

QuantGate Systems, Inc.

A Nevada Corporation

99 Wall Street
Suite 1701
New York, NY 10005

Telephone:
416-479-0880
Corporate Website:
QuantGateSystems.com

SIC Code: 7372

Annual Report

For the period ending

May 31, 2024

(the "Reporting Period")

The number of shares outstanding of our Common Stock is 300,709,690 as of May 31, 2024
The number of shares outstanding of our Common Stock is 284,224,219 as of May 31, 2023
The number of shares outstanding of our Common Stock is 282,806,297 as of May 31, 2022

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Indicate by check mark whether a change in control of the company has occurred over this reporting period:

Yes: ☐ No: ☒

Part A General Company Information

Item 1 The exact name of the issuer and its predecessor (if any).

In answering this item, please also provide any names used by predecessor entities in the past five years and the dates of the name changes.

Loto Inc. from date of incorporation on April 22, 2009 to March 13, 2012;
Mobile Integrated Systems Inc. from March 13, 2012 to July 29, 2013;
Epcylon Technologies, Inc. from July 29, 2013 to April 14, 2020 when the Issuer became QuantGate Systems Inc., its current name.

Item 2 The address of the issuer's principal executive offices and address(es) of the issuer's principal place of business:

In answering this item, please also provide (i) the telephone and fax number of the issuer's principal executive offices, (ii) if applicable, the URL of each website maintained by or on behalf of the issuer, and (iii) if applicable, the name, phone number, email address, and mailing address of the person responsible for the issuer's investor relations.

QuantGate Systems, Inc.
99 Wall Street, Suite 1701
New York, NY 10005

150 Bloor Street West, M103
Toronto, ON, M5S 1M4
Phone: 416-479-0880
Fax: N/A
Website: www.quantgatesystems.com

Item 3 The jurisdiction(s) and date of the issuer's incorporation or organization.

Provide the issuer's jurisdiction(s) of incorporation or jurisdiction(s) of organization (if the issuer is not a corporation) and the date on which it was incorporated or organized. Describe any changes to the jurisdiction or form of incorporation since inception, if applicable. Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive).

State of Incorporation: Nevada
Date of Incorporation: April 22, 2009
Current Status: Active

Part B Share Structure

Item 4 The exact title and class of securities outstanding.

In answering this item, provide the exact title and class of each class of outstanding securities. In addition, please provide the CUSIP and trading symbol.

Title and Class: Common Stock

CUSIP Number: 74767M 109

Trading Symbol: QGSI

Item 5 Par or stated value and description of the security.

- A. *Par or Stated Value.* Provide the par or stated value for each class of outstanding securities.

Par Value: \$0.001

- B. *Common or Preferred Stock.*

1. For common equity, describe any dividend, voting and preemption rights.
2. For preferred stock, describe the dividend, voting, conversion and liquidation rights as well as redemption or sinking fund provisions.
3. Describe any other material rights of common or preferred stockholders.
4. Describe any provision in the issuer's charter or by-laws that would delay, defer or prevent a change in control of the issuer.

Item 6 The number of shares or total amount of the securities outstanding for each class of securities authorized.

In answering this item, provide the information below for each class of securities authorized. Please provide this information (i) as of the end of the issuer's most recent fiscal quarter and (ii) as of the end of the issuer's last two fiscal years.

- (i) Period end date;
- (ii) Number of shares authorized;
- (iii) Number of shares outstanding;
- (iv) Freely tradable shares (public float);
- (v) Number of beneficial shareholders owning at least 100 shares³; and
- (vi) Total number of shareholders of record.

Common Stock

Total shares authorized:	<u>425,000,000</u>	as of date: <u>May 31, 2024</u>
Total shares outstanding:	<u>300,709,690</u>	as of date: <u>May 31, 2024</u>
Number of shares in the Public Float ¹ :	<u>53,163,931</u>	as of date: <u>May 31, 2024</u>
Total number of shareholders owning 100 or more shares:	<u>341</u>	as of date: <u>September 2, 2020</u>
Total number of shareholders of record:	<u>489</u>	as of date: <u>September 2, 2020</u>
Total shares authorized:	<u>425,000,000</u>	as of date: <u>May 31, 2023</u>
Total shares outstanding:	<u>284,224,219</u>	as of date: <u>May 31, 2023</u>
Number of shares in the Public Float ² :	<u>32,020,200</u>	as of date: <u>May 31, 2023</u>
Total number of shareholders owning 100 or more shares:	<u>341</u>	as of date: <u>September 2, 2020</u>
Total number of shareholders of record:	<u>489</u>	as of date: <u>September 2, 2020</u>
Total shares authorized:	<u>425,000,000</u>	as of date: <u>May 31, 2022</u>
Total shares outstanding:	<u>282,806,297</u>	as of date: <u>May 31, 2022</u>
Number of shares in the Public Float ³ :	<u>32,020,200</u>	as of date: <u>May 31, 2022</u>
Total number of shareholders owning 100 or more shares:	<u>341</u>	as of date: <u>September 2, 2020</u>
Total number of shareholders of record:	<u>489</u>	as of date: <u>September 2, 2020</u>

Preferred Stock

Total shares authorized:	<u>15,000,000</u>	as of date: <u>May 31, 2024</u>
Total shares outstanding:	<u>0</u>	as of date: <u>May 31, 2024</u>
Number of shares in the Public Float ⁴ :	<u>0</u>	as of date: <u>May 31, 2024</u>
Total number of shareholders owning 100 or more shares:	<u>0</u>	as of date: <u>May 31, 2024</u>
Total number of shareholders of record:	<u>0</u>	as of date: <u>May 31, 2024</u>
Total shares authorized:	<u>15,000,000</u>	as of date: <u>May 31, 2023</u>
Total shares outstanding:	<u>0</u>	as of date: <u>May 31, 2023</u>
Number of shares in the Public Float ⁵ :	<u>0</u>	as of date: <u>May 31, 2023</u>
Total number of shareholders owning 100 or more shares:	<u>0</u>	as of date: <u>May 31, 2023</u>
Total number of shareholders of record:	<u>0</u>	as of date: <u>May 31, 2023</u>

¹ "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

² "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

³ "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

⁴ "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

⁵ "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

Total shares authorized:	<u>15,000,000</u>	as of date: <u>May 31, 2022</u>
Total shares outstanding:	<u>0</u>	as of date: <u>May 31, 2022</u>
Number of shares in the Public Float ⁶ :	<u>0</u>	as of date: <u>May 31, 2022</u>
Total number of shareholders owning 100 or more shares:	<u>0</u>	as of date: <u>May 31, 2022</u>
Total number of shareholders of record:	<u>0</u>	as of date: <u>May 31, 2022</u>

Item 7 The name and address of the transfer agent*.

In answering this item, please also provide the telephone number of the transfer agent, indicate whether or not the transfer agent is registered under the Exchange Act, and state the appropriate regulatory authority of the transfer agent.

*To be included in OTCQX or OTCQB, the issuers whose securities are incorporated in the U.S. or Canada *must* have a transfer agent registered under the Exchange Act.

Name: Olde Monmouth Stock Transfer Co., Inc.
 Phone: 732-872-2727
 Email: transferagent@oldemonmouth.com

Is the Transfer Agent registered under the Exchange Act?⁷ Yes: ☒ No: ☐

Part C Business Information

Item 8 The nature of the issuer's business.

In describing the issuer's business, please provide the following information:

A. Business Development. Describe the development of the issuer and material events during the last three years so that a potential investor can clearly understand the history and development of the business. If the issuer has not been in business for three years, provide this information for any predecessor company. This business development description must also include:

1. the form of organization of the issuer (e.g., corporation, partnership, limited liability company, etc.);

Corporation

2. the year that the issuer (or any predecessor) was organized;

2009

⁶ "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

⁷ To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

3. the issuer's fiscal year end date;

May 31

³ Securities quoted on OTCQX U.S. must have at least 50 beneficial shareholders each owning at least 100 shares.
Securities quoted on OTCQX U.S. Premier must have at least 100 beneficial shareholders each owning at least 100 shares.

4. whether the issuer (or any predecessor) has been in bankruptcy, receivership or any similar proceeding;

No.

5. any material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets;

No.

6. any default of the terms of any note, loan, lease, or other indebtedness or financing arrangement requiring the issuer to make payments;

No.

7. any change of control;

No. On August 19, 2020, the preferred shareholder converted their 9,250,000 shares of preferred stock into 246,697,500 shares of common stock. No change of control occurred. As at May 31, 2024, this shareholder owned 221,731,025 common shares.

8. any increase of 10% or more of the same class of outstanding equity securities;

As indicated above, on August 19, 2020, the preferred shareholder converted their 9,250,000 shares of preferred stock into 246,697,500 shares of common stock. No change of control occurred. As at May 31, 2024, this shareholder owned 221,731,025 common shares.

9. any past, pending or anticipated stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization;

The Company had a 1 for 5 reverse split on April 14, 2020. There are no pending or anticipated stock splits, stock dividends, recapitalizations, mergers, acquisitions, spin-offs, or reorganizations as of the date of this report.

10. any delisting of the issuer's securities by any securities exchange; and

No.

11. any current, past, pending or threatened legal proceedings or administrative actions either by or against the issuer that could have a material effect on the issuer's business, financial condition, or operations and any current, past or pending trading suspensions by a securities regulator. State the names of the principal parties, the nature and current status of the matters, and the amounts involved.

