RIWI CORP.

CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

For the years ended December 31, 2023 and 2022

(Expressed in United States dollars)

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Independent Auditor's Report

To the Shareholders of RIWI Corp.

Opinion

We have audited the consolidated financial statements of RIWI Corp. and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the year 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 Group as at December 31, 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

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 Group 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. 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.

Revenue recognition

Description of the key audit matter

We considered revenue recognition to be a key audit matter as project revenue involves significant judgments and estimates regarding the completion of project milestones and in allocating consideration to those milestones. Please refer to Note 3(g) in the consolidated financial statements for the Group's accounting policies as they relate to revenue recognition and to Notes 3(a)(iv) and 8 for estimates and judgments applied and additional information on the Group's revenue streams.

How the key audit matter was addressed in the audit

Our procedures included the following, amongst others:

- We critically analyzed management's assessment of revenue recognition under IFRS 15 *Revenue from Contracts with Customers* as it related to project (and other) revenue streams.

- We performed enhanced substantive testing of project revenue and obtained evidence to support completion of documented milestones.

- We obtained evidence to support that consideration was appropriately allocated to project milestones, and performed recalculation procedures to assess revenue recorded in the year under audit.

- We reviewed the adequacy of the disclosures in the consolidated financial statements, including disclosures related to significant judgments and estimates.

Impairment testing of goodwill

Description of the key audit matter

The Group has recognized goodwill as a result of an acquisition that management determined to be a business combination in accordance with IFRS 3 *Business Combinations*. In accordance with IAS 36 *Impairment of Assets*, management is required to test goodwill for impairment annually, or when facts and circumstances suggest it may be impaired. Management is required to exert judgment when determining cash generating units ("CGUs") within the Group and impairment testing requires the application of estimates with respect to revenue growth rates, gross margin and the application of an appropriate discount rate. Management concluded that an impairment charge was required as a result of the impairment testing performed. Please refer to Note 3(f) of the consolidated financial statements for the Group's accounting policy and to Notes 3(a)(i), 4 and 6 for the significant judgments and estimates applied in determining the recoverable amount and information on the acquired CGU and the impairment testing performed.

How the key audit matter was addressed in the audit

Our procedures included the following, amongst others:

- Assessing management's determination of CGUs, the allocation of goodwill to the identified CGUs, and the application of an appropriate valuation methodology to test for impairment.

- Critically assessed management's forecasts, which support their value-in-use calculation, through considering whether the judgements and estimates applied were appropriate based on our understanding of the CGU and its historical performance.

- Involving our valuation professionals with specialized skills and knowledge in evaluating the assumptions and inputs applied in the model.

- Reviewing the adequacy of the disclosures in the consolidated financial statements, including disclosures related to significant judgments and estimates.

Other Matter

The consolidated financial statements of the Group for the year ended December 31, 2022 were audited by another auditor who expressed an unmodified opinion on those financial statements on May 12, 2023.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the consolidated financial statements and our auditors' report thereon, included in Managements' Discussion and Analysis (the "MD&A").

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

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

We obtained the MD&A prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, 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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group'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 Group'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 Group'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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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 Rob Scupham.

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia
April 24, 2024

RIWI CORP.
Consolidated Statements of Financial Position
As at December 31, 2023 and December 31, 2022
(Expressed in U.S. dollars)

		December 31, 2023		December 31, 2022
Assets				
Current assets				
Cash and cash equivalents (Note 5)	**$**	**3,094,542**	$	2,350,718
Accounts receivable (Note 11(a))		**637,894**		835,886
Unbilled revenue (Note 8(b))		**81,948**		64,463
Contract costs		**43,182**		-
Prepaid expenses and other assets		**53,571**		90,578
Total current assets		**3,911,137**		3,341,645
Property and equipment		**3,116**		4,688
Right-of-use assets		**-**		17,874
Intangible assets (Note 6)		**151,381**		192,167
Goodwill (Note 6)		**-**		291,074
Total assets	**$**	**4,065,634**	$	3,847,448
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities	**$**	**472,703**	$	341,475
Current portion of lease obligations		**-**		22,024
Deferred revenue (Note 8(b))		**902,884**		298,430
		1,375,587		661,929
Deferred tax liability (Note 13)		**-**		37,337
Total liabilities		**1,375,587**		699,266
Shareholders' equity				
Share capital (Note 7)		**4,940,930**		4,940,930
Contributed surplus (Note 7)		**2,833,137**		2,477,931
Accumulated deficit		**(5,084,020)**		(4,270,679)
Total shareholders' equity		**2,690,047**		3,148,182
Total liabilities and shareholders' equity	**$**	**4,065,634**	$	3,847,448

Approved and authorized for issuance on behalf of the Board on April 24, 2024.

'Greg Wong" (signed)	*'Annette Cusworth" (signed)*
Greg Wong	Annette Cusworth
Chief Executive Officer	Chair of the Audit Committee

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

RIWI CORP.
Consolidated Statements of Loss and Comprehensive Loss
For the years ended December 31, 2023 and 2022
(Expressed in U.S. dollars)

	2023	2022
Revenues (Note 8)	**$ 4,184,877**	$ 2,787,380
Operating expenses		
General and administrative (Note 9)	**2,048,520**	2,189,214
Technology costs (Note 9)	**2,080,370**	1,153,513
Sales and marketing (Note 9)	**657,348**	1,175,220
Total operating expenses	**4,786,238**	4,517,947
Operating loss before other income (expense)	**(601,361)**	(1,730,567)
Other income (expense)		
Interest income	**92,942**	38,195
Gain on asset disposal	**971**	-
Impairment of goodwill (Note 6)	**(291,074)**	-
Other expenses (Note 9)	**(37,228)**	-
Total other expense	**(234,389)**	38,195
Net loss before income taxes	**(835,750)**	(1,692,372)
Income tax recovery (Note 13)	**22,409**	1,163
Net loss and comprehensive loss for the year	**$ (813,341)**	$ (1,691,209)
Net loss per share		
Basic and diluted	**$ (0.05)**	$ (0.09)
Weighted average number of common shares outstanding		
Basic and diluted	**18,004,428**	18,004,428

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

RIWI CORP.

