SEKUR PRIVATE DATA LTD.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

NOTICE OF NO AUDITOR REVIEW OF FINANCIAL STATEMENTS

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

The accompanying unaudited interim financial statements of 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 Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

SEKUR PRIVATE DATA LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)
As at

		March 31, 2026		December 31, 2025
ASSETS				
Current				
Cash and cash equivalents	**$**	**1,801,649**	$	917,558
Receivables		**14,962**		18,223
Prepaid expenses (Note 8)		**122,796**		96,197
		1,939,407		1,031,978
Non-current				
Equipment (Note 3)		**79,918**		93,738
Total Assets	**$**	**2,019,325**	$	1,125,716
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Accounts payable and accrued liabilities	**$**	**171,368**	$	231,063
Royalty fees payable (Note 6)		**20,344**		27,220
Deferred revenue		**83,079**		80,871
Loan payable (Note 4)		**32,831**		51,295
Convertible debenture, short-term (Note 5)		**5,221**		1,994
		312,843		392,443
Non-current liabilities				
Convertible debenture, long-term (Note 5)		**72,364**		72,973
Total Liabilities		**385,207**		465,416
Shareholders' equity				
Share capital (Note 7)		**28,155,420**		26,325,067
Reserves (Notes 5 and 7)		**6,882,465**		6,904,442
Shares subscribed (Note 7)		**-**		267,857
Accumulated other comprehensive income		**15,152**		18,393
Deficit		**(33,418,919)**		(32,855,459)
Total Shareholders' Equity		**1,634,118**		660,300
Total Liabilities and Shareholders' Equity	**$**	**2,019,325**	$	1,125,716

Nature of operations and going concern (Note 1)
Subsequent events (Note 13)

Approved on behalf of the Board of Directors:

"Alain Ghiai"	*"Henry Sjöman"*
Director	Director

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

SEKUR PRIVATE DATA LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
For the three months ended March 31, 2026 and 2025
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

		Three months ended March 31, 2026		Three months ended March 31, 2025
REVENUE (Note 12)	**$**	**94,062**	$	138,843
EXPENSES				
Professional services (Note 8)		**9,000**		9,595
Consulting fees		**15,359**		1,400
Credit card processing fees		**5,580**		5,616
IT maintenance (Note 8)		**210,000**		140,000
Director's fees (Note 8)		**15,000**		15,000
Legal		**2,176**		1,118
Marketing (Note 11)		**206,243**		290,323
Office and administration		**3,150**		5,118
Research, development and software maintenance		**80,877**		72,367
Depreciation (Note 3)		**13,820**		55,803
Rent		**8,809**		6,574
Royalty fees (Notes 6 and 8)		**9,300**		12,289
Transfer agent and filing fees		**13,461**		8,107
Travel		**8,254**		9,102
		(601,029)		(632,412)
OTHER ITEMS				
Interest income		**1,911**		-
Accretion and interest expense (Notes 4 and 5)		**(2,618)**		(6,612)
Gain on settlement of shares for services		-		14,225
Gain on settlement of accounts payable		**-**		10,500
Loss on foreign exchange		**(55,786)**		(12,888)
		(56,493)		5,225
Net loss and comprehensive loss for the period		**(563,460)**		(488,344)
Other comprehensive loss				
Translation adjustment		**(3,241)**		(98)
Comprehensive loss for the period	**$**	**(566,701)**	$	(488,442)
Basic and diluted net loss per share	**$**	**(0.00)**	$	(0.00)
Weighted average number of common shares outstanding		**244,297,987**		161,560,436

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

SEKUR PRIVATE DATA LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
For the three months ended March 31, 2026 and 2025
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital $	Shares Subscribed $	Reserves $	Accumulated Other Comprehensive Income $	Deficit $	Total Shareholders' Equity $
Balance, December 31, 2024	160,875,674	23,557,133	118,911	6,327,479	9,590	(29,363,851)	649,262
Private placements (Note 7)	6,973,705	237,106	(118,911)	-	-	-	118,195
Share issuance costs (Note 7)	-	(24,599)	-	4,617	-	-	(19,982)
Shares for settlement of accounts payable (Note 7)	700,000	24,500	-	-	-	-	24,500
Shares for services (Note 7)	1,571,428	55,000	-	-	-	-	55,000
Shares subscribed (Note 7)	-	-	593,887	-	-	-	593,887
Net loss for the period	-	-	-	-	(98)	(488,344)	(488,442)
Balance, March 31, 2025	170,120,807	23,849,140	593,887	6,332,096	9,492	(29,852,195)	932,420
Balance, December 31, 2025	217,151,946	26,325,067	267,857	6,904,442	18,393	(32,855,459)	660,300
Private placements (Note 7)	34,327,134	1,716,357	(267,857)	-	-	-	1,448,500
Share issuance costs (Note 7)	-	(16,515)	-	8,534	-	-	(7,981)
Exercise of options (Notes 7)	2,000,000	130,511	-	(30,511)	-	-	100,000
Net loss for the period	-	-	-	-	(3,241)	(563,460)	(566,701)
Balance, March 31, 2026	**253,479,080**	**28,155,420**	**-**	**6,882,465**	**15,152**	**(33,418,919)**	**1,634,118**