None.

B. Business of Issuer. Describe the issuer's business so a potential investor can clearly understand it. To the extent material to an understanding of the issuer, please also include the following:

1. the issuer's primary and secondary SIC Codes;

SIC Code: 7372

2. if the issuer has never conducted operations, is in the development stage, or is currently conducting operations;

Development Stage

3. whether the issuer has at any time been a "shell company";⁴

Instruction to paragraph B.3 of Item 8:

The issuer must attest that it is not currently a shell company. If the issuer discloses that it was formerly a shell company, it must also include the following disclosure on the front page of its disclosure statement in boldface, 12 point type:

"We previously were a shell company, therefore the exemption offered pursuant to Rule 144 is not available. Anyone who purchased securities directly or indirectly from us or any of our affiliates in a transaction or chain of transactions not involving a public offering cannot sell such securities in an open market transaction."

No, the Company is not currently, nor has it been at any time, a shell company.

4. *the names and contact information of any parent, subsidiary, or affiliate of the issuer, and its business purpose, its method of operation, its ownership, and whether it is included in the financial statements attached to this disclosure statement;*

N/A

5. *the effect of existing or probable governmental regulations on the business;*

No effect is expected on the business.

⁴ For the purpose of this section a "shell company" means an issuer, other than a business combination related shell company, as defined by Securities Act Rule 405, or an asset-backed issuer, as defined by Item 1101(b) of Regulation AB, that has:

(1) No or nominal operations; and

(2) Either:

(A) No or nominal assets;

(B) Assets consisting solely of cash and cash equivalents; or

(C) Assets consisting of any amount of cash and cash equivalents and nominal other assets.

6. *an estimate of the amount spent during each of the last two fiscal years on research and development activities, and, if applicable, the extent to which the cost of such activities were borne directly by customers;*

N/A

7. *costs and effects of compliance with environmental laws (federal, state and local); and*

N/A

8. *the number of total employees and number of full-time employees.*

The Company currently has 4 full time employees.

For issuers engaged in mining, oil and gas production and real estate activities, substantial additional disclosure of the issuer's business is required. Contact OTC Markets Group for more information.

Item 9 The nature of products or services offered.

In responding to this item, please describe the following so that a potential investor can clearly understand the products and services of the issuer:

- A. principal products or services, and their markets;
- B. distribution methods of the products or services;
- C. status of any publicly announced new product or service;
- D. competitive business conditions, the issuer's competitive position in the industry, and methods of competition;
- E. sources and availability of raw materials and the names of principal suppliers;
- F. dependence on one or a few major customers;
- G. patents, trademarks, licenses, franchises, concessions, royalty agreements or labor contracts, including their duration; and
- H. the need for any government approval of principal products or services and the status of any requested government approvals.

QuantGate Systems Inc. (is a fintech company operating for 10+ years, developing sophisticated Artificial Intelligence (AI), Machine Learning (ML) and proprietary big-data processing algorithms to deliver SaaS solutions and seamless API integration. Our core intelligence identifies investment opportunities across multiple asset classes, rooted in the financial markets, and perfected for cryptocurrency exchanges, enabling our valued clients to make better informed investment decisions. Turnkey solutions and efficient API's, founded on robust and scalable SaaS architecture, easily allow 3rd party integration

for onboarding existing users, and scaling globally.

Software-as-a-Service

Our Software as a Service technology (“SaaS”) is the first real-time and revolutionary market sentiment and traders’ perception cockpit based on a unique algorithm that analyzes the bid ask flow rate and other trading activities for a given security. The software platform quantitatively measures tick-by-tick changes throughout the trading day in the electronic order book of any security that trades with an electronic order book. It uniquely presents current market information using the flow rate of buy/sell orders placed in real time by all traders on the Exchange Electronic Trading Book. These orders are weighted by their proximity to Inside Bid/Ask levels, their size, and the time elapsed since the order origination. Our software solutions provide trading platforms information, in a proprietary format, that a trader requires and provides in a way enabling the trader to draw instant and accurate conclusions, that he would otherwise derive based on charting and other indicators.

Crypto Currencies

QuantGate’s AI algorithms apply to any digital currency traded on major exchanges interfaced with an electronic order book. QuantGate has developed a set of modules, systems and AI algorithms aligned to deliver a scalable and robust crypto solution to power any third-party mobile, desktop, web or SaaS based clients via a set of enterprise APIs.

Auto-Trader Platform

Auto-Trader is a solution, providing intelligence-based, proprietary, automated software solutions, including trading algorithms for trading securities intraday, by exploiting market inefficiencies through the use of complex mathematics/statistics. The solution can be used to successfully trade securities across various asset classes including equities, options, futures, currencies, fixed income, an exchange-traded funds. The architecture and software is a perfectly scalable platform that can trade securities on multiple markets globally. Our solution can be embedded into a trading platform to be used for any capital market around the world, provided the securities traded satisfy minimum scanning/filtering requirements (i.e., volatility, narrow bid-offer spreads, daily volume thresholds, liquidity). It maximizes profits through speed of execution and automation. The software and intelligence does not involve human interaction to generate trading opportunities, and will automatically execute trades at the broker/dealer level, based on previously established protocol and strategies. It has capacity to execute on up to two thousand (2,000) securities, while operational optimization and effectiveness is limited to 40-60 securities for a given capital market, on any given trading day. The platform eliminates direct human decision-making, but proper risk management and oversight is mandatory to manage various risks throughout the day. A risk manager will oversee the trading platform on a daily basis to ensure its performance is continually optimized. The Issuer must establish a discretionary trading fund, either within their own Company, or as a separate and independent entity, and by integrating our solution based platform, they can trade multiple capital markets, across multiple asset classes, in multiple time zones, while exploiting intraday inefficiencies in securities prices.

Item 10 The nature and extent of the issuer's facilities.

Please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

Our offices are currently located at 150 Bloor Street West, M103 Toronto, ON, M5S 1M4. Our telephone number is 416-479-0880. Management believes that its current facilities are adequate for its needs through the next twelve months, and that, should it be needed, suitable additional space will be available to accommodate expansion of the Company's operations on commercially reasonable terms, although there can be no assurance in this regard.

Part D Management Structure and Financial Information

Item 11 Company Insiders (Officers, Directors, and Control Persons).

Please give a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant shareholders.

A. Officers and Directors. In responding to this item, please provide the following information for each of the issuer's executive officers, directors, general partners and control persons, as of the date of this information statement:

1. Full name;
2. Business address;
3. Employment history (which must list all previous employers for the past 5 years, positions held, responsibilities and employment dates);
4. Board memberships and other affiliations;
5. Compensation by the issuer; and
6. Number and class of the issuer's securities beneficially owned by each such person.

Name of Officer/Director or Control Person	Affiliation with Company	Business Address	Compensation by the Issuer	Number and Class of Securities Beneficially Owned
Robert Seguin	Independent Director	150 Bloor Street West, M103 Toronto, ON, M5S 1M4	None	None
Ilan Yosef	Chief Technical Officer, Director	150 Bloor Street West, M103 Toronto, ON, M5S 1M4	None	None
Kyle Appleby	Chief Financial Officer	150 Bloor Street West, M103 Toronto, ON, M5S 1M4	None	35,771 common shares (held in CFO Advantage Inc., a corporation owned 100% by Mr Appleby)
Wayne Welter	Chairman	150 Bloor Street West, M103 Toronto, ON, M5S 1M4	None	100,000 common shares
Nikolas Perrault	Independent Director	150 Bloor Street West, M103 Toronto, ON, M5S 1M4	None	975,000

Robert Seguin, Director

Nikolas Perrault, Director

Ilan Yosef, Chief Technical Officer, Director

Solution architect, U Weight Loss Clinics, 03-2010 to 01-2012
Crypto Connect, 2014 to Jan 2018 - CTO
Quantgate Systems Inc, Jan 2018 - Current

Kyle Appleby, Chief Financial Officer

CEO of CFO Advantage Inc., provider of part time CFO services to reporting issuers, 01-2009 to present.

Wayne Welter, Chairman

Managing director, Commercium Group Ltd, 10-2016 to present
Portfolio manager, Echelon Wealth, 05-2014 to 10-2016

B. Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending

criminal proceeding (excluding traffic violations and other minor offenses);

No.

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

No.

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

No.

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended or otherwise limited such person's involvement in any type of business or securities activities.

No.

- B. Disclosure of Family Relationships. Describe any family relationships⁵ among and between the issuer's directors, officers, persons nominated or chosen by the issuer to become directors or officers, or beneficial owners of more than five percent (5%) of the any class of the issuer's equity securities.

None.

- D. Disclosure of Related Party Transactions. Describe any transaction during the issuer's last two full fiscal years and the current fiscal year or any currently proposed transaction, involving the issuer, in which (i) the amount involved exceeds the lesser of \$120,000 or one percent of the average of the issuer's total assets at year-end for its last three fiscal years and (ii) any related person had or will have a direct or indirect material interest. Disclose the following information regarding the transaction:

1. The name of the related person and the basis on which the person is related to the issuer;
2. The related person's interest in the transaction;
3. The approximate dollar value involved in the transaction (in the case of indebtedness, disclose the largest aggregate amount of principal outstanding during the time period for which disclosure is required, the amount thereof outstanding as of the latest practicable date, the amount of principal and interest paid during the time period for which disclosure is required, and the rate or amount of interest payable on the indebtedness);

4. The approximate dollar value of the related person's interest in the transaction; and
5. Any other information regarding the transaction or the related person in the context of the transaction that is material to investors in light of the circumstances of the particular transaction.