Consolidated Statements of Changes in Equity
For the years ended December 31, 2023 and 2022
(Expressed in U.S. dollars)

	Number of Shares	Share Capital Amount	Contributed Surplus	Accumulated Deficit	Total Equity
Balance, December 31, 2021	18,004,428	$ 4,940,930	$ 2,218,483	$ (2,579,470)	$ 4,579,943
Share-based payment expense	-	-	259,448	-	259,448
Net loss and comprehensive loss for the year	-	-	-	(1,691,209)	(1,691,209)
Balance, December 31, 2022	18,004,428	4,940,930	2,477,931	(4,270,679)	3,148,182
Share-based payment expense	-	-	355,206	-	355,206
Net loss and comprehensive loss for the year	-	-	-	(813,341)	(813,341)
Balance, December 31, 2023	18,004,428	$ 4,940,930	$ 2,833,137	$ (5,084,020)	$ 2,690,047

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

RIWI CORP.
Consolidated Statements of Cash Flows
For the years ended December 31, 2023 and 2022
(Expressed in U.S. dollars)

	2023	2022
Operating activities		
Net loss for the year	$ (813,341)	$ (1,691,209)
Non-operating interest income, net	(92,942)	(38,195)
Items not involving cash		
Amortization	63,419	79,555
Impairment of goodwill	291,074	-
Deferred tax liability	(37,337)	(1,163)
Share-based payment expense	355,206	259,448
	(233,921)	(1,391,564)
Changes in non-cash operating working capital:		
Accounts receivable	197,992	(399,267)
Unbilled revenue	(17,485)	96,316
Contract costs	(43,182)	-
Prepaid expenses and other assets	37,007	45,463
Accounts payable and accrued liabilities	131,228	(256,169)
Income taxes payable	-	130,737
Deferred revenue	604,453	267,054
Interest received	-	34,754
Interest paid	-	(2,954)
Net cash provided/(used) by operating activities	676,092	(1,475,630)
Investing activities		
Interest income	92,942	-
Additions of property and equipment	(3,187)	(2,379)
Proceeds from disposal of capital assets	971	-
Acquisition of business, net of cash acquired (Note 4)	-	(378,958)
Net cash provided/(used) by investing activities	90,726	(381,337)
Financing activities		
Lease payments	(17,305)	(49,778)
Net cash used by financing activities	(17,305)	(49,778)
Change in cash and cash equivalents	749,513	(1,906,745)
Effect of exchange rates on cash and cash equivalents	(5,689)	3,926
Cash and cash equivalents, beginning of the year	2,350,718	4,253,537
Cash and cash equivalents, end of the year	$ 3,094,542	$ 2,350,718

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

1. NATURE OF OPERATIONS

RIWI Corp. ("RIWI" or the "Company") is a public company and its shares are all common shares listed on the TSX Venture Exchange (TSXV: RIWI). The Company was originally incorporated under the laws of Canada pursuant to the Canada Business Corporations Act on August 17, 2009. The Company's head office is located at 33 Bloor Street East, 5th Floor, Toronto, Ontario, M4W 3H1 and RIWI's registered office is located at Suite 4100, 66 Wellington St W, Toronto, Ontario, M5K 1B7.

RIWI is a global trend-tracking and prediction technology firm. Our patented, cloud-based software solutions provide a global digital intelligence platform to clients seeking real-time consumer and citizen sentiment data anywhere in the world in order to improve business performance, evaluate program effectiveness, enhance customer engagement, and to monitor and reduce emerging threats and violent conflict.

These consolidated financial statements of the Company for the year ended December 31, 2023 (the, or these, "Financial Statements") have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

2. BASIS OF PRESENTATION

These Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and were authorized for issuance by RIWI's Board of Directors on April 24, 2024.

These Financial Statements have been prepared on the historical cost basis, consistent with the Company's material accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The Company's functional and reporting currency is the United States Dollar.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Use of estimates and judgments

The preparation of these Financial Statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies regarding certain types of assets, liabilities, revenues and expenses. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future period affected. Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts are as follows:

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(a) Use of estimates and judgments (continued)

(i) Asset carrying values and impairment charges
The assessment of any impairment of property and equipment, and intangible 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, that are determined through the exercise of judgment. The Company tests for impairment whenever events or changes in circumstances indicate the carrying amount of the assets may not be recoverable. The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. Key estimates and judgements used by management when calculating the recoverable amount include the Company's future cash flows and the discount rate used.

(ii) Business combinations
In order to determine the acquisition date fair values of the assets acquired and liabilities assumed in a business combination, the Company uses appropriate valuation techniques which are generally based on a forecast of the total expected future net discounted cash flows and a discount rate that would be assumed by a market participant. See Note 4 details regarding the estimates.

(iii) Measurement of share-based compensation
Management determines costs for share-based payments using market-based valuation techniques. The fair value of the share awards are determined at the date of grant using the Black-Scholes Method. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors.

(iv) Revenue
The Company exercises judgement in measuring its progress towards complete satisfaction of its performance obligations in project revenue contracts, which are satisfied over time. RIWI uses the output method to measure progress for performance obligations associated with project revenues for which revenue is recognized over time. Each of the Company's project revenue contracts is comprised of one performance obligation comprising a number of milestones, and the Company assesses the stage of completion of satisfying the performance obligation at each milestone as well as the consideration to be allocated to each milestone.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(a) Use of estimates and judgments (continued)

(v) Income taxes and recoverability of potential deferred income tax assets
In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income considering applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and judgements regarding the application of existing tax laws. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates and judgements can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred income tax assets. The Company reassesses unrecognized income tax assets on an annual basis.