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

SEKUR PRIVATE DATA LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
For the three months ended March 31, 2026 and 2025
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

		2026		2025
CASH FLOWS USED IN OPERATING ACTIVITIES				
Net loss for the period	**$**	**(563,460)**	$	(488,344)
Items not affecting cash:				
Depreciation		**13,820**		55,803
Gain on settlement of shares for services		**-**		(14,225)
Gain on settlement of accounts payable		**-**		(10,500)
Interest expense		**2,618**		6,612
Changes in non-cash working capital items:				
Receivables		**3,261**		73
Prepaid expenses		**(26,599)**		23,220
Accounts payable and accrued liabilities		**(59,695)**		(93,458)
Royalty fees payable		**(6,876)**		12,259
Deferred revenue		**2,208**		(11,320)
Cash used in operating activities		**(634,723)**		(519,880)
CASH FLOWS FROM FINANCING ACTIVITIES				
Shares issued for cash, net of share issuance costs		**1,440,519**		217,124
Shares subscribed		**-**		474,976
Exercise of options		**100,000**		-
Proceeds from loan payable		**-**		67,616
Loan repayments		**(19,002)**		(5,590)
Cash provided by financing activities		**1,521,517**		754,126
Effect of exchange rate on cash		**(2,703)**		(254)
Change in cash and cash equivalents		**884,091**		233,992
Cash and cash equivalents, beginning		**917,558**		716,746
Cash and cash equivalents, ending	**$**	**1,801,649**	$	950,738
Cash and cash equivalents:				
Cash	**$**	**1,101,113**	$	579,054
Money market mutual funds		**700,536**		371,684
	$	**1,801,649**	$	950,738
Supplemental cash flow information:				
Cash received for interest	**$**	**-**	$	-
Fair value of warrants in financings	**$**	**8,534**	$	4,617

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

1. NATURE OF OPERATIONS AND GOING CONCERN

a) Nature of operations

Sekur Private Data Ltd. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on March 1, 2017 and completed its initial public offering ("IPO") during the year ended December 31, 2019. The Company's common shares and tradeable warrants were listed on the Canadian Securities Exchange effective July 22, 2019 under the symbols "SWIS" and "SWIS.WT", respectively. On November 5, 2019, the Company's common shares began trading on the OTCQB Venture Market with the trading symbol SWISF. On April 14, 2022, the Company changed its name to Sekur Private Data Ltd. and the Company's common shares and tradable warrants were listed on the Canadian Securities Exchange under the new symbols "SKUR" and "SKUR.WT", respectively.

The Company is a Swiss-hosted defense communications and cybersecurity company delivering mission-critical secure communications solutions to military, intelligence community, government, and enterprise clients. The Company's head office and principal address is located at 885 West Georgia Street, Suite 1480, Vancouver, BC, Canada, V6C 3E8 and the registered and records office is located at 595 Howe Street, Suite 704, Vancouver, BC, Canada, V6C 2T5.

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on May 29, 2026.

b) Going concern

As at March 31, 2026, the Company had a deficit of $33,418,919 (December 31, 2025 - $32,855,459) since inception and incurred negative operating cash flows of $634,723 (December 31, 2025 - $2,081,867). As at March 31, 2026, the Company had a working capital balance of $1,626,564 (December 31, 2025 - $639,535). The Company's continued operation as a going concern is dependent upon its ability to generate positive cash flows and/or obtain additional financing sufficient to fund continuing activities and acquisitions. While the Company continues to review operations in order to identify strategies and tactics to increase revenue streams and financing opportunities, there is no assurance that the Company will be successful in such efforts. If the Company is not successful, it may be required to significantly reduce or limit operations, or no longer operate as a going concern. It is also possible that operating expenses could increase in order to grow the business. If the Company does not start generating and significantly increase revenues to meet these increased operating expenses and/or obtain financing until its revenues meet these operating expenses, the Company's business, financial condition and operating results could be materially adversely affected. The Company cannot be sure when or if it will ever achieve profitability and, if the Company does, it may not be able to sustain or increase that profitability. These conditions indicate the existence of material uncertainties that may cause significant doubt about the Company's ability to continue as a going concern.