⁵ The term "family relationship" means any relationship by blood, marriage or adoption, not more remote than first cousin.

Instruction to paragraph D of Item 11:

1. *For the purposes of paragraph D of this Item 11, the term "related person" means any director, executive officer, nominee for director, or beneficial owner of more than five percent (5%) of any class of the issuer's equity securities, immediate family members⁶ of any such person, and any person (other than a tenant or employee) sharing the household of any such person.*
2. *For the purposes of paragraph D of this Item 11, a "transaction" includes, but is not limited to, any financial transaction, arrangement or relationship (including any indebtedness or guarantee of indebtedness) or any series of similar transactions, arrangements or relationships.*
3. *The "amount involved in the transaction" shall be computed by determining the dollar value of the amount involved in the transaction in question, which shall include:*
 - a. *In the case of any lease or other transaction providing for periodic payments or installments, the aggregate amount of all periodic payments or installments due on or after the beginning of the issuer's last fiscal year, including any required or optional payments due during or at the conclusion of the lease or other transaction providing for periodic payments or installments; and*
 - b. *In the case of indebtedness, the largest aggregate amount of all indebtedness outstanding at any time since the beginning of the issuer's last fiscal year and all amounts of interest payable on it during the last fiscal year.*
4. *In the case of a transaction involving indebtedness:*
 - a. *The following items of indebtedness may be excluded from the calculation of the amount of indebtedness and need not be disclosed: amounts due from the related person for purchases of goods and services subject to usual trade terms, for ordinary business travel and expense payments and for other transactions in the ordinary course of business; and*
 - b. *Disclosure need not be provided of any indebtedness transaction for beneficial owners of more than five percent (5%) of any class of the issuer's equity securities or such person's family members.*
5. *Disclosure of an employment relationship or transaction involving an executive officer and any related compensation solely resulting from that employment relationship or transaction need not be provided. Disclosure of compensation to a director also need*

not be provided.

6. *A person who has a position or relationship with a firm, corporation, or other entity that engages in a transaction with the issuer shall not be deemed to have an indirect material interest for purposes of paragraph D of this Item 11 where:*

a. The interest arises only:

i. From such person's position as a director of another corporation or organization that is a party to the transaction; or

ii. From the direct or indirect ownership by such person and all other related persons, in the aggregate, of less than a ten percent (10%) equity interest in another entity (other than a partnership) which is a party to the transaction; or

iii. From both such position and ownership; or

b. The interest arises only from such person's position as a limited partner in a partnership in which the person and all other related persons have an interest of less than ten percent (10%), and the person is not a general partner of and does not hold another position in the partnership.

7. *Disclosure need not be provided pursuant to paragraph D of this Item 11 if:*

a. The transaction is one where the rates or charges involved in the transaction are determined by competitive bids, or the transaction involves the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority;

b. The transaction involves services as a bank depositary of funds, transfer agent, registrar, trustee under a trust indenture, or similar services; or

c. The interest of the related person arises solely from the ownership of a class of equity securities of the issuer and all holders of that class of equity securities of the issuer received the same benefit on a pro rata basis.

8. *Include information for any material underwriting discounts and commissions upon the sale of securities by the issuer where any of the specified persons was or is to be a principal underwriter or is a controlling person or member of a firm that was or is to be a principal underwriter.*

N/A

E. Disclosure of Conflicts of Interest. Describe any conflicts of interest. Describe the circumstances, parties involved and mitigating factors for any executive officer or director with competing professional or personal interests.

None.

⁶ “Immediate family members” means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law.

Item 12 Financial information for the issuer's most recent fiscal period.

Instruction to Item 12: The issuer shall post the financial statements required by this Item 12 through www.OTCIQ.com under the appropriate report name for the applicable period end. (If the financial statements relate to a fiscal year end, publish it as an “*Annual Report*,” or if the financial statements relate to a quarter end, publish it as a “*Quarterly Report*” or “*Interim Financial Report*”) **The issuer must state in its disclosure statement that such financial statements are incorporated by reference.** The issuer must also (i) provide a list in the disclosure statement describing the financial statements that are incorporated by reference, (ii) clearly explain where the incorporated documents can be found, and (iii) provide a clear cross-reference to the specific location where the information requested by this Item 12 can be found in the incorporated documents.

The issuer shall provide the following financial statements for the most recent fiscal period (whether fiscal quarter or fiscal year).

- 1) balance sheet;
- 2) statement of income;
- 3) statement of cash flows;
- 4) statement of changes in stockholders' equity (for Annual Reports only);
- 5) financial notes; and
- 6) audit letter, if period ending is fiscal year

The financial statements requested pursuant to this item shall be prepared in accordance with generally accepted accounting principles (U.S. GAAP or IFRS, as applicable) by persons with sufficient financial skills.

Information contained in annual financial statements will not be considered current more than 90 days after the end of the issuer's fiscal year immediately following the fiscal year for which such statements are provided, or with respect to quarterly financial statements, more than 45 days after the end of the quarter immediately following the quarter for which such statements are provided.

Financial Statements are included herewith immediately following disclosures.

Item 13 Similar financial information for such part of the two preceding fiscal years as the issuer or its predecessor has been in existence.

Please provide the financial statements described in Item 12 above for the issuer's two preceding fiscal years.

Instruction to Item 13: The issuer shall either (i) attach the financial statements required by this Item 13 to its initial disclosure or (ii) post such financial statements through www.OTCIQ.com as a separate report under the name of “*Annual Report*” for the applicable fiscal year end. **The issuer must state in its disclosure statement that such financial statements are incorporated by reference.** The issuer must also (x) provide a list in the disclosure statement describing the financial statements that are incorporated by reference, (y) clearly explain where the incorporated documents can be found, and (z) provide a clear cross-reference to the specific location where the information requested by this Item 13 can be found in the incorporated documents.

The Annual Report with audited financial statements for the fiscal year ended May 31, 2023 is posted through OTCiq, and may be found at:

<https://www.otcm Markets.com/otcapi/company/financial-report/346061/content>

The Annual Report with audited financial statements for the fiscal year ended May 31, 2024 is posted through OTCiq, and may be found at:

<https://www.otcm Markets.com/stock/QGSI/disclosure>

Item 14 The name, address, telephone number, and email address of each of the following outside providers that advise the issuer on matters relating to operations, business development and disclosure:

1. Investment Banker

N/A

2. Promoter

N/A

3. Securities Counsel

Thomas C. Cook, Esq.
Law Offices of Thomas C. Cook, Ltd.
1980 Festival Plaza Dr., Suite 530
Las Vegas, NV 89135
(702) 524-9151
tccesq@aol.com

4. Accountant or Auditor - the information shall clearly (i) describe if an outside accountant provides audit or review services, (ii) state the work done by the outside accountant and (iii) describe the responsibilities of the accountant and the responsibilities of management (i.e. who audits, prepares or reviews the issuer's financial statements, etc.). The information shall include the accountant's phone number and email address and a description of the accountant's licensing and qualifications to perform such duties on behalf of the issuer.

Olayinka Oyebola & Co.
10333 Harwin Dr., Suite 677
Houston, TX 77036
0803-333-8600
olayinka_oyebola@hotmail.com

5. Public Relations Consultant

N/A

6. Investor Relations Consultant

N/A

7. Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement - the information shall include the name, address, telephone number and email address of each advisor.

N/A

Item 14 Beneficial Owners.

Provide a list of the name, address and shareholdings of all persons beneficially owning more than five percent (5%) of any class of the issuer's equity securities.

To the extent not otherwise disclosed, if any of the above shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

Name of Officer/Director or Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
Four Seasons Trust, Ltd.	Owner of more than 5%	1001 Bay St., No. 3410, Toronto, ON	221,731,025	Common	73.7%	(1)
2238646 Ontario Inc.	Owner of more than 5%	23 Bedford Road, Toronto, ON	16,308,000	Common	5.4%	(2)

- (1) The beneficial owner of Four Seasons Trust, Ltd. is Marsha Collins, 1001 Bay St., No. 3410, Toronto, ON Canada.
- (2) The beneficial owner of Ontario Inc. is Debra Swain, 23 Bedford Road, Toronto, ON Canada.

Item 16 Management's Discussion and Analysis or Plan of Operation.

Instructions to Item 16

Issuers that have not had revenues from operations in each of the last two fiscal years, or the last fiscal year and any interim period in the current fiscal year for which financial statements are furnished in the disclosure statement, shall provide the information in paragraphs A and C of this item. All other issuers shall provide the information in paragraphs B and C of this item.

The discussion and analysis shall focus specifically on material events and uncertainties known to management that would cause reported financial information not to be necessarily indicative of future operating results or of future financial condition.

Issuers are not required to supply forward-looking information. This is distinguished from presently known data that will impact upon future operating results, such as known future increases in costs of labor or materials. This latter data may be required to be disclosed.

A. Plan of Operation.

1. Describe the issuer's plan of operation for the next twelve months. This description should include such matters as:

- i. a discussion of how long the issuer can satisfy its cash requirements and whether it will have to raise additional funds in the next twelve months;
- ii. a summary of any product research and development that the issuer will perform for the term of the plan;
- iii. any expected purchase or sale of plant and significant equipment; and
- iv. any expected significant changes in the number of employees.

