

INTELLBRIDGE TECHNOLOGY CORPORATION

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

(Expressed in US Dollars)

(Unaudited)

INTELLABRIDGE TECHNOLOGY CORP.

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NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of Intellabridge Technology Corp. (the "Company") have been prepared by and are the responsibility of the Company's management.

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

INTELLBRIDGE TECHNOLOGY CORP.

Condensed Interim Consolidated Statements of Financial Position
(Expressed in US Dollars)

	Note	(Unaudited) September 30, 2024	(Audited) December 31, 2023
ASSETS			
Cash and cash equivalents		\$ 502,258	\$ 1,787,021
Receivables		2,721	3,539
Prepaid expenses		66,320	64,671
Digital currencies	3	12,848	19,557
		584,147	1,874,788
Non-current			
Property and equipment		2,768	1,114
Intangible assets	4	605,137	407,941
Total assets		\$ 1,192,052	\$ 2,283,843
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	5	\$ 77,534	\$ 127,443
Due to related parties	6	47,661	149,554
Total liabilities		125,195	276,997
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Share capital	7	17,154,377	17,154,377
Reserves	7	1,079,639	1,079,639
Deficit		(16,995,332)	(16,046,075)
Accumulated other comprehensive loss		(171,827)	(181,095)
		1,066,857	2,006,846
Total liabilities and shareholders' equity (deficiency)		\$ 1,192,052	\$ 2,283,843

Nature of operations and going concern (Note 1)

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

INTELLBRIDGE TECHNOLOGY CORP.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Expressed in US Dollars)

(Unaudited)

	Note	Three months ended September 30,		Nine months ended September 30,	
		2024	2023	2024	2023
Revenue	8	\$ 1,744	\$ -	\$ 3,419	-
Cost of Services		2,120	-	24,041	-
GROSS PROFIT		(376)	-	(20,622)	-
Operating expenses					
Advertising and marketing		58,705	73,372	202,724	147,162
Bank charges and fees		2,408	3,711	7,127	9,539
Depreciation		157	731	853	2,193
Management fees and salaries	6	74,244	66,138	222,014	198,413
Office and administration		33,733	82,787	159,731	254,696
Professional fees		24,452	47,452	202,734	196,692
Regulatory and transfer agent fees		1,138	2,056	7,169	5,025
Rent and utilities		2,813	3,583	11,357	13,309
Travel		24,739	11,227	32,202	25,618
		222,389	291,057	845,911	852,647
Net Loss Before Other Items		(222,765)	(291,057)	(866,533)	(852,647)
Other items					
Gain (loss) on revaluation of digital currencies	3	(426)	(4,400)	(6,199)	634
Loss on Impairment		(76,525)	-	(76,525)	-
		(76,951)	(4,400)	(82,724)	634
NET LOSS		\$ (299,716)	\$ (295,457)	\$ (949,257)	\$ (852,013)
Other comprehensive loss that may be reclassified to profit and loss in the future:					
Unrealized foreign exchange loss		65,286	(53,927)	9,268	(13,144)
COMPREHENSIVE LOSS		\$ (234,430)	\$ (349,384)	(939,989)	\$ (865,157)
Loss per common share - basic and diluted		\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.01)
Weighted average number of shares outstanding - basic and diluted		72,567,476	72,567,476	72,567,476	72,567,476

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

INTELLABRIDGE TECHNOLOGY CORP.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency)

(Expressed in US Dollars)

(Unaudited)

	Number of shares	Share capital	Reserves	Deficit	Accumulated other comprehensive loss	Total
Balance as at December 31, 2022	72,567,476	\$ 17,154,377	\$ 1,024,095	\$ (14,533,797)	\$ (218,093)	\$ 3,426,582
Net loss and other comprehensive loss	-	-	-	(852,013)	(13,144)	(865,157)
Balance as at September 30, 2023	72,567,476	\$ 17,154,377	\$ 1,024,095	\$ (15,385,810)	\$ (231,237)	\$ 2,561,425
Balance as at December 31, 2023	72,567,476	\$ 17,154,377	\$ 1,079,639	\$ (16,046,075)	\$ (181,095)	\$ 2,006,846
Net loss and other comprehensive loss	-	-	-	(949,257)	9,268	(939,989)
Balance as at September 30, 2024	72,567,476	\$ 17,154,377	\$ 1,079,639	\$ (16,995,332)	\$ (171,827)	\$ 1,066,857

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

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INTELLABRIDGE TECHNOLOGY CORP.