These condensed consolidated interim financial statements have been prepared using accounting policies applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they become due and do not reflect any adjustments that would be necessary if the going concern basis was not appropriate. If the going concern basis was not appropriate, significant adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses and the classifications used in the condensed consolidated interim statements of financial position.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The accounting policies applied by the Company in these condensed consolidated interim financial statements are the same as those applied by the Company as at and for the year ended December 31, 2025.

Statement of compliance to International Financial Reporting Standards

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd…)

Basis of presentation

These condensed consolidated interim financial statements have been prepared on an accrual basis and are based on historical costs, modified where applicable. The condensed consolidated interim financial statements are presented in Canadian dollars unless otherwise noted.

Significant estimates, judgments and assumptions

The preparation of these condensed consolidated interim financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The significant estimates and judgments applied by the Company in these condensed consolidated interim financial statements are the same as those applied by the Company as at and for the year ended December 31, 2025.

Basis of consolidation

These condensed consolidated interim financial statements incorporate the financial statements of the Company and its controlled subsidiary. Control is defined as the exposure, or rights, to variable returns from involvement with an investee and the ability to affect those returns through power over the investee. Power over an investee exists when an investor has existing rights that give it the ability to direct the activities that significantly affect the investee's returns. This control is generally evidenced through owning more than 50% of the voting rights or currently exercisable potential voting rights of a Company's share capital. All intercompany transactions and balances have been eliminated.

These condensed consolidated interim financial statements include the financial statements of the Company and its wholly-owned subsidiary listed in the following table:

Name of Subsidiary	Country of Incorporation	Ownership Interest	Principal Activity
Sekur Private Data Inc.	USA	100%	Secure Data Management and Communications

(Expressed in Canadian Dollars)

3. EQUIPMENT

		Solid-state Drives		Servers		Equipment		Total
Cost:								
As at December 31, 2024 and 2025 and March 31, 2026	$	99,172	$	796,465	$	21,996	$	917,633
Accumulated depreciation:								
As at December 31, 2024	$	80,571	$	510,485	$	9,623	$	600,679
Depreciation for the year		18,601		199,116		5,499		223,216
As at December 31, 2025	$	99,172	$	709,601	$	15,122	$	823,895
Depreciation for the period		-		12,445		1,375		13,820
As at March 31, 2026	$	99,172	$	722,046	$	16,497	$	837,715
Net book value:								
At December 31, 2025	$	-	$	86,864	$	6,874	$	93,738
At March 31, 2026	$	-	$	74,419	$	5,499	$	79,918

4. LOAN PAYABLE

During the year ended December 31, 2025, the Company entered into a loan with a total contractual repayment amount of $74,228 (US$51,606), comprising principal of $67,616 (US$47,000) and a fixed fee of $6,626 (US$4,606). The fixed fee represents the cost of borrowing and is accounted for as part of the effective interest rate over the term of the loan. The loan does not bear a stated interest rate. Repayments were made through the withholding of 22% of daily merchant receivables, with no fixed repayment schedule other than a contractual maturity date of September 2, 2026. During the year ended December 31, 2025, the Company made repayments of $72,105 (US$51,606), recognized a foreign exchange gain of $2,137, and fully repaid the loan as at December 31, 2025.

During the year ended December 31, 2025, the Company entered into a second loan with a total contractual repayment amount of $65,340 (US$46,580), comprising principal of $59,617 (US$42,500) and a fixed fee of $5,723 (US$4,080). The fixed fee represents the cost of borrowing and is accounted for as part of the effective interest rate over the term of the loan. The loan does not bear a stated interest rate. Repayments are made through the withholding of 22% of daily merchant receivables, with a contractual maturity date of May 15, 2027. During the period ended March 31, 2026, the Company made repayments of 19,002 (US$13,854) (year ended December 31, 2025 - $12,708 (US$9,158)) and recognized a foreign exchange loss of $538 (year ended December 31, 2025 - gain of $139). As at March 31, 2026, the outstanding balance of the loan was $32,831 (US$23,568) (December 31, 2025 - $51,295 (US$37,422)).