Quantgate is a premier provider of proprietary software solutions that deliver cutting-edge opportunity signal technology to the trading community. Our unwavering commitment to offering our clients the best possible trading experience drives our ongoing innovation and growth. This quarter, we achieved significant progress across multiple areas. As part of our B2C strategy to bolster customer acquisition, we developed a proprietary BOT designed to disseminate unique content to social media users, fostering brand awareness and attracting new subscribers. The BOT identifies Trade Opportunities, executes trades based on live market data, and shares the results across social media platforms. Furthermore, we continuously update our audience with the number of Trade Opportunities identified within the last hour or day. To streamline the onboarding process for potential subscribers, we offer temporary credentials for a 14-day free trial, with the option to subscribe at any point. We are thrilled to announce that Sterling Trading Tech has fully completed the integration of our Opportunity Widgets into their esteemed trading platform. We also showcased a demo of our opportunity signal technology seamlessly integrated into Sterling's extensive trading platform. Our collective efforts are strategically aimed at establishing Quantgate as the industry leading provider of SaaS-based solutions and technology for the trading community. We are confident in our trajectory towards realizing this vision and are eager to embrace the future. The company has entered into a referral agreement with a third party vendor, effective February 2023. This has had a positive effect on revenue.

To further augment our growth, we are actively pursuing M&A opportunities that would expand our product portfolio, market reach, and talent pool.

B. Management's Discussion and Analysis of Financial Condition and Results of Operations.

1. *Full fiscal years.* Discuss the issuer's financial condition, changes in financial condition and results of operations for each of the last two fiscal years. This discussion should address the past and future financial condition and results of operation of the issuer, with particular emphasis on the prospects for the future. The discussion should also address those key variable and other qualitative and quantitative factors that are necessary to an understanding and evaluation of the issuer. If material, the issuer should disclose the following:

- i. Any known trends, events or uncertainties that have or are reasonably likely to have a material impact on the issuer's short-term or long-term liquidity;

- ii. Internal and external sources of liquidity;
- iii. Any material commitments for capital expenditures and the expected sources of funds for such expenditures;
- iv. Any known trends, events or uncertainties that have had or that are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations;
- v. Any significant elements of income or loss that do not arise from the issuer's continuing operations;
- vi. The causes for any material changes from period to period in one or more line items of the issuer's financial statements; and
- vii. Any seasonal aspects that had a material effect on the financial condition or results of operation.

Overview of Current Operations

We were incorporated on April 22, 2009 as a Nevada corporation. We are a financial technology company, based in Toronto, Ontario that develops proprietary software platforms for the financial industry, specializing in the capital markets vertical. The Company's vision is to enable profitable trading for everyone. It will achieve this vision through its mission statement of providing financial freedom and a higher standard of living by developing empowering tools that make trading easier. We intend to market our trading software through various distribution channels.

RESULTS OF OPERATIONS

Since inception on April 22, 2009, we experienced an accumulated deficit of \$(13,112,448).

For the fiscal year ending May 31, 2024, the Company recognized revenues of \$327,581 and incurred total operating expenses of \$914,887, as compared to revenues of \$50,395 and total operating expenses of \$1,185,398 for the previous fiscal year. The increase in revenue is attributed to the earned revenues related to a referral agreement entered into with a third-party vendor, effective February 2023.

Net loss for the fiscal year ending May 31, 2024 was \$628,335 compared to \$1,274,423 for the fiscal year ending May 31, 2023.

During the fiscal year ending May 31, 2024, the Company used net cash of \$(595,378) in operations, and received \$546,519 from financing activities (\$134,507 of proceeds from loan advances and \$412,012 in proceeds received from a private placement closing after the year end). This compares to \$1,196,740 of cash used in operations during fiscal 2023, along with proceeds of \$847,013 from loan advances, less \$27,200 in loan repayments.

2. Interim Periods. Provide a comparable discussion that will enable the reader to assess material changes in financial condition and results of operations since the end of the last fiscal year and for the comparable interim period in the preceding year.

C. Off-Balance Sheet Arrangements.

1. In a separately-captioned section, discuss the issuer's off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the issuer's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors. The disclosure shall include the items specified in paragraphs C(1)(i), (ii), (iii) and (iv) of this Item 16 to the extent necessary to an understanding of such arrangements and effect and shall also include such other information that the issuer believes is necessary for such an understanding.

- i. The nature and business purpose to the issuer of such off-balance sheet arrangements;
- ii. The importance to the issuer of such off-balance sheet arrangements in respect of its liquidity, capital resources, market risk support, credit risk support or other benefits;
- iii. The amounts of revenues, expenses and cash flows of the issuer arising from such arrangements; the nature and amounts of any interests retained, securities issued and other indebtedness incurred by the issuer in connection with such arrangements; and the nature and amounts of any other obligations or liabilities (including contingent obligations or liabilities) of the issuer arising from such arrangements that are or are reasonably likely to become material and the triggering events or circumstances that could cause them to arise; and
- iv. Any known event, demand, commitment, trend or uncertainty that will result in or is reasonably likely to result in the termination, or material reduction in availability to the issuer, of its off-balance sheet arrangements that provide material benefits to it, and the course of action that the issuer has taken or proposes to take in response to any such circumstances.

2. As used in paragraph C of this Item 16, the term off-balance sheet arrangement means any transaction, agreement or other contractual arrangement to which an entity unconsolidated with the issuer is a party, under which the issuer has:

- i. Any obligation under a guarantee contract that has any of the characteristics identified in paragraph 3 of FASB Interpretation No. 45, Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others (November 2002) ("FIN 45"), as may be modified or supplemented, and that is not excluded from the initial recognition and measurement provisions of FIN 45 pursuant to paragraphs 6 or 7 of that Interpretation;
- ii. A retained or contingent interest in assets transferred to an unconsolidated entity or similar arrangement that serves as credit, liquidity or market risk support to such entity for such assets;

- iii. Any obligation, including a contingent obligation, under a contract that would be accounted for as a derivative instrument, except that it is both indexed to the issuer's own stock and classified in stockholders' equity in the issuer's statement of financial position, and therefore excluded from the scope of FASB Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities (June 1998), pursuant to paragraph 11(a) of that Statement, as may be modified or supplemented; or
- iv. Any obligation, including a contingent obligation, arising out of a variable interest (as referenced in FASB Interpretation No. 46, Consolidation of Variable Interest Entities (January 2003), as may be modified or supplemented) in an unconsolidated entity that is held by, and material to, the issuer, where such entity provides financing, liquidity, market risk or credit risk support to, or engages in leasing, hedging or research and development services with, the issuer.

Instructions to paragraph C of Item 16

- i. No obligation to make disclosure under paragraph C of this Item 16 shall arise in respect of an off-balance sheet arrangement until a definitive agreement that is unconditionally binding or subject only to customary closing conditions exists or, if there is no such agreement, when settlement of the transaction occurs.
- ii. Issuers should aggregate off-balance sheet arrangements in groups or categories that provide material information in an efficient and understandable manner and should avoid repetition and disclosure of immaterial information. Effects that are common or similar with respect to a number of off-balance sheet arrangements must be analyzed in the aggregate to the extent the aggregation increases understanding. Distinctions in arrangements and their effects must be discussed to the extent the information is material, but the discussion should avoid repetition and disclosure of immaterial information.
- iii. For purposes of paragraph C of this Item 16 only, contingent liabilities arising out of litigation, arbitration or regulatory actions are not considered to be off-balance sheet arrangements.
- iv. Generally, the disclosure required by paragraph C of this Item 16 shall cover the most recent fiscal year. However, the discussion should address changes from the previous year where such discussion is necessary to an understanding of the disclosure.

In satisfying the requirements of paragraph C of this Item 16, the discussion of off-balance sheet arrangements need not repeat information provided in the footnotes to the financial statements, provided that such discussion clearly cross-references to specific information in the relevant footnotes and integrates the substance of the footnotes into such discussion in a manner designed to inform readers of the significance of the information that is not included within the body of such discussion.

None.

Part E Issuance History

Item 17 List of securities offerings and shares issued for services in the past two years.

- A. List below any events, in chronological order, that resulted in direct changes to the total shares outstanding by the issuer (1) within the two-year period ending on the last day of the issuer's most recent fiscal year and (2) since the last day of the issuer's most recent fiscal year.

The list shall include all offerings of securities, including debt convertible into equity securities, whether private or public, and shall indicate:

- (i) The nature of each offering (e.g., Securities Act Rule 504, intrastate, etc.);
- (ii) Any jurisdictions where the offering was registered or qualified;
- (iii) The number of shares offered;
- (iv) The number of shares sold;
- (v) The price at which the shares were offered, and the amount actually paid to the issuer;
- (vi) The trading status of the shares; and
- (vii) Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act.

The list shall also include all shares or any other securities or options to acquire such securities issued for services in the past two fiscal years and any interim periods, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities.

With respect to private offerings of securities, the list shall also indicate the identity of the persons who purchased securities in such private offering; *provided, however*, that in the event that any such person is an entity, the list shall also indicate (a) the identity of each natural person beneficially owning, directly or indirectly, more than five percent (5%) of any class of equity securities of such entity and (b) to the extent not otherwise disclosed, the identity of each natural person who controlled or directed, directly or indirectly, the purchase of such securities for such entity.