(b) Basis of consolidation

(i) Subsidiaries
A subsidiary is an entity controlled by the Company. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Intercompany balances and transactions are eliminated upon consolidation and preparation of these Financial Statements. The Company's subsidiaries and their jurisdictions of incorporation are as follows:

Subsidiary	Jurisdiction of Incorporation	Functional Currency	RIWI Ownership %
Research on Mobile ("ROM")	France	US Dollar	100%
RIWI US Corp	United States	US Dollar	100%

(c) Cash and cash equivalents
Cash and cash equivalents consist of cash held on deposit in bank accounts and short-term guaranteed investments with original maturities less than ninety days that can be readily converted into cash.

(d) Short-term investments
Short-term investments consist of term deposits with original maturity dates between three months and two years at the date of acquisition and are carried on the consolidated statement of financial position.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(e) Intangible assets

Intangible assets, acquired separately, are capitalized when they meet the criteria in IAS 38 – Intangible Assets. Upon initial recognition, intangible assets are measured at cost. Intangible assets acquired through business combinations are measured at the fair value on the date of the acquisition and are subsequently assessed for impairment at each reporting date. The Company begins recognizing amortization when the asset is ready for its intended use. After commencing recognition of amortization, intangible assets are subsequently carried at cost less accumulated amortization and accumulated impairment losses. Costs are amortized using the straight-line method over the estimated useful life of the intangible asset.

The Company conducts an annual assessment of the residual values, useful lives and amortization methods being used for intangible assets, and any changes in estimates arising from the assessment are applied by the Company prospectively.

An intangible asset is derecognized upon disposal. Any gain or loss arising on disposal of the intangible asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the statement of loss and comprehensive loss.

(f) Impairment

The Company's non-financial assets are assessed for indicators of impairment at each statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount of an asset or cash-generating unit ("CGU") exceeds its recoverable amount. Goodwill is tested for impairment annually in the fourth quarter or more often if events or circumstances indicate there may be an impairment. The Company groups its assets into CGUs for purposes of testing each CGU for impairment. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The Company has two CGUs, one being the assets of ROM and the second being the assets of RIWI, which comprise 100% of the Company's assets excluding ROM.

When testing for impairment of the CGUs, the recoverable amount of the CGU is estimated in order to determine the extent of the impairment, if any. An impairment exists if the carrying value of the CGU is in excess of the recoverable amount of the CGU. The recoverable amount is the higher of fair value less costs of disposal and value in use.

Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the statement of loss and comprehensive loss for the period.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(f) Impairment (continued)
Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or CGU) in prior years. A reversal of an impairment loss is recognized immediately in the statement of loss and comprehensive loss.

(g) Revenue, unbilled revenue and deferred revenue
The Company receives payments from customers based on previously agreed upon billing schedules, as established in each contract. The timing of revenue recognition, billings and cash collections might result in the recognition of: (i) accounts receivable; (ii) unbilled revenue; and (iii) deferred revenue on the Statement of Financial Position.

Generally, billing occurs after revenue recognition, resulting in the recognition of unbilled revenue until billing occurs. However, if the Company receives payments from customers before revenue is recognized, the payments are recognized as deferred revenue. Deferred revenue is recognized as revenue when the Company satisfies the performance obligation under the contract for which the deferred revenue was recognized.

Project revenues – Project revenue is recognized over time as RIWI's performance in accordance with contracts does not create an asset with an alternative use and the Company has the right to payment for performance completed to date. These contracts are related to programs customized specifically for the customer. The Company recognizes project revenue over time based on the achievement of delivery milestones. Progress is determined based on completion of standard milestones (i.e. output method).

Transaction revenues – Transaction revenue is recognized when the RIWI platform matches a survey respondent with a third party survey and the respondent completes the survey. RIWI charges a fee for the survey being completed by the respondent and recognizes revenue when the survey results are provided to the third party customer.

Subscription revenues – Subscription revenue is generated when customers subscribe to receive a continuous data feed for a period of time, typically 12 months. This revenue is recognized on a monthly basis in equal amounts for the length of the contract as the performance obligation is being satisfied equally on a daily basis as the customer has continuous access to the data feed.

(h) Interest income
Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(i) Share-based payments

The grant date fair value of share-based payment awards granted to employees (including directors, senior executives and consultants, which meet the definition of an "employee" under IFRS 2 Share-based Payment) is recognized as share-based payment expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date.

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

(j) Foreign currencies

Transactions in foreign currencies are translated to the Company's functional currency, U.S. Dollars, at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to the Company's functional currency at the period end exchange rate. Non-monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the date of the transaction. Foreign currency differences arising on translation of subsidiaries are recognized in the statement of loss and comprehensive loss.

(k) Taxation

Income tax expense represents the sum of current income tax expense and deferred income tax expense. Current income tax expense is based on taxable income for the year. Income tax is recognized in the statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current income tax is the expected income tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(k) Taxation (continued)
Deferred income tax assets and liabilities are recognized based on differences in the financial statement carrying amount for assets and liabilities and the associated tax balance. Deferred income tax liabilities are generally recognized for all taxable temporary differences. The amount of deferred income tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date. Deferred income tax assets are generally recognized for all deductible temporary differences, unused tax credits carried forward and unused tax losses to the extent that it is probable that there will be taxable income against which deductible temporary differences can be utilized.

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

(l) Share capital
Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares are recognized as a deduction from equity.

The Company has adopted the relative fair value method with respect to the measurement of common shares and warrants issued as equity units. The relative fair value method requires an allocation of the net proceeds received based on the pro rata relative fair value of the components. When warrants are exercised, the applicable amounts are transferred from contributed surplus to share capital.