5. CONVERTIBLE DEBENTURE

During the year ended December 31, 2025, the Company completed a convertible debenture financing (the "Debenture") through the issuance of 1,000,000 convertible units for proceeds of $70,000. The Debenture principal bears an interest rate of 15% per annum for a period of 2 years from the date of issue, payable quarterly. The principal and interest may be converted into units of the Company at a price of $0.07 per unit. Each unit consists of one common share and one common share purchase warrant exercisable at a price of $0.20 for a period of 24 months from the conversion.

(Expressed in Canadian Dollars)

5. CONVERTIBLE DEBENTURE (cont'd…)

Upon initial recognition, the Company allocated the net proceeds between the components based on the fair value of the debt and the residual to the equity component. The fair value of the liability component of $65,879 was determined using a market rate of 20% with $4,121 assigned to the equity component. During the period ended March 31, 2026, the Company recorded accretion of $1,076 (year ended December 31, 2025 - $2,414) and interest expense of $1,542 (year ended December 31, 2025 - $6,674).

Original face value of convertible debenture - May 13, 2025	$	70,000
Equity portion of convertible debenture		(4,121)
Accretion		2,414
Interest on debenture		6,674
Carrying value of convertible debenture - December 31, 2025		74,967
Accretion		1,076
Interest on debenture		1,542
Carrying value of convertible debenture - March 31, 2026		77,585
Less: current portion		(5,221)
Non-current portion	$	72,364

6. INTANGIBLE ASSET

On March 30, 2018, the Company acquired all of the issued and outstanding shares of Sekur Private Data Inc. (formerly GlobeX Data Inc.) ("SDI"), a company with a common director. As consideration for the acquisition, the Company issued 25 million common shares to SDI, with the license agreement held by SDI being assigned a fair value of $2,552,573.

On April 3, 2017, the Company (as licensee) entered into the *GlobeX Data SA Secure Cloud Services Licensee License Agreement and Program* (the "Reseller Agreement") with GlobeX Data S.A. ("GDSA"), a Swiss corporation with a common director, whereby GDSA granted the Company an exclusive, non-transferrable license to resell the Plan Offerings (as defined) to prospects in the United States and Canada for a perpetual term unless terminated by GDSA. Pursuant to the Reseller Agreement, the Company markets the Plan Offerings to prospects or customers (the "End User") and the End User subscribes to the Plan Offerings by entering into an end user license agreement (the "EULA") with GDSA by signing a contract with the Company. Acceptance of a prospect or customer as an End User is at the sole discretion of GDSA, with GDSA having the right to terminate an EULA. The Company has the absolute right to accept any End User and, if it does, it also assumes the liability of acceptance of the End User. GDSA charges the End User a service fee for the Plan Offerings, with payment received by GDSA being remitted to the Company. The Company also has the option of collecting funds directly from the End User. Gross service fee revenue is split between GDSA (10%, being the royalty fee recorded to the consolidated statement of comprehensive loss) and the Company (90%). The Reseller Agreement can be terminated by GDSA at any time if the Company fails to cure a breach of any part of the Reseller Agreement within 30 days of receiving written notice of the breach.

On May 7, 2017, the Company (as licensee) entered into the *GlobeX Data Secure Cloud Services Licensee Agreement and Program* ("Reseller Agreement 2") with GDSA, whereby GDSA granted to the Company an exclusive, transferrable license to resell the Plan Offerings (as defined) to prospects in all countries except Switzerland, Lichtenstein, the Principality of Monte Carlo, the Vatican City State, Canada and the United States for a perpetual term unless terminated by GDSA. The terms and conditions of Reseller Agreement 2 are the same as for the Reseller Agreement as described, except that the Company has 90 days to cure a breach of any part of Reseller Agreement 2.

6. INTANGIBLE ASSET (cont'd…)

On July 21, 2022, the Company entered into an Addendum (the "Addendum") to the Global License Agreement with GDSA. This Addendum allows the Company to market/distribute the Products globally, including Switzerland, Lichtenstein, The Principality of Monte Carlo, The Vatican City State, and The Grand-Duchy of Luxembourg. The Company is permitted to market the Products in Switzerland only through online sales, and is not permitted to enter into a physical Reseller relationship in Switzerland. All other countries globally are now open to market by the Company.

During the year ended December 31, 2022, the Company determined that the carrying value was in excess of its recoverable amount and recorded an impairment of the intangible asset of $2,522,573.

During the period ended March 31, 2026, the Company accrued royalty fees of $9,300 (2025 - $12,289) in respect of the Reseller Agreement. As at March 31, 2026, $20,344 (December 31, 2025 - $27,220) was payable to GDSA pursuant to the Reseller Agreement.

7. SHARE CAPITAL

The Company has authorized an unlimited number of common shares and preferred shares. No preferred shares have been issued.