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Opening Balance</u> Date <u>May 31, 2023</u> Common: <u>284,224,219</u> Preferred: <u>0</u>			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
<u>05/10/2024</u>	<u>Conversion of debenture</u>	<u>1,866,240</u>	<u>Common</u>	<u>\$0.10</u>	<u>No</u>	<u>Wolfgang Steubing AG</u>	<u>Conversion of debenture</u>	<u>Restricted</u>	<u>N/A</u>
<u>03/11/2024</u>	<u>Conversion of debenture</u>	<u>6,240,710</u>	<u>Common</u>	<u>\$0.10</u>	<u>No</u>	<u>David Daniels</u>	<u>Conversion of debenture</u>	<u>Unrestricted</u>	<u>N/A</u>
<u>03/12/2024</u>	<u>Conversion of debenture</u>	<u>977,020</u>	<u>Common</u>	<u>\$0.10</u>	<u>No</u>	<u>Nikolas Perrault</u>	<u>Conversion of debt</u>	<u>Unrestricted</u>	<u>N/A</u>
<u>03/22/2024</u>	<u>Conversion of debenture</u>	<u>7,401,501</u>	<u>Common</u>	<u>\$0.10</u>	<u>No</u>	<u>12898331 Canada Inc. (Joseph Capozzo)</u>	<u>Conversion of debenture</u>	<u>Unrestricted</u>	<u>N/A</u>
Shares Outstanding at May 31, 2024: <u>Ending Balance</u> Date <u>May 31, 2024</u> Common: <u>300,709,690</u> Preferred: <u>0</u>									

Shares Outstanding as of the date of this report <u>Opening Balance</u> Date <u>May 31, 2022</u> Common: <u>282,806,297</u> Preferred: <u>0</u>			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.

<u>12/17/2022</u>	<u>Conversion of debenture</u>	58,010	<u>Common</u>	<u>\$0.25</u>	<u>No</u>	Christine Crinch	<u>Settlement of debt</u>	<u>Restr icted</u>	<u>N/A</u>
<u>12/17/2022</u>	<u>Conversion of debenture</u>	104,420	<u>Common</u>	<u>\$0.25</u>	<u>No</u>	Peter Adams	<u>Settlement of debt</u>	<u>Restr icted</u>	<u>N/A</u>
<u>12/17/2022</u>	<u>Conversion of debenture</u>	348,068	<u>Common</u>	<u>\$0.25</u>	<u>No</u>	Brittany Homes	<u>Settlement of debt</u>	<u>Restr icted</u>	<u>N/A</u>
<u>12/17/2022</u>	<u>Conversion of debenture</u>	241,575	<u>Common</u>	<u>\$0.25</u>	<u>No</u>	Donna Fleming	<u>Settlement of debt</u>	<u>Restr icted</u>	<u>N/A</u>
<u>12/17/2022</u>	<u>Conversion of debenture</u>	370,768	<u>Common</u>	<u>\$0.25</u>	<u>No</u>	Lawrence Corso	<u>Settlement of debt</u>	<u>Restr icted</u>	<u>N/A</u>
<u>03/28/2023</u>	<u>Conversion of debenture</u>	29,980	<u>Common</u>	<u>\$0.25</u>	<u>No</u>	Peter Adams	<u>Settlement of debt</u>	<u>Restr icted</u>	<u>N/A</u>
<u>03/28/2023</u>	<u>Conversion of debenture</u>	99,933	<u>Common</u>	<u>\$0.25</u>	<u>No</u>	Brittany Homes	<u>Settlement of debt</u>	<u>Restr icted</u>	<u>N/A</u>
<u>03/28/2023</u>	<u>Conversion of debenture</u>	72,026	<u>Common</u>	<u>\$0.25</u>	<u>No</u>	Donna Fleming	<u>Settlement of debt</u>	<u>Restr icted</u>	<u>N/A</u>
<u>03/28/2023</u>	<u>Conversion of debenture</u>	15,910	<u>Common</u>	<u>\$0.25</u>	<u>No</u>	Christine Crinch	<u>Settlement of debt</u>	<u>Restr icted</u>	<u>N/A</u>
<u>03/28/2023</u>	<u>Conversion of debenture</u>	77,233	<u>Common</u>	<u>\$0.25</u>	<u>No</u>	Lawrence Corso	<u>Settlement of debt</u>	<u>Restr icted</u>	<u>N/A</u>

Shares Outstanding on Date of This Report:

Date May 31, 2023

Common: 284,224,219

Preferred: 0

- C. List below and describe any issuance of Promissory Notes, Convertible Notes, or Convertible Debentures. In responding to this item, please provide the date of execution of the Note or the Agreement, a description of the reason for the issuance, the outstanding balance and any interest accrued. Provide the maturity dates for each Note or Agreement, their conversion terms, names of beneficial owners or holders and the

exact class of security such Notes or Agreement may be converted to. Also, specify if the Note is Secured or Unsecured and whether or not it is in Default.

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).
1/25/2021	-	50,000.00	-	1/25/2024	note 1	Cobra Financial (Rene Lachapelle is the control person)
1/25/2021	-	25,000.00	-	1/25/2024	note 1	Chris Siomos
1/25/2021		150,000.00	-	1/25/2024	note 1	159367 Canada Inc (Michael Zakaib is the control person)
1/25/2021		111,366.67	29,827.96	1/25/2024	note 2	John Margie
5/7/2021		25,000.00	6,136.99	5/6/2024	note 2	Godsoe Fin Capital LTD

Use the space below to provide any additional details, including footnotes to the table above:

Note 1 –three-year loan with a strike price of \$0.25 in year 1, \$0.35 in year 2 and \$0.45 in year three.

Note 2 –three-year 8% senior debentures with a strike price of \$0.25 in year 1, \$0.35 in year 2 and \$0.45 in year three.

Part F Exhibits

The following exhibits must be either described in or attached to the disclosure statement:

Item 18 Material Contracts.

A. Every material contract, not made in the ordinary course of business, that will be performed after the disclosure statement is posted through www.OTCIQ.com or was entered into not more than two years before such posting. Also include the following contracts:

- 1) Any contract to which directors, officers, promoters, voting trustees, security holders named in the disclosure statement, or the Designated Advisor for Disclosure are parties other than contracts involving only the purchase or sale of current assets having a determinable market price, at such market price;
- 2) Any contract upon which the issuer's business is substantially dependent, including but not limited to contracts with principal customers, principal suppliers, and franchise agreements;
- 3) Any contract for the purchase or sale of any property, plant or equipment for consideration exceeding 15 percent of such assets of the issuer; or

- 4) Any material lease under which a part of the property described in the disclosure statement is held by the issuer.

B. Any management contract or any compensatory plan, contract or arrangement, including but not limited to plans relating to options, warrants or rights, pension, retirement or deferred compensation or bonus, incentive or profit sharing (or if not set forth in any formal document, a written description thereof) in which any director or any executive officer of the issuer participates shall be deemed material and shall be included; and any other management contract or any other compensatory plan, contract, or arrangement in which any other executive officer of the issuer participates shall be filed unless immaterial in amount or significance.

C. The following management contracts or compensatory plans need not be included:

- 1) Ordinary purchase and sales agency agreements;
- 2) Agreements with managers of stores in a chain organization or similar organization;
- 3) Contracts providing for labor or salesmen's bonuses or payments to a class of security holders, as such; and
- 4) Any compensatory plan that is available to employees, officers or directors generally and provides for the same method of allocation of benefits between management and non-management participants

None.

Item 19 Articles of Incorporation and Bylaws.

- A. A complete copy of the issuer's articles of incorporation or in the event that the issuer is not a corporation, the issuer's certificate of organization. Whenever amendments to the articles of incorporation or certificate of organization are filed, a complete copy of the articles of incorporation or certificate of organization as amended shall be filed.

See annual report for May 31, 2021.

- B. A complete copy of the issuer's bylaws. Whenever amendments to the bylaws are filed, a complete copy of the bylaws as amended shall be filed.

See annual report for May 31, 2021.

Item 20 Purchases of Equity Securities by the Issuer and Affiliated Purchasers.

- A. In the following tabular format, provide the information specified in paragraph (B) of this Item 20 with respect to any purchase made by or on behalf of the issuer or any "Affiliated Purchaser" (as defined in paragraph (C) of this Item 20) of shares or other units of any class of the issuer's equity securities.

ISSUER PURCHASES OF EQUITY SECURITIES				
Period	Column (a) Total Number of Shares (or Units) Purchased	Column (b) Average Price Paid per Share (or Unit)	Column (c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	Column (d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs
Month #1 (identify beginning and ending dates)				
Month #2 (identify beginning and ending dates)				

Month #3				
(identify beginning and ending dates)				
Total				

B. The table shall include the following information for each class or series of securities for each month included in the period covered by the report:

1. The total number of shares (or units) purchased (Column (a)). Include in this column all issuer repurchases, including those made pursuant to publicly announced plans or programs and those not made pursuant to publicly announced plans or programs. Briefly disclose, by footnote to the table, the number of shares purchased other than through a publicly announced plan or program and the nature of the transaction (e.g., whether the purchases were made in open-market transactions, tender offers, in satisfaction of the company's obligations upon exercise of outstanding put options issued by the company, or other transactions).
2. The average price paid per share (or unit) (Column (b)).
3. The total number of shares (or units) purchased as part of publicly announced repurchase plans or programs (Column (c)).
4. The maximum number (or approximate dollar value) of shares (or units) that may yet be purchased under the plans or programs (Column (d)).