(m) Financial assets
On initial recognition, financial assets are classified as measured at amortized cost. The Company does not hold any financial assets measured at Fair Value Through the Statement of Profit or Loss (“FVTPL”), or Fair Value Through the statement of Other Comprehensive Income (“FVTOCI”).

The Company recognizes cash, trade receivables and unbilled revenue initially when they are originated. All other financial assets are initially recognized when the Company becomes a party to the contractual provisions of the instrument. All trade receivables without a significant financing component as defined in IFRS 15 are initially measured at their transaction prices as defined in IFRS 15. All other financial assets are initially measured at fair value plus transaction costs that are directly attributable to its acquisition.

Subsequent to initial recognition, financial assets classified as measured at amortized costs are measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of loss and comprehensive loss. Any gain or loss on derecognition is recognized in the statement of loss and comprehensive loss.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(m) Financial assets (continued)
Under IFRS 9 Financial Instruments, the loss allowance for trade receivables must be calculated using the expected lifetime credit loss and recorded at the time of initial recognition. There is no loss currently recognized.

(n) Financial liabilities
All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities. All financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or, where appropriate, a shorter period.

(o) Related party transactions
Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. 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. Related party transactions that are in the normal course of business and have commercial substance are measured at fair value.

(p) Government subsidies
RIWI might receive governmental subsidies, grants and credits (collectively, the “Subsidies”), from time to time related to operating expenditures. The Company recognizes such Subsidies when there is reasonable assurance that RIWI qualifies for, and has complied with the conditions of the Subsidies, and that the Subsidies will be received. If the Company receives Subsidies but cannot reasonably assure that it has complied with the conditions, it will defer recognition of the Subsidies and record a liability until the conditions are fulfilled. The Company recognizes the Subsidies as a reduction to the expenditure that the Subsidies were intended to offset, in the period the cost is incurred or when the conditions are fulfilled if they were not met when the costs were incurred.

(q) Future accounting policy changes
At the date of the authorization of these financial statements, several new, but not effective Standards and amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Company.

(Expressed in U.S. dollars)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(q) Future accounting policy changes (continued)
Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact to the Company's financial statements.

4. BUSINESS ACQUISITION - RESEARCH ON MOBILE

On July 1, 2022, the Company purchased 100% of the shares of ROM for an aggregate purchase price of $379,604, which was all paid in cash by RIWI prior to July 1, 2022. ROM offers an application programming interface to link companies to consumer data via an existing project management system or marketplace. The primary reason for the business combination was to add a new revenue stream for the Company and also increase the Company's client portfolio in order to upsell different products and services offered by RIWI. The goodwill results from synergies that are expected by combining the operations of RIWI and ROM, including increased revenues from cross-selling and cost efficiencies. The following table represents the purchase price allocation based on the fair value of the assets acquired and liabilities assumed at the date of acquisition, with any excess allocated to goodwill.

Purchase Price Allocation	
Assets acquired	
Cash	$ 646
Accounts receivable	175,517
Other receivables	34,159
	210,322
Liabilities assumed	
Accounts payable and accrued liabilities	(237,292)
	(237,292)
Net assets acquired	(26,970)
Deferred tax liability	(38,500)
Technology	93,000
Customer relationships	61,000
Goodwill	291,074
Purchase price	$ 379,604

The acquired technology generated a deferred tax liability of $38,500. The estimated remaining useful lives of the technology and customer relationships were determined to be five and seven years, respectively. The goodwill is not amortized and will be tested for impairment yearly or earlier if there are indications of impairment. Goodwill is not tax deductible. The consolidated results of operations for 2022 includes $78,338 of expenses incurred for acquisition costs in connection with the business combination in other expenses.

(Expressed in U.S. dollars)

4. BUSINESS ACQUISITION - RESEARCH ON MOBILE (continued)

The Company's significant assumptions used in determining the acquisition-date fair values of intangible assets included the estimated discount rate, and estimated cash flows attributable to the specific acquired intangible assets, which included assumptions for customer attrition rate, technological obsolescence factor, and royalty rate.

5. CASH AND CASH EQUIVALENTS

	December 31	
	2023	2022
Cash	**$ 762,847**	$ 2,350,718
Short-term deposits	**1,831,695**	-
Short-term investments	**500,000**	-
	$ 3,094,542	$ 2,350,718

Short-term investments represent a non-redeemable term deposit which earns annual interest of 5.5%, maturing June 3, 2024.

6. INTANGIBLE ASSETS AND GOODWILL

Intangible assets consist of a patent, domain names, trademarks, website, technology acquired, customer relationships and goodwill.

The Company owns US Patent #8,069,078. This patent, which expires in July 2030, relates to a method of obtaining a representative online polling sample or ad test globally. The Company classified the patent as a finite life intangible asset and is amortizing it using the straight-line method over 20 years.

The Company purchased Internet domain names in 2017 which have strategic value for ongoing intellectual property development. The Company classified the domain names as finite life intangible assets and is amortizing them using the straight-line method over 10 years.

In 2020, RIWI obtained the trademarks of the word mark "RIWI" in the US and the EU, and in 2021, obtained the trademark in Canada. The Company classified the trademarks as finite life intangible assets. The Company is amortizing the trademarks using the straight-line method over 10 years.

In previous years, the Company updated its website to ensure technical privacy compliance. The Company is amortizing this capital expenditure using the straight-line method over 3 years.

In 2022, the Company acquired technology and customer relationships in its acquisition of ROM. These assets are being amortized using the straight-line method over 5 and 7 years respectively.