Condensed Interim Consolidated Statements of Cash Flows

(Expressed in US Dollars)

(Unaudited)

	Not e	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023
OPERATING ACTIVITIES			
Net loss		\$ (949,257)	\$ (852,013)
Adjustments to reconcile net loss to cash flow from operations:			
Depreciation		853	2,193
Loss (gain) on revaluation of digital currencies	3	6,199	(634)
Cash used in operating activities before the following:		(942,205)	(850,454)
Net change in non-cash working capital related to operations:			
Receivables		818	(687)
Prepaid expenses		(1,649)	(6,777)
Accounts payable and accrued liabilities		(49,909)	(69,582)
Due to related parties	6	(101,893)	8,950
Cash used in operating activities		(1,094,838)	(918,550)
INVESTING ACTIVITIES			
Purchases of cryptocurrencies		-	-
Purchases of property and equipment		(2,507)	-
Capitalization of intangibles		(197,196)	(283,188)
Cash used in investing activities		(199,703)	(283,188)
Foreign currency translation adjustment		9,778	(13,101)
Net change in cash		\$ (1,284,763)	\$ (1,214,839)
Cash, beginning of period		\$ 1,787,021	\$ 3,323,888
Cash, end of period		\$ 502,258	\$ 2,109,049

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

INTELLABRIDGE TECHNOLOGY CORP.

Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended September 30, 2024 and 2023

(Expressed in US Dollars)

(Unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

Intellabridge Technology Corp. (the “Company” or “Intellabridge”) was incorporated on September 24, 1988 under the laws of British Columbia. The Company’s shares trade on the Canadian Securities Exchange (“CSE”) under the symbol KASH, the OTCQB under the symbol KASHF, and the Frankfurt Stock Exchange under the symbol KASH. The Company’s head office and principal address and records office is: Boulder Office Centre, Suite 101, 4845 Pearl East Circle, Boulder, Colorado, 80301, United States of America. The registered office is Suite 1500-1055 West Georgia Street, PO Box 11117, Vancouver, BC V6E 4N7, Canada.

Intellabridge is a financial technology company in the business of impact finance, with a mission to make every financial transaction have a positive impact. Intellabridge’s Karma Card allows customers to generate cashback from financial transactions, which can then be donated to charitable organizations that support The Sustainable Development Goals adopted in 2015 by the United Nations. Intellabridge offers cashback debit cards with Apple Pay and Google Pay and automated donation systems to its customers.

The Company has other proprietary technologies including the ChargaCard and BitDropGo applications, components of which may be integrated into its future platform development.

Going concern

These condensed interim consolidated financial statements for the nine months ended September 30, 2024, and 2023 (“Financial Statements”) have been prepared using International Financial Reporting Standards (“IFRS”) applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. The continuing operations of the Company are dependent upon its ability to grow and to be able to implement its business plans and strategies. Given the volatile nature of the industry in which it operates and the early stage of its product in the market, the Company is subject to risks and uncertainties that may adversely impact future operating results and cash flows.

As of September 30, 2024, the Company has an accumulated deficit of \$16.9 million. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they come due. These Financial Statements do not reflect adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operation. These adjustments could be material.

2. BASIS OF PRESENTATION

Statement of compliance

These Financial Statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”).

These Financial Statements were authorized for issue on November 29, 2024 by the directors of the Company.

Basis of presentation

These Financial Statements have been prepared under the historical cost convention, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value, and are expressed in United States dollars unless otherwise indicated. Other measurement bases used are detailed in the Company’s annual consolidated financial statements (“Annual Financial Statements”).

INTELLABRIDGE TECHNOLOGY CORP.

Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended September 30, 2024 and 2023

(Expressed in US Dollars)

(Unaudited)

The notes presented in these Financial Statements include only significant events and transactions occurring since the Company's last fiscal year end and are not fully inclusive of all matters required to be disclosed by IFRS in the Company's annual consolidated financial statements. As a result, these Financial Statements should be read in conjunction with the Annual Financial Statements.

These Financial Statements follow the same accounting policies and methods of application as the most recent Annual Financial Statements.

3. DIGITAL CURRENCIES

As at September 30, 2024, the Company held various digital currencies with a fair value of \$12,848 (December 31, 2023 - \$19,557).