Instructions to paragraphs (B)(3) and (B)(4) of this Item 20:

- a. In the table, disclose this information in the aggregate for all plans or programs publicly announced.
- b. By footnote to the table, indicate:
 - i. The date each plan or program was announced;
 - ii. The dollar amount (or share or unit amount) approved;
 - iii. The expiration date (if any) of each plan or program;
 - iv. Each plan or program that has expired during the period covered by the table; and

- v. Each plan or program the issuer has determined to terminate prior to expiration, or under which the issuer does not intend to make further purchases.

C. For purposes of this Item 20, “Affiliated Purchaser” means:

1. A person acting, directly or indirectly, in concert with the issuer for the purpose of acquiring the issuer's securities; or
2. An affiliate who, directly or indirectly, controls the issuer's purchases of such securities, whose purchases are controlled by the issuer, or whose purchases are under common control with those of the issuer; *provided, however*, that “Affiliated Purchaser” shall not include a broker, dealer, or other person solely by reason of such broker, dealer, or other person effecting purchases on behalf of the issuer or for its account, and shall not include an officer or director of the issuer solely by reason of that officer or director's participation in the decision to authorize purchases by or on behalf of the issuer.

None.

Item 21 Issuer's Certifications.

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities).

The certifications shall follow the format below:

I, Wayne Welter certify that:

1. I have reviewed this annual report of QuantGate Systems Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

October 10, 2024 [Date]

/s/ Wayne Welter [CEO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Principal Financial Officer:

I, Kyle Appleby certify that:

1. I have reviewed this annual report of QuantGate Systems Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

October 10, 2024 [Date]

/s/ Kyle Appleby [CFO's Signature]

QUANTGATE SYSTEMS, INC.
Consolidated Financial Statements
For the years ended May 31, 2024 and 2023

QUANTGATE SYSTEMS, INC.
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Report of Independent Registered Public Accounting Firm
To the shareholders and the board of directors of QUANTGATE SYSTEMS, INC.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of **QUANTGATE SYSTEMS, INC** as of May 31, 2024, and 2023, the related statements of operations, changes in shareholders' equity and cash flows, for each of the two years in the period ended May 31, 2024, and the related notes collectively referred to as the "financial statements". In our opinion, the financial statements present fairly, in all material respects, the consolidated financial position of the Company as of May 31, 2024, and 2023 and the results of its operations and its cash flows for each of the two years in the period ended May 31, 2024, in conformity with U.S. generally accepted accounting principles.

Going Concern

The accompanying financial statements have been prepared assuming the company will continue as a going concern as disclosed in Note 8 to the financial statement, the Company has continuously incurred a net operating loss of \$(628,335) for the year ended May 31, 2024, and an accumulated deficit of \$(13,112,448) at May 31, 2024. The continuation of the Company as a going concern through May 31, 2024, is dependent upon improving profitability and the continuing financial support from its stockholders. Management believes the existing shareholders or external financing will provide the additional cash to meet the Company's obligations as they become due. These factors raise substantial doubt about the company ability to continue as a going concern. These financial statements do not include any adjustments that might result from the outcome of the uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion. The company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Critical Audit Matters

Critical audit matters are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. Communication of critical audit matters does not alter in any way our opinion on the financial statements taken as a whole and we are not, by communicating the critical audit matters, providing separate opinions on the critical audit matter or on the accounts or disclosures to which they relate.



OLAYINKA OYEBOLA & CO.
(Chartered Accountants)

We have served as the Company's auditor since July 2020.

October 10th, 2024.

Lagos, Nigeria

QuantGate Systems Inc.
Consolidated Balance Sheets

	May 31, 2024	May 31, 2023
CURRENT ASSETS:		
Cash	\$ 21,016	\$ 69,875
Sales tax receivable	46,150	14,441
Prepaid expenses	14,702	3,309
TOTAL CURRENT ASSETS	81,868	87,625
Loan to related party (note 3)	875,131	858,117
TOTAL ASSETS	\$ 956,999	\$ 945,742
LIABILITIES and STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 133,653	\$ 189,377
Advances from investee company (note 4)	1,029,289	1,029,289
Loans payable (note 5)	1,087,293	917,724
Accrued interest on debentures (note 6)	35,965	226,570
Funds received in advance of closing private placement	412,012	-
TOTAL CURRENT LIABILITIES	2,698,212	2,362,960
Convertible debentures (note 6)	361,344	1,705,551
TOTAL LIABILITIES	3,059,556	4,068,511
STOCKHOLDER'S EQUITY:		
Common stock, par value \$0.0001		
425,000,000 shares authorized		
300,709,690 issued and outstanding		
as of May 31, 2024, and 284,224,219 May 31, 2023	46,183	29,698
Additional paid-in capital	11,690,368	10,058,306
Accumulated other comprehensive loss	(726,660)	(718,820)
Accumulated deficit	(13,112,448)	(12,491,953)
TOTAL STOCKHOLDERS' EQUITY	(2,102,557)	(3,122,769)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 956,999	\$ 945,742

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

QuantGate Systems Inc.
Consolidated Statements of loss and Comprehensive Income
For the years ended May 31, 2024, and 2023

	May 31, 2024	May 31, 2023
	\$	\$
REVENUE		
Referral fees and subscriptions	327,581	50,395
EXPENSES		
General and administrative expenses	914,887	1,185,398
OPERATING LOSS	(587,306)	(1,135,001)
OTHER INCOME (EXPENSE)		
Interest income on loans receivable	17,515	18,488
Interest expense	(49,874)	(157,235)
Investment tax credits	-	-
Gain on settlement of debt	-	37,242
Net (loss) gain on investments	(830)	(23,975)
	(33,189)	(125,480)
NET LOSS BEFORE PROVISION FOR INCOME TAX	(620,495)	(1,260,481)
Other Comprehensive Income		
Exchange differences	(7,840)	(13,942)
Provision for income tax	-	-
NET LOSS AND COMPREHENSIVE LOSS	(628,335)	(1,274,423)
Net income loss per common share	(\$0.00)	(\$0.00)
Basic and fully diluted weighted average common shares outstanding	287,575,859	283,447,275

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

QuantGate Systems Inc.
Consolidated Statement of Stockholders' Equity
For the years ended May 31, 2024, and 2023

Common Stock		Series A Preferred Stock		Accumulated		Accumulated		Other comprehensive	
Shares	Amount	Shares	Amount	Paid in capital		Deficit		loss	
\$		\$		\$		\$		\$	
BALANCE -May 31, 2022		282,806,297	28,280	-	-	9,705,244	(11,231,472)	(704,878)	(2,202,826)
Conversion of debenture		1,417,922	1,418	-	-	353,062	-	-	354,480
Other comprehensive income		-	-	-	-	-	-	(13,942)	(13,942)
Net loss for the year		-	-	-	-	-	(1,260,481)	-	(1,260,481)
BALANCE -May 31, 2023		284,224,219	29,698	-	-	10,058,306	(12,491,953)	(718,820)	(3,122,769)
BALANCE -May 31, 2023		284,224,219	29,698	-	-	10,058,306	(12,491,953)	(718,820)	(3,122,769)
Conversion of debenture		15,508,451	15,508	-	-	1,535,337	-	-	1,550,845
Settlement of debt		977,020	977	-	-	96,725	-	-	97,702
Other comprehensive income		-	-	-	-	-	-	(7,840)	(7,840)
Net loss for the year		-	-	-	-	-	(620,495)	-	(620,495)
BALANCE – May 31, 2024		300,709,690	46,183	-	-	11,690,368	(13,112,448)	(726.660)	(2,102,557)

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

QuantGate Systems Inc.
Consolidated Cash flow statement
For the years ended May 31, 2024 and 2023

	2024	2023
OPERATING ACTIVITIES:		
Net loss	\$ (620,495)	\$ (1,260,481)
<i>Adjustments to reconcile net loss to net cash</i> used in operating activities:		
Financing income (expenses)	45,899	133,498
Gain on settlement of debt	-	(37,242)
Foreign exchange	(19,657)	(107,089)
<i>Changes in operating assets and liabilities:</i>		
Sales tax receivable	(31,709)	3,677
Prepaid expenses	(11,393)	245
Accounts payable and accrued liabilities	41,977	(70,652)
NET CASH USED IN OPERATING ACTIVITIES	(595,378)	(1,196,740)
INVESTING ACTIVITIES:		
Proceeds from repayments of Loan to related party	-	-
NET CASH PROVIDED BY INVESTING ACTIVITIES	-	-
FINANCING ACTIVITIES:		
Proceeds from loan advances	134,507	847,013
Repayment of loan advances	-	(27,200)
Proceeds received in advance of closing private placement	412,012	-
NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES	546,519	819,813
DECREASE IN CASH	(48,859)	(376,927)
CASH - BEGINNING OF PERIOD	69,875	446,802
CASH - END OF PERIOD	\$ 21,016	\$ 69,875

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

QUANTGATE SYSTEMS INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

May 31, 2024

NOTE 1 – ORGANIZATION AND BASIS OF PRESENTATION

Organization and Business Description

QuantGate Systems Inc., (“Quantgate” or the “Company”) is a fintech company that provides Platform as a Service (“PaaS”), based on Artificial Intelligence (AI) and Machine Learning (ML) intelligence for institutional and retail investors. Our software harnesses the power of ground-breaking developments in self-evolving algorithms that are highly responsive to changing market conditions and processes massive amounts of behavioral data in real time.