(Expressed in U.S. dollars)

6. INTANGIBLE ASSETS AND GOODWILL (continued)

Cost	Patent	Domain names	Trade-marks	Website	Technology	Customer relationships	Goodwill	Total
Balance, Dec. 31, 2021	$ 21,239	$ 80,810	$ 7,016	$ 16,568	$ -	$ -	$ -	$ 125,633
Additions	-	-	-	-	93,000	61,000	291,074	445,074
Balance, Dec. 31, 2022	21,239	80,810	7,016	16,568	93,000	61,000	291,074	570,707
Impairment of goodwill							(291,074)	(291,074)
Additions	-	-	-	-	-	-	-	-
Balance, Dec. 31, 2023	**$ 21,239**	**$ 80,810**	**$ 7,016**	**$ 16,568**	**$ 93,000**	**$ 61,000**	**$ -**	**$ 279,633**

Accumulated Amortization	Patent	Domain names	Trade-marks	Website	Technology	Customer relationships	Goodwill	Total
Balance, Dec. 31, 2021	$ 13,516	$ 36,028	$ 1,757	$ 7,279	$ -	$ -	$ -	$ 58,580
Amortization	909	8,081	717	5,522	9,300	4,357	-	28,886
Balance, Dec. 31, 2022	14,425	44,109	2,474	12,801	9,300	4,357	-	87,466
Amortization	908	8,081	716	3,767	18,600	8,714	-	40,786
Balance, Dec. 31, 2023	**$ 15,333**	**$ 52,190**	**$ 3,190**	**$ 16,568**	**$ 27,900**	**$ 13,071**	**$ -**	**$ 128,252**

Net Book Value	Patent	Domain names	Trade-marks	Website	Technology	Customer relationships	Goodwill	Total
Balance, Dec. 31, 2022	$ 6,814	$ 36,701	$ 4,542	$ 3,767	$ 83,700	$ 56,643	$ 291,074	$ 483,241
Balance, Dec. 31, 2023	**$ 5,906**	**$ 28,620**	**$ 3,826**	**$ -**	**$ 65,100**	**$ 47,929**	**$ -**	**$ 151,381**

Amortization in the amount of $40,786 has been included under general and administrative expenses for the year ended December 31, 2023 (2022 - $28,886).

As at December 31, 2023, the Company assessed the goodwill recorded in connection with the acquisition of ROM for impairment. The key assumptions used in the estimation of the recoverable amounts for CGUs are management's cash flow projections based on expectations of revenue growth and expense and margin changes which are based on data from both external and internal sources. Cash flows were projected over a five-year period including considerations of past experience and actual operating results.

The following significant unobservable inputs, all of which are classified as level 3 on the fair value hierarchy, are subject to volatility and several uncontrollable factors which would significantly affect the present value of the discounted cash flow, were used by management as part of this model:

(a) Revenue growth rate - represents the ability of the Company to generate revenue
(b) Gross margin - calculated as a percentage of revenue
(c) Weighted average cost of capital - calculated as weighted average cost of the Company's cost of equity and cost of debt

(Expressed in U.S. dollars)

6. INTANGIBLE ASSETS AND GOODWILL (continued)

The following key assumptions were used to determine the recoverable amount for the impairment test performed at December 31, 2023:

	Pre-Tax Discount Rate	Terminal Value Multiple	Revenue Growth Rate 2025-2028	Terminal Revenue Growth Rate
Assumptions	20%	5.6x	5% - 15%	2%

Based on ongoing forecasts of profitability in the ROM CGU being lower than forecast at the time of acquisition, the Company determined the carrying value of the ROM CGU was $814,815 compared to a recoverable amount (calculated using the value in use method) of $537,015. As a result of the ROM CGU carrying value exceeding its recoverable amount as at December 31, 2023, the Company recognized an impairment loss of $291,074 (December 31, 2022 - $nil), which was allocated entirely to goodwill.

7. SHARE CAPITAL, STOCK OPTIONS AND CONTRIBUTED SURPLUS

The Company's authorized share capital consists of an unlimited number of common shares without par value. The Company has 18,004,428 common shares outstanding as of December 31, 2023 as indicated below:

	Number of Common Shares	Common Shares $
Outstanding, December 31, 2021	18,004,428	$ 4,940,930
Issuance of common shares	-	-
Outstanding, December 31, 2022	18,004,428	4,940,930
Issuance of common shares	-	-
Outstanding, December 31, 2023	**18,004,428**	**$ 4,940,930**

The Company has a stock option plan under which it is authorized to grant options to directors, employees, and consultants enabling them to acquire in aggregate up to maximum of 3,600,885 shares of the Company. Under the plan, the exercise price of each option shall equal the market price of RIWI’s common share on grant date, a minimum price, or a discounted amount of the Company's common share price as calculated on the date of grant. The options can be granted for a maximum term of five years and are subject to vesting provisions as determined by the Board of Directors of the Company. During the year ended December 31, 2023 no shares were issued as a result of stock options being exercised (no shares issued for the year ended December 31, 2022).

(Expressed in U.S. dollars)

7. SHARE CAPITAL, STOCK OPTIONS AND CONTRIBUTED SURPLUS (continued)

The following tables reflect the movement and status of the Company's stock options:

Options Outstanding	**December 31, 2023** Number of Options	**December 31, 2023** Weighted Average Exercise Price (CAD)	December 31, 2022 Number of Options	December 31, 2022 Weighted Average Exercise Price (CAD)
Balance, beginning of the period	**1,837,917**	**$ 2.01**	1,548,056	$ 2.37
Options granted during the period	**1,483,654**	**0.59**	554,861	0.90
Options expired during the period	**(390,000)**	**2.00**	(265,000)	1.78
Options forfeited during the period	**(169,300)**	**0.69**	-	-
Balance, end of period	**2,762,271**	**$ 1.25**	1,837,917	$ 2.01

Exercise Price	Options Outstanding December 31, 2023 Number of Options	Options Outstanding December 31, 2023 Weighted Average Remaining Contractual Life (Years)	Options Exercisable December 31, 2023 Number of Options	Options Exercisable December 31, 2023 Weighted Average Remaining Contractual Life (Years)
$ 0.55	484,264	4.4	407,924	4.4
$ 0.58	456,470	4.5	342,353	4.5
$ 0.64	398,620	4.0	-	-
$ 0.80	133,332	3.5	33,333	3.5
$ 0.92	331,529	3.2	331,529	3.2
$ 1.70	354,104	2.7	177,052	2.7
$ 2.47	145,140	2.2	145,140	2.2
$ 3.25	370,000	0.4	370,000	0.4
$ 3.56	88,812	1.4	88,812	1.4
	2,762,271	3.2	1,896,143	2.9

