grants	140,893	-	140,893
<b>Total current liabilities</b>	<b>1,269,467</b>	<b>221,097</b>	<b>1,490,564</b>
<b>Non-current liabilities</b>			
Lease liabilities	164,673	-	164,673
<b>Total non-current liabilities</b>	<b>164,673</b>	<b>-</b>	<b>164,673</b>
<b>Total liabilities</b>	<b>\$ 1,434,140</b>	<b>\$ 221,097</b>	<b>\$ 1,655,237</b>
<b>Comprehensive loss for the year ended December 31, 2023</b>	<b>\$ 4,242,782</b>	<b>\$ 722,490</b>	<b>\$ 4,965,272</b>

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**14. COMMITMENTS**

***RISE Agreement***

On March 12, 2024, the Company signed a technology license agreement (the “Agreement”) with the Research Institutes of Sweden AB (“RISE”) in respect of printed display technology owned by RISE.

The Agreement gives the Company:

- Broad field of use of the technology;
- Six years worldwide exclusive license;
- Perpetual worldwide non-exclusive license;
- Ownership of the product and manufacturing intellectual property;
- Right to buy RISE’s intellectual property; and
- Right to terminate the Agreement if Ynvisible is not able to develop viable products or there is a failure in materials supply.

The Agreement gives RISE:

- Licence fees of SEK 800,000 per year in the first 3 years, and SEK 1,000,000 per year in years 4 to 6, payable in equal quarterly instalments. During the year ended December 31, 2024, license fees amounted to SEK 800,000 (\$103,680);
- Perpetual royalties in the range of 0 - 3% of product sales. Ynvisible did not pay any royalties during the year ended December 31, 2024.
- Ynvisible was committed to purchase services and materials from RISE for a minimum amount of SEK 2,555,040 (\$331,133) in 2024. During the year ended December 31, 2024, the total value of services and materials purchased amounted to SEK 2,506,231 (\$324,808);
- Ownership of the materials and devices intellectual property; and
- Right to terminate the Agreement if Ynvisible is not commercially successful.

If the Company decides to purchase the intellectual property, the licence fees, royalties and commitment to purchase services and materials will terminate.

**15. INCOME TAXES**

The Company is subject to income taxes on its profit or loss in Canada and Europe. The statutory income tax rates were approximately 27% (2023 - 27%) in Canada and 21% (2023 - 21%) in Europe.

A reconciliation of the expected income tax expense (recovery) to the actual income tax expense (recovery) is as follows:

	2024	2023
Loss before income taxes	\$ (5,013,512)	\$ (4,901,442)
Recovery at statutory rate	\$ (1,354,000)	\$ (1,323,000)
Non-deductible items	3,191	246,023
Change in estimate and other	322,000	188,000
Change in tax benefits not recognized	1,030,000	890,000
Income tax expense (recovery)	\$ 1,191	\$ 1,023

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**15. INCOME TAXES (continued)**

The components of deferred taxes are:

	2024		2023
Share issue costs	\$ 77,000	\$	157,000
Fixed assets	377,000		343,000
Non-capital losses	7,621,000		6,545,000
Tax benefits not recognized	<u>(8,075,000)</u>		<u>(7,045,000)</u>
Net deferred tax assets (liabilities)	<u>\$ -</u>	\$	<u>-</u>

The realization of tax benefits related to these deferred potential tax deductions is not probable. Accordingly, no deferred tax assets have been recognized for accounting purposes. The Company has non-capital losses carried forward of approximately \$33,028,000 (2023 - \$26,711,000). Losses expire as follows:

Expiry date	Canada	Portugal	Germany	Sweden	Total
2026	\$ 247,000	\$ 564,000	\$ -	\$ -	\$ 811,000
2027	420,000	201,000	-	-	621,000
2028	694,000	277,000	-	-	971,000
2029	682,000	49,000	-	-	731,000
2030	759,000	370,000	-	-	1,129,000
2031	522,000	466,000	-	-	988,000
2032	477,000	977,000	-	-	1,454,000
2033	1,638,000	1,479,000	-	-	3,117,000
2034	181,000	1,864,000	-	-	2,045,000
2035	199,000	-	-	-	199,000
2036	217,000	-	-	-	217,000
2037	152,000	-	-	-	152,000
2038	1,310,000	-	-	-	1,310,000
2039	836,000	-	-	-	836,000
2040	1,139,000	-	-	-	1,139,000
2041	1,800,000	-	-	-	1,800,000
2042	1,065,000	-	-	-	1,065,000
2043	757,000	-	-	-	757,000
2044	1,156,000	-	-	-	1,156,000
Unlimited	-	4,578,000	648,000	7,304,000	12,530,000
Total	<u>\$ 14,251,000</u>	<u>\$ 10,825,000</u>	<u>\$ 648,000</u>	<u>\$ 7,304,000</u>	<u>\$ 33,028,000</u>

**16. SUBSEQUENT EVENTS**

***Stock options granted***

February 28, 2025, the Company granted 815,000 stock options to officers, employees, and consultants. at an exercise price of \$0.20 per share for a period of five years; and 200,000 stock options to employees at an exercise price of \$0.15 per share for a period of five years. The options vest as follows: 1/4th at the date of grant, 1/4th at four months from the date of grant, 1/4th at eight months from the date of grant, and 1/4th at twelve months from the date of grant.

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**16. SUBSEQUENT EVENTS (continued)**

***Non-Brokered private placement***

On March 21, 2025, the Company closed a private placement of 4,563,765 common shares of the Company at a price of \$0.12 per share, for aggregate gross proceeds \$547,651.80. The Company paid finder fees of \$17,896.32 in relation to this private placement. The common shares are subject to a four-month trading hold from the date of issue.