Since inception the Company has been engaged in developing its business model and software platforms. The Company has not earned any material revenue from operations.

On November 6, 2019, the Company registered for a name change to QuantGate Systems Inc. The name change for trading purposes was approval by the Financial Industry Regulatory Authority (FINRA) on April 14, 2020.

Liquidity

As of May 31, 2024, we had working capital deficiency of \$2,616,344 and a stockholders' deficit of \$2,102,557.

These financial statements have been prepared assuming the Company will continue as a going concern. The going concern basis of presentation assumes the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. Although the Company believes it will be successful, there is no guarantee the Company will attain its goal of a developing successful trading platforms. As a result, material uncertainty exists that may cast significant doubt about the Company’s ability to continue as a going concern.

There is no assurance that the Company will be successful in generating sufficient bookings, billings, revenue or continue to reduce operating costs or that the Company will be able to obtain financing or that such financing will be on favorable terms. Any such financing would be dilutive to our shareholders. Failure to generate sufficient revenue, billings, control or further reduce expenditures and/or the inability to obtain financing will result in an inability of the Company to continue as a going concern. Subject to the foregoing, management believes that, based on projected cash flows and additional financing, the Company will have sufficient capital and liquidity to fund its operations for at least one year from the date of issuance of the accompanying financial statements.

Basis of Consolidation

These consolidated financial statements include the accounts of QuantGate Systems Inc., which was incorporated on April 22, 2009 in the state of Nevada and its wholly-owned subsidiaries, Mobilotto Systems Inc., Delite Americas Inc (inactive), which was incorporated in Ontario, Canada on July 8, 2013 and Omega Smartbuild Americas Inc. (inactive), which was incorporated in Ontario, Canada on July 8, 2013.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

The Company considers all highly liquid instruments with an original maturity or remaining maturity at the date of purchase of three months or less to be cash equivalents.

Fair value of financial instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. To increase the comparability of fair value measurements, a three-tier fair value hierarchy, which prioritizes the inputs used in the valuation methodologies, is as follows:

- Level 1—Valuations based on quoted prices for identical assets and liabilities in active markets.
- Level 2—Valuations based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.
- Level 3—Valuations based on unobservable inputs reflecting our own assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

As of May 31, 2024, the fair value of the Company's financial instruments including cash and cash equivalents, loans and advances receivable, and accounts payable approximated carrying value due to the short maturity of these instruments.

Trading securities are recorded at fair value on a recurring basis and consist primarily of investments in corporate stocks. Realized trading gains and losses and unrealized gains and losses (fair value adjustments) are reported in statement of operations.

Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment when circumstances indicate the carrying value of the asset may not be recoverable. For assets that are to be held and used, impairment is recognized when the estimated undiscounted cash flows associated with the asset, or group of assets, is less than their carrying value. If impairment exists, an adjustment is made to write the asset down to its fair value, and a loss is recorded as the difference between the carrying value and the fair value. Fair values are determined based on quoted market values, discounted cash flows, or internal and external appraisals, as applicable. Assets to be disposed of are carried at the lower of carrying value or estimated net realizable value.

Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Revenue Recognition

We generate revenue from selling subscriptions of our software to subscribers, as well as through a referral arrangement with a third party. We recognize subscription fees over the period of the contract and service fees as the services are performed (ie as we provide access to our trading platform. Under Topic 606, revenue is recognized when control of the promised goods or services is transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services. We consider authoritative guidance on multiple deliverables in determining whether each deliverable represents a separate unit of accounting. Customers are billed on a month-to-month basis with no contractual term and are collected by credit card. Revenue is recognized at the time that the services are rendered, and the selling price is fixed with a set range of plans. Accounting Standards Update (“ASU”) No. 2014-09, Revenue from Contracts with Customers (Accounting Standards Codification 606 (“ASC 606”)) is a comprehensive revenue recognition standard that superseded nearly all existing revenue recognition guidance. The Company adopted this standard effective January 1, 2018.

Revenue is recognized when it is realized or realizable and earned. Revenue is realized or realizable when there is persuasive evidence of an arrangement, prices are fixed or determinable, services or products are provided to the customer, and collectability is probable and reasonably assured depending upon the applicable revenue recognition guidance followed. The following are specific revenue recognition policies.

Accounts Receivable and Allowance for Doubtful Accounts

We have a policy of reserving for uncollectible accounts based on our best estimate of the amount of probable credit losses in our existing accounts receivable. We extend credit to our customers based on an evaluation of their financial condition and other factors. We generally do not require collateral or other security to support accounts receivable. We perform ongoing credit evaluations of our customers and maintain an allowance for potential bad debts if required. We determine whether an allowance for doubtful accounts is required by evaluating specific accounts where information indicates the customers may have an inability to meet financial obligations. In these cases, we use assumptions and judgment, based on the best available facts and circumstances, to record a specific allowance for those customers against amounts due to reduce the receivable to the amount expected to be collected. These specific allowances are re-evaluated and adjusted as additional information is received. The amounts calculated are analyzed to determine the total amount of the allowance. We may also record a general allowance as necessary. Direct write-offs are taken in the period when we have exhausted our efforts to collect overdue and unpaid receivables or otherwise evaluate other circumstances that indicate that we should abandon such efforts.

As of May 31, 2024, and May 31, 2023, there was no allowance required.

Foreign Currency Translation

The Company’s functional and reporting currency is the United States dollar. Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate prevailing at the balance sheet date. Revenue and expenses accounts are translated at average exchange rates during the period. Historical cost balances are re-measured using historical exchange rates. Gains and losses arising on settlement of foreign currency denominated transactions or balances are included in the determination of income. Foreign currency transactions are primarily undertaken in Canadian dollars. The Company has not, to the date of these financial statements, entered into derivative instruments to offset the impact of foreign currency fluctuations.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

Income Taxes

We use the asset and liability method of accounting for income taxes in accordance with ASC Topic 740, “Income Taxes.” Under this method, income tax expense is recognized for the amount of: (i) taxes payable or refundable for the current year and (ii) deferred tax consequences of temporary differences resulting from matters that have been recognized in an entity’s financial statements or tax returns. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the results of operations in the period that includes the enactment date. A valuation allowance is provided to reduce the deferred tax assets reported if based on the weight of the available positive and negative evidence, it is more likely than not some portion or all of the deferred tax assets will not be realized.

ASC Topic 740.10.30 clarifies the accounting for uncertainty in income taxes recognized in an enterprise’s financial statements and prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. ASC Topic 740.10.40 provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. We have no material uncertain tax positions for any of the reporting periods presented.

Stock-Based Compensation

We recognize compensation expense for stock-based compensation in accordance with ASC Topic 718. For employee stock-based awards, we calculate the fair value of the award on the date of grant using the Black-Scholes method for stock options and the quoted price of our common stock for unrestricted shares; the expense is recognized over the service period for awards expected to vest. For non-employee stock-based awards, we calculate the fair value of the award on the date of grant in the same manner as employee awards. However, the awards are revalued at the end of each reporting period and the pro rata compensation expense is adjusted accordingly until such time the nonemployee award is fully vested, at which time the total compensation recognized to date equals the fair value of the stock-based award as calculated on the measurement date, which is the date at which the award recipient’s performance is complete. The estimation of stock-based awards that will ultimately vest requires judgment, and to the extent actual results or updated estimates differ from original estimates, such amounts are recorded as a cumulative adjustment in the period estimates are revised. We consider many factors when estimating expected forfeitures, including types of awards, employee class, and historical experience.

Convertible Instruments

We evaluate and account for conversion options embedded in convertible instruments in accordance with ASC 815 “Derivatives and Hedging Activities”. Applicable GAAP requires companies to bifurcate conversion options from their host instruments and account for them as free standing derivative financial instruments according to certain criteria. The criteria include circumstances in which (a) the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to the economic characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under other GAAP with changes in fair value reported in earnings as they occur and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument.

We account for convertible instruments (when we have determined that the embedded conversion options should not be bifurcated from their host instruments) as follows: We record when necessary, discounts to convertible notes for the intrinsic value of conversion options embedded in debt instruments based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note. Debt discounts under these arrangements are amortized over the term of the related debt to their stated date of redemption. We also record when necessary, deemed dividends for the intrinsic value of conversion options embedded in preferred shares based upon the differences between the fair value of the underlying common stock at the commitment date of the transaction and the effective conversion price embedded in the preferred shares.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

Preferred Stock

We apply the guidance enumerated in ASC 480 “Distinguishing Liabilities from Equity” when determining the classification and measurement of preferred stock. Preferred shares subject to mandatory redemption (if any) are classified as liability instruments and are measured at fair value. We classify conditionally redeemable preferred shares (if any), which includes preferred shares that feature redemption rights that are either within the control of the holder or subject to redemption upon the occurrence of uncertain events not solely within our control, as temporary equity. At all other times, we classified our preferred shares in stockholders’ equity.