(Expressed in U.S. dollars)

7. SHARE CAPITAL, STOCK OPTIONS AND CONTRIBUTED SURPLUS (continued)

	Options Outstanding December 31, 2022		Options Exercisable December 31, 2022	
Exercise Price	Number of Options	Weighted Average Remaining Contractual Life (Years)	Number of Options	Weighted Average Remaining Contractual Life (Years)
$ 0.80	133,332	4.4	-	-
$ 0.92	331,529	4.2	-	-
$ 0.98	25,000	4.3	-	-
$ 1.70	354,104	3.7	88,526	3.7
$ 2.00	390,000	0.4	390,000	0.4
$ 2.47	145,140	3.2	145,140	3.2
$ 3.25	370,000	1.4	370,000	1.4
$ 3.56	88,812	2.4	88,812	2.4
	1,837,917	2.6	1,082,478	1.6

Stock-based compensation expense in the amount of $355,206 has been included under general and administrative expenses for the year ended December 31, 2023 (2022 - $259,448).

The Black-Scholes option pricing model used by the Company to determine fair values was developed for use in estimating the fair value of freely traded options, which are fully transferable and have no vesting restrictions. The Company’s stock options are not transferable and cannot be traded and are subject to vesting restrictions and exercise restrictions under the Company’s black-out policy which would tend to reduce the fair value of the Company’s stock options. Changes to subjective input assumptions used in the model can cause a significant variation in the estimate of the fair value of the options.

All outstanding share options expected to vest were measured in accordance with IFRS 2, “Share-based Payment” at their market-based measure at the grant date. Options were priced using the Black-Scholes option pricing model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions, and behavioral considerations. Expected volatility is based on the historical share price volatility. The fair value has been estimated assuming no expected dividends and the following weighted average assumptions:

	2023	2022
Weighted average grant date fair value	**$ 0.27**	$ 0.38
Risk-free interest rate	**3.17% - 4.03%**	1.57% - 1.70%
Expected life	**3.0 - 4.5 years**	3.0 - 4.5 years
Expected volatility	**101% - 196%**	79% - 104%
Forfeiture rate	**10%**	10%

(Expressed in U.S. dollars)

7. SHARE CAPITAL, STOCK OPTIONS AND CONTRIBUTED SURPLUS (continued)

Contributed surplus represents the amortized fair value of stock options granted under the stock option plan, determined using the Black-Scholes option pricing model. The fair value is amortized to the statement of loss and comprehensive loss on a graded, vested basis over the vesting period with a corresponding increase to contributed surplus. Upon exercise of stock options, the consideration paid by the holder is included in share capital and the related contributed surplus associated with the stock options exercised is transferred into share capital.

Contributed surplus	**December 31, 2023**	December 31, 2022
Balance, beginning of the year	**$ 2,477,931**	$ 2,218,483
Options expensed in the year	**355,206**	259,448
Balance, end of the year	**$ 2,833,137**	$ 2,477,931

8. REVENUE

(a) Revenue streams
The Company generates revenue primarily from the provision of analytical solutions to its clients in the form of compilation, analysis and communication of real-time data. All the Company's revenue is generated from contracts from customers in relation to the Company's principal activities. The Company has three revenue streams; project revenue, subscription or recurring revenue, and transaction revenue. RIWI's revenue disaggregated by geographical locations is analyzed in Note 12.

	Year ended December 31	
	2023	2022
Project revenues	**$ 1,349,828**	$ 1,930,656
Subscription or recurring revenues	**1,341,418**	457,063
Transaction revenues	**1,493,631**	399,661
	$ 4,184,877	$ 2,787,380

(b) Unbilled revenue and deferred revenue
Unbilled revenue relates to RIWI's right to consideration for work completed but not yet billed. RIWI transfers unbilled revenue to accounts receivable on invoicing. A summary of unbilled revenue from contracts with customers and the significant changes in those balances during the year ended December 31, 2023 and 2022 follows.

	December 31	
	2023	2022
Balance, beginning of the year	**$ 64,463**	$ 160,779
Additions during the year	**495,355**	740,464
Reclassification of unbilled revenue to accounts receivable	**(477,870)**	(836,780)
	$ 81,948	$ 64,463

(Expressed in U.S. dollars)

8. REVENUE (continued)

(b) Unbilled revenue and deferred revenue (continued)

Deferred revenue primarily relates to advance consideration received from customers for services yet to be performed. Deferred revenue will be recognized as revenue over time as RIWI delivers the associated services. Below is a summary of deferred revenue from contracts with customers and the significant changes in those balances during the year ended December 31, 2023 and 2022.

	December 31	
	2023	2022
Balance, beginning of the year	**$ 298,430**	$ 31,376
Additions during the year	**1,976,203**	704,599
Deferred revenue recognized as revenue during the year	**(1,371,749)**	(437,545)
	$ 902,884	$ 298,430

9. OPERATING EXPENSES

(a) General and administrative

	Year ended December 31	
	2023	2022
Personnel costs	**$ 660,429**	$ 589,858
Director cash compensation	**151,476**	474,684
Consulting and professional fees	**630,757**	337,030
Share-based payment expense	**355,206**	259,448
Acquisition costs (note 4)	**-**	78,338
Occupancy and office costs	**243,618**	309,456
Depreciation and amortization	**63,419**	79,555
Foreign exchange (gain) loss	**(56,385)**	60,845
	$ 2,048,520	$ 2,189,214

(b) Technology costs

	Year ended December 31	
	2023	2022
Personnel costs	**$ 215,850**	$ 166,544
Third party consulting fees	**133,590**	63,801
Project costs	**648,775**	923,168
Transactional costs	**1,082,155**	-
	$ 2,080,370	$ 1,153,513

(Expressed in U.S. dollars)

9. OPERATING EXPENSES (continued)

(c) Sales and marketing

	Year ended December 31	
	2023	2022
Personnel costs	**$ 251,416**	$ 509,415
Third party consulting fees	**231,138**	375,728
Promotion and travel	**96,469**	234,780
Recruiting fees	**78,325**	55,297
	$ 657,348	$ 1,175,220

Other expenses consist of non-operating expenses that are professional fees related to the acquisition of ROM and winding up of the ROM legal entity.