During the nine months ended September 30, 2024, the Company recorded a revaluation loss of \$6,199 (nine months ended September 30, 2023 – revaluation gain of \$634) on digital currencies.

4. INTANGIBLE ASSETS

Intangible assets under development	
Balance as at December 31, 2022	\$ 306,213
Increase – internally developed	283,188
Balance as at September 30, 2023	\$ 589,401
Balance as at December 31, 2023	\$ 407,941
Increase – internally developed	197,196
Balance as at September 30, 2024	\$ 605,137

During the nine months ended September 30, 2024, the Company capitalized \$197,196 of costs related to the development of Karma Card as part of intangible assets under development. As the intangible assets are still under development, no amortization has been recognized.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2024	December 31, 2023
Trade payables	\$ 76,004	\$ 125,432
Accrued liabilities	1,530	2,011
	\$ 77,534	\$ 127,443

6. RELATED PARTY TRANSACTIONS

Compensation of key management personnel ("KMP") ¹	Nine months ended September 30,	
	2024	2023
Cash compensation	\$ 222,014	\$ 199,256
Share-based compensation	-	-
Total compensation of KMP	\$ 222,014	\$ 199,256

¹ KMP consists of those that have the authority and responsibility for planning, directing and controlling the activities of the Company, which includes the most senior executive team (C-suite executives) and the board of directors.

Other related party transactions and balances

- (a) During the nine months ended September 30, 2024, the Company accrued \$15,000 to the two independent members of the board of directors, Lee Fan and Terri Clouse. This remuneration was paid during the nine months ended September 30, 2024.
- (b) The amounts presented as Due to related parties in the Statements of Financial Position as at September 30, 2024 and December 31, 2023 consist of amounts owing to KMP as compensation for services that have not yet been paid.

7. SHARE CAPITAL

Authorized

Unlimited number of common shares without par value.

Issued

There were no transactions affecting share capital during the nine months ended September 30, 2024, and 2023.

Stock options and warrants

The Company maintains a 10% rolling share option plan (the "Plan") that enables management to grant options to directors, officers, employees and other service providers. The Company follows the CSE policies stipulating that the number of common shares which may be issued pursuant to options granted under the Plan may not exceed 10% of the issued and outstanding shares of the Company from time to time at the date of granting of options and have a maximum life of 10 years. Each option agreement with the grantee sets forth, among other things, the number of options granted, the exercise price and the vesting conditions of the options as determined by the Board of Directors.

There were no outstanding stock options, and no stock option activity, for the periods.

During the nine months ended September 30, 2024, and 2023, the Company recorded share-based compensation expenses relating to stock options and warrants of \$nil.

Share purchase warrant transactions and balances are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Outstanding, December 31, 2022	11,169,355	CAD 1.30
Expired	(2,500,000)	CAD 0.45
Outstanding, September 30, 2023	8,669,355	CAD 1.55
Outstanding, December 31, 2023	8,669,355	CAD 1.55
Expired	(8,669,355)	CAD 1.55
Outstanding and exercisable, September 30, 2024	-	-

As at 30 September 2024, the Company has no outstanding and exercisable warrants.

8. SEGMENTED INFORMATION

The Company operates in one industry segment, financial technology. For the nine months ended September 30, 2024, and 2023, revenue of \$3,419 and \$nil was earned, respectively, in this segment. All non-current assets are located in the United States of America.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's current financial instruments include cash, receivables, accounts payable, and accrued liabilities, and due to related parties are measured at amortized cost. The carrying values of these instruments approximate their fair value due to their short-term maturities. The Company does not currently hold any non-current financial instruments.

The risks to which the Company is exposed have not changed significantly since the date of the most recent Annual Financial Statements.

10. SUBSEQUENT EVENTS

Following the events of September 2024 in which Qenta and Patriot Bank put on hold their consumer card issuance and banking-as-a-service business, the Company has been working with customers on a smooth transition from the card program to the connected card program which allows any debit or credit card in the United States to be connected to Karma to earn rewards and generate roundups to be donated to charities. The Company has also been working with infrastructure partners to improve the connected card user experience to simplify the onboarding process with roundups, and increase merchant reward partners.

Monthly costs have been reduced to \$30,000 in order to extend the Company's runway while working on a capital investment. The Board approved a plan to raise capital via Intellabridge subsidiary Karma Card Corporation, a Delaware company, under a Regulation CF offering in Q1 2025 to raise \$1,235,000. Use of funds is for customer acquisition and operations.