Concentration of Credit Risk

Financial instruments that potentially expose us to concentrations of credit risk consist principally of cash and cash equivalents. We maintain our cash accounts at high quality financial institutions with balances, at times, in excess of federally insured limits. Management believes that the financial institutions that hold our deposits are financially sound and therefore pose minimal credit risk.

Research and development

Research and development expenditures are charged to operations as incurred.

Recent Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board or other standard setting bodies that may have an impact on the Company’s accounting and reporting. The Company believes that such recently issued accounting pronouncements and other authoritative guidance for which the effective date is in the future either will not have an impact on its accounting or reporting or that such impact will not be material to its financial position, results of operations, and cash flows when implemented.

NOTE 3 – LOAN TO RELATED PARTY

Loan to related party is a loan facility with a maximum principal balance of \$1,500,000. It bears 5% annual interest, and has a maturity date of September 30, 2021. The term of the loan is currently being negotiated for an extension of the maturity date. The balance includes accrued interest in the amount of \$405,135 (May 31, 2023 - \$388,075). The related party owns 221,731,025 common shares (and prior to conversion, all the Preferred A Shares). During the year ended May 31, 2022, the related party repaid \$1,000,000 of the loan.

NOTE 4 – ADVANCES TO INVESTEE COMPANY

The Company owns 16% Bridgerock Technologies Inc., a technology focused, research and development company that has been assisting the Company with the development of its artificial intelligence trading platform. The Company had previously provided advances to Bridgerock from time to time, to assist with the funding of its research and development.

NOTE 5 – LOANS

- (i) In 2020, the Company received an interest free government loan of \$40,000. The loan can be repaid at any time without penalty and no principal payments are required until December 31, 2023 when the full amount of the loan is due.
- (ii) In February 2021, the Company received a \$35,000 loan. The loan bears no interest and has no specific terms of repayment.
- (iii) On July 1, 2022, the Company issued a 6-month promissory note for CAD\$500,000 bearing interest of 8% per annum.
- (iv) On December 1, 2022, the Company received a \$96,907 loan. The loan bears no interest and has no specific terms of repayment.

NOTE 5 – LOANS - (continued)

- (v) On December 28, 2022, the Company received a \$101,760 loan. The loan bears no interest and has no specific terms of repayment.
- (vi) On April 4, 2023, the Company received a \$75,000 loan. The loan bears interest at 8% per year is due on demand.
- (vii) On April 4, 2023, the Company received a \$32,122 loan. The loan bears interest at 8% per year is due on demand.
- (viii) On May 2, 2023, the Company received a \$76,487 loan. The loan bears interest at 8% per year is due on demand.
- (ix) On May 2, 2023, the Company received a \$44,702 loan. The loan bears interest at 8% per year is due on demand.
- (x) On August 24, 2023, the Company received a \$29,411 loan. The loan bears interest at 8% per year is due on demand.
- (xi) On October 3, 2023, 2023, the Company received a \$23,247 loan. The loan bears interest at 8% per year is due on demand.
- (xii) On October 10, 2023, 2023, the Company received a \$7,352 loan. The loan bears interest at 8% per year is due on demand.
- (xiii) On October 16, 2023, 2023, the Company received a \$3,676 loan. The loan bears interest at 8% per year is due on demand.
- (xiv) On November 1, 2023, 2023, the Company received a \$52,063 loan. The loan bears interest at 8% per year is due on demand.
- (xv) On December 1, 2023, 2023, the Company received a \$18,756 loan. The loan bears interest at 8% per year is due on demand.

NOTE 6 – CONVERTIBLE DEBENTURES

Notes payable (the “Original Notes”)

On December 11, 2015, the Company closed \$225,000 of a private placement offering of 8% secured convertible debentures. The loan matured two years from the issuance date. On March 1, 2020, the debt was converted into a Senior Convertible note (see below).

On March 1, 2016, the Company closed \$150,000 of a private placement offering of 8% secured convertible debentures. The loan matured two years from the issuance date. On March 1, 2020, the debt was converted into a Senior Convertible note (see below).

On April 29, 2016, the Company closed \$100,000 of a private placement offering of 8% secured convertible debentures. The loan matured two years from the issuance date. On March 1, 2020, the debt was converted into a Senior Convertible note (see below).

On conversion to the Senior Convertible notes, the Original Notes do not accrue interest.

Senior convertible notes

On November 15, 2019 the Company commenced a private placement offering of Senior Secured Convertible Notes (“Notes”) on a best effort’s basis up to a maximum of \$3,250,000. The notes bore interest of 1% per month, accrued was to be added to the principal as a balloon payment at maturity (18 months). The principal and interest would automatically convert into three-year convertible debentures with a 12% coupon (paid semi-annually) which would have a conversion price set at a 20% discount based on the first 10VWAP once the Company receives approval to list its common shares on the OTCQB. On December 3, 2020, the Notes were restructured and as the holders agreed to amend the terms. The new terms provide that upon conversion, they become a three-year 8% senior debentures with a strike price of \$0.25 in year 1, \$0.35 in year 2 and \$0.45 in year 3, due in 2023.

On January 25, 2021, the Company was approved for trading on the OTCQB, as such all the Original Notes were converted to the new senior debentures with a strike price of \$0.25 in year 1, \$0.35 in year 2 and \$0.45 in year 3, due in 2023 (as described above). As per their conversion to the Notes, the Original Notes, will not accrue interest.

NOTE 6 – CONVERTIBLE DEBENTURES (continued)

On August 26, 2021, one of the senior convertible notes (plus interest) was converted to 104,500 common shares. On September 3, 2021, \$400,000 senior convertible notes were converted to 720,000 common shares.

During the year ended May 31, 2023, \$354,480 of the senior convertible notes (plus interest) was converted to 1,417,922 common shares.

During the year ended May 31, 2024, \$1,344,207 of the senior convertible notes (plus interest) was converted to 15,508,451 common shares.

NOTE 7 – STOCKHOLDERS' EQUITY

Common Stock

On May 8, 2019, the articles were amended to increase the authority to issue 425,000,000 shares of common stock, par value \$0.001.

Effective April 14, 2020, the Company completed a reverse stock split of its common shares on the basis of one post-consolidation common share for every five pre-consolidation common shares. All share and earnings per share information have been retroactively adjusted to reflect the stock split and the incremental par value of the newly issued shares was recorded with the offset to additional paid-in capital.

See note 6, for shares issued on conversion of debt.

In March 2023, the Company settled a loan in the amount of \$97,702, with the issuance of 977,020 common shares.

Series A Preferred Stock

Effective April 7, 2014, our Board of Directors approved a Certificate of Designation of Series A Convertible Preferred Stock. Each share of Series A Convertible Preferred Stock carries a par value of \$0.001 and is convertible into common stock on a 1 preferred share for 1.3333 common share basis. Preferred shares are entitled to a quarterly dividend equal to the revenue earned on the invested capital of the Series A investment. Dividends may be paid in cash or common shares at the option of the Series A holder. The Corporation may, by providing a five day notice, redeem such Series A Preferred Stock at a redemption price of \$0.20. Each holder of the outstanding shares of Series A Preferred Stock shall be entitled to cast the number of votes equal to the number of Series A Preferred Stock multiplied by 100.

Effective May 8, 2019, the articles were amended to increase the authority to issue 15,000,000 Shares of Series A Preferred stock, par value \$0.001, and amended to change the conversion ratio on a one preferred share for 26.67 common share basis.

On April 16, 2014, the Company completed a 10,000,000 series A preferred shares financing for gross proceeds of \$2,000,000.

During the period June 1, 2015 through May 31, 2016, 750,000 of Series A Preferred Stock was redeemed at \$0.20 per share for proceeds of \$150,000. On August 19, 2020, all 9,250,000 Preferred A Stock was converted to 246,697,500 common shares at the conversion rate of 1 to 26.67.

Series B Preferred Stock

On September 17, 2014 the Company filed a Certificate of Designation of Series B Convertible Preferred Stock. Each share of Series B Convertible Preferred Stock carries a par value of \$0.001 and is convertible into common stock on a 1 preferred share for 1 common share basis. Preferred shares are entitled to a dividend at the discretion of the Board of Directors. The Corporation may, by providing a five-day notice, redeem such Series B Preferred Stock at a redemption price of \$0.20. Each holder of Series B Preferred Stock shall at their option convert the shares of Series B Preferred Stock into shares of common stock on a one preferred share for one common share basis.

As at May 31, 2024 and May 31, 2023, no Series B Preferred Stock are issued and outstanding.

NOTE 8 – GOING CONCERN

The accompanying financial statements have been prepared assuming the company will continue as a going concern. The continuation of the Company as a going concern through May 31, 2024 is dependent upon improving the profitability and the continuing financial support from its stockholders. Management believes the existing shareholders or external financing will provide the additional cash to meet the Company's obligations as they become due.

These factors raise substantial doubt about the company ability to continue as a going concern. These financial statements do not include any adjustments that might result from the outcome of the uncertainty.

NOTE 9 – SUBSEQUENT EVENTS

Management has evaluated subsequent events pursuant to the requirements of ASC Topic 855, from the balance sheet date through the date the financial statement was available to be issued and has determined to the disclosed the understated event.

On August 20, 2024, the Company closed a private placement offering through the issuance of 4,250,000 at \$0.10 per common share. As at May 31, 2024, \$412,012 of the proceeds were received in advance of closing, and recorded on the balance sheet as "Funds received in advance of closing private placement".