10. RELATED PARTY TRANSACTIONS

For the year ended December 31, 2023, the Company provided compensation in the form of salaries and short-term benefits to directors, executives and related parties of the Company in the amount of $781,681 (2022 - $1,112,220). For the year ended December 31, 2023, the Company recognized share-based payment expenses in the amount of $331,608 (2022 - $248,965) for stock options granted to the directors and executives of the Company. Additionally, the Company's founder and a director of the Company, acted as a consultant for the Company and the Company incurred cash-based compensation of $112,521 for his consulting services in the year ended December 31, 2023 (2022 - $128,854).

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at December 31, 2023, the Company’s financial instruments are comprised of cash and cash equivalents, accounts receivable, unbilled revenue and accounts payable and accrued liabilities. The carrying values of these financial instruments reflected in the statement of financial position are carrying amounts and approximate their fair values due to their short-term nature. These financial instruments are classified as follows:

- Cash and cash equivalents – amortized cost
- Accounts receivable – amortized cost
- Accounts payable and accrued liabilities – other financial liabilities

(Expressed in U.S. dollars)

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

The evaluation of the financial instruments that are measured subsequent to initial recognition at fair value are grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

• Level 1 of the fair value hierarchy includes unadjusted quoted prices in active markets for identical assets or liabilities;

• Level 2 of the hierarchy includes inputs that are observable for the asset or liability, either directly or indirectly; and

• Level 3 includes inputs for the asset or liability that are not based on observable market data.

The Company has no financial instruments measured at FVTPL.

The following is a discussion of the Company's risk exposures:

(a) Credit risk

Accounts receivable consist of amounts due from customers. Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's trade accounts receivable are due from customers and are subject to normal credit risk. The following table provides information regarding the aged trade receivables:

	Current	31-60 days	61-90 days	91 days +
December 31, 2023	40%	24%	29%	8%
December 31, 2022	5%	90%	0%	5%

The following table identifies customers comprising 10% or more of the Company's accounts receivable as at December 31, 2023 and 2022:

	December 31 2023	December 31 2022
Customer A	**0%**	86%
Customer B	**27%**	0%
Customer C	**12%**	0%
Customer D	**11%**	0%

The Company applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables and contract assets are grouped based on similar credit risk and aging.

(Expressed in U.S. dollars)

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

The expected loss rates are based on the Company's historical credit losses experienced over the three year period prior to year end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Company's customers. The Company has identified the gross domestic product, unemployment rate and inflation rate as the key macroeconomic factors in the countries where the Company operates.

The Company has a $nil balance for expected credit losses as at December 31, 2023 and December 31, 2022. The Company recognized $nil expected credit losses during the years ended December 31, 2023 and 2022.

The following table identifies customers comprising 10% or more of the Company's revenue for the year ended December 31, 2023 and 2022:

	December 31 2023	December 31 2022
Customer A	**3%**	19%
Customer B	**14%**	18%
Customer C	**3%**	12%

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they are due. The Company has in place a planning and budgeting process which helps determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives.

The Company's financial liabilities consist of accounts payable and accrued liabilities comprised of invoices and accruals payable to trade suppliers for operating expenses, wages and salaries payable, and other expenses and are paid within one year.

The Company expects to fund these liabilities through the use of existing cash resources and its continuing operations.

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's net earnings or the value of financial instruments. The objective of the Company is to manage and mitigate market risk exposures within acceptable limits, while maximizing returns.

(i) Interest rate risk: The Company has cash balances and no interest-bearing debt, and is not exposed to any significant interest rate risk.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(ii) Foreign currency risk: The Company's activities are conducted in foreign jurisdictions; the majority of the Company's operating expenses are in Canadian dollars; and a portion of the Company's cash is denominated in Canadian dollars. The Company has not entered into foreign exchange rate contracts to mitigate this risk.

As at December 31, 2023, CAD$ financial instruments were converted at a rate of CAD$1.00 to USD$0.7561. Balances denominated in CAD$ as at December 31, 2023 were as follows:

		In CAD		Converted to USD
Cash and cash equivalents	$	1,430,160	$	1,081,325
Accounts receivable	$	789	$	596
Accounts payable and accrued liabilities	$	133,382	$	100,849

The estimated impact on net loss and comprehensive loss for the year ended December 31, 2023 with a +/- 10% change in exchange rates is approximately $98,000 (2022 – $121,052).

As at December 31, 2023, EUR financial instruments were converted at a rate of EUR $1.00 to USD $1.1037. Balances denominated in EUR as at December 31, 2023 were as follows:

		In EUR		Converted to USD
Cash and cash equivalents	€	12,949	$	14,292
Accounts receivable	€	3,752	$	4,142
Accounts payable and accrued liabilities	€	1,733	$	1,913

The estimated impact on net loss and comprehensive loss for the year ended December 31, 2023 with a +/- 10% change in exchange rates is approximately $1,600 (2022 – $5,462).

(d) Capital management

The Company's capital is defined to be shareholders' equity. The Company's objective in managing capital is to ensure it has adequate working capital to meet day to day needs and access to sources of capital sufficient to finance its operations and to make planned capital expenditures or capital acquisitions as opportunities present themselves. The Company manages its capital structure and makes changes to it in light of changes in economic conditions, anticipated or planned capital expenditures, opportunities for acquisitions and the risk characteristics of the underlying investments.

There have been no changes in no changes in the Company's definition of capital from the previous year. The Company is not subject to any externally imposed capital requirements.

(Expressed in U.S. dollars)

12. SEGMENT REPORTING

The Company is required to disclose certain information regarding operating segments, products, services and geographic areas. Operating segments are defined as components of an enterprise for which separate financial information is available that is regularly evaluated by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The Company's chief operating decision maker is its Chief Executive Officer.

The approximate sales revenue based on geographic location of customers for the year ended December 31, 2023 and 2022 is as follows:

	Year ended December 31	
	2023	2022
United States	**$ 2,829,221**	$ 1,732,721
Canada	**800,898**	509,935
Europe	**458,174**	413,393
Other	**96,584**	131,331
	$ 4,184,877	$ 2,787,380

	December 31 2023	December 31 2022
Total non-current assets held in Canada	**$ 41,468**	$ 74,386

The Company had two operating segments for the year ended December 31, 2023, being ROM and RIWI which is comprised of the Company's operations excluding the ROM operating segment. All of the Company's transaction revenues were generated in the ROM operating segment, and all other revenues were generated in the RIWI operating segment.

	Year ended Dec. 31, 2023		Year ended Dec. 31, 2022	
	RIWI	**ROM**	RIWI	ROM
Revenues	**$ 2,691,246**	**$ 1,493,631**	$ 2,387,719	$ 399,661
Net loss/(income)	**537,001**	**276,340**	1,691,589	(380)
Non-current assets	**41,468**	**113,029**	74,386	431,417
Total assets	**3,529,710**	**535,924**	3,039,641	807,807
Total liabilities	**1,350,966**	**24,621**	621,840	77,426
Interest income	**92,942**	**-**	41,149	-
Interest expense	**-**	**-**	2,954	-
Depreciation and amortization	**36,105**	**27,314**	65,898	13,657
Income tax expense (recovery)	**1,989**	**(24,398)**	-	1,163
Impairment of goodwill	**-**	**291,074**	-	-

(Expressed in U.S. dollars)

13. INCOME TAX

As stated in Note 3(a), the Company reassesses income tax assets on an annual basis. The following table reconciles the income tax expense and recovery at Canadian statutory income tax rates to the amounts recognized in the statement of loss and comprehensive loss for the years ended December 31, 2023 and 2022:

	Year ended December 31	
	2023	2022
Pre-tax income for the year	**$ (835,750)**	$ (1,692,372)
Statutory tax rate	**26.50%**	26.50%
Income tax at statutory rate	**$ (221,474)**	$ (448,479)
Non-deductible expenses	**169,503**	89,776
Current year losses for which no tax assets were recognized	**37,324**	361,090
Recognition of previously unrecognized deferred tax assets	**9,894**	-
Others, including foreign exchange	**(17,656)**	(3,550)
Income tax expense/(recovery)	**(22,409)**	(1,163)
Current income tax	**14,928**	-
Deferred income tax	**(37,337)**	(1,163)
Income tax recovery	**(22,409)**	(1,163)

Below is a summary of the movement of the deferred tax assets and liabilities during the years ended December 31, 2023 and 2022:

	Dec. 31, 2023	Recognized in net loss	Dec. 31, 2022
Deferred tax asset - lease obligations	**$ -**	$ (4,737)	$ 4,737
Deferred tax liability - right-of-use assets	**-**	4,737	(4,737)
Deferred tax liability - technology and customer relationships	**-**	37,337	(37,337)
Net deferred tax assets (liabilities)	**$ -**	$ 37,337	$ (37,337)

(Expressed in U.S. dollars)

13. INCOME TAX (continued)

	Dec. 31, 2022	Recognized in net loss	Acquired in business combination	Dec. 31, 2021
Deferred tax asset - lease obligations	$ 4,737	$ (11,367)	$ -	$ 16,104
Deferred tax liability - right-of-use assets	(4,737)	11,367	-	(16,104)
Deferred tax liability - technology and customer relationships	(37,337)	1,163	(38,500)	-
Net deferred tax assets (liabilities)	$ (37,337)	$ 1,163	$ (38,500)	$ -

The Company has not recognized deferred tax assets in respect of the following temporary differences:

	December 31 2023	December 31 2022
Non-capital losses	**$ 1,639,341**	$ 1,500,524
Other deductible temporary differences	**19,213**	19,213
	$ 1,658,554	$ 1,519,737

The non-capital losses in Canada of $1,639,341 will expire between 2041 and 2043. Other deductible temporary differences do not expire. The non-capital losses in France of $67,952 do not expire.

14. SUBSEQUENT EVENT

On April 24, 2024, the Board of Directors of the Company approved the acquisition of the majority of the assets of CoolTool Inc. ("CoolTool") for $292,000 cash plus contingent consideration pursuant to an agreement dated the same day. The contingent consideration is as follows:
(a) $125,000 if certain customer acquisition targets are met in the first year following acquisition
(b) $125,000 if certain customer acquisition targets are met in the second year following acquisition
(c) 5% of revenue recognized on the CoolTool survey platform in the first year following acquisition
(d) 20% of nonconscious revenue in excess of $200,000 generated in the first three years following acquisition

CoolTool is an automated insights platform that incorporates nonconscious measurement tools and traditional survey-based research, providing brands and public relations and market research agencies with a proprietary tool for testing and optimizing marketing concepts and visual stimuli to improve return on marketing investments.

As a result of limited access to CoolTool information, together with the limited time since the acquisition date, the determination if the acquisition qualifies as a business combination has not yet been made. This determination will be made and information included in the Company's quarterly report for the quarter ended June 30, 2024.