During the period ended March 31, 2026, the Company:

a) Completed a non-brokered private placement by issuing 33,755,706 units at $0.05 per unit for gross proceeds of $1,687,785, of which $239,285 was received during the year ended December 31, 2025. Each unit consists of one common share and one share purchase warrant exercisable at $0.10 for a period of four years from the date of issuance. The Company paid $7,981 in share issuance costs and issued 157,600 broker warrants under the same terms as the unit warrants in relation to the financing.

b) 2,000,000 stock options were exercised for proceeds of $100,000.

c) Issued 571,428 units at $0.05 per unit for proceeds of $28,571, which was received during the year ended December 31, 2025 in connection with a private placement completed during that year.

During the year ended December 31, 2025, the Company:

a) Completed the third and final tranche of a financing by issuing 6,973,705 units at $0.034 per unit for proceeds of $237,106, of which $118,911 was received during the year ended December 31, 2024. Each unit consists of one common share and one share purchase warrant exercisable at $0.055 for a period of two years from the date of issuance. The Company paid $10,025 in cash share issuance costs and issued 200,000 finder's warrants at a fair value of $4,617 under the same terms as the unit warrants in relation to the financing. The fair value allocated to warrants was $nil based on residual valuation method.

b) Issued 1,571,428 common shares at a fair value of $69,225 for marketing services.

c) Issued 700,000 common shares at a fair value of $24,500 for settlement of a marketing agreement.

d) Completed a financing by issuing 3,000,000 units at a price of $0.035 per unit for proceeds of $105,000. Each unit comprises of one common share and one common share purchase warrant. Each warrant entitles its holder to purchase one additional common share at a price of $0.05 for a period of 24 months following the date of grant.

(Expressed in Canadian Dollars)

7. SHARE CAPITAL (cont'd…)

e) Completed a financing by issuing 34,069,235 units at $0.05 per unit for gross proceeds of $1,703,462. Each unit consists of one common share and one share purchase warrant exercisable at $0.05 for a period of two years from the date of issuance. The Company paid $11,017 in cash share issuance costs and issued 200,000 finder's warrants at a fair value of $10,536 under the same terms as the unit warrants in relation to the financing. The fair value allocated to warrants was $nil based on residual valuation method. In addition, the Company received $28,571 related to this private placement. However, the shares were issued during the period ended March 31, 2026 and the amount was recorded as shares subscribed at December 31, 2025.

f) Issued 3,061,111 common shares to arm's-length service providers in consideration for marketing and IT services rendered. Of these, 1,500,000 shares were measured based on a fair value of $0.105 per share, for a total of $157,498 (net of rounding), while the remaining 1,561,111 shares were measured based on the value of the services received, totaling $132,427.

g) Received proceeds of $96,250 from the exercise of 1,750,000 warrants.

h) Issued 5,150,793 common shares to arm's-length service providers in consideration for business development and marketing services rendered. Of these, 3,050,000 shares were measured based on a fair value of $0.03 per share, for a total of $91,500, while the remaining 2,100,793 shares were measured based on the value of the services received, totaling $171,410.

i) Received $239,285 as advances for shares pending issuance for a financing that was closed during the period ended March 31, 2026.

Stock Options

The Company adopted a stock option plan on April 30, 2018. The stock option plan provides that, subject to the requirements of the CSE, the aggregate number of securities reserved for issuance will be 15% of the number of the Company's common shares issued and outstanding at the time such options are granted. The exercise price of option grants will be determined by the Board of Directors but will not be less than the closing market price of the common shares on the CSE less allowable discounts at the time of grant. All options granted under the stock option plan will expire not later than the date that is ten years from the date that such options are granted.

	Number of Options	Weighted Average Exercise Price ($)
Outstanding at December 31, 2024	11,166,272	0.10
Granted	9,000,000	0.12
Expired	(70,000)	0.06
Outstanding at December 31, 2025	20,096,272	0.11
Exercised	(2,000,000)	0.05
Outstanding and exercisable, March 31, 2026	**18,096,272**	**0.11**

The weighted-average remaining contractual life of options at March 31, 2026 was 4.22 years (December 31, 2025 – 4.03 years).

(Expressed in Canadian Dollars)

7. SHARE CAPITAL (cont'd…)

Options (cont'd…)

Additional information regarding stock options outstanding as at March 31, 2026 is as follows:

Number of Options	Exercise Price ($)	Expiry Date
2,500,000	0.11	July 18, 2026
3,000,000	0.20	August 30, 2026
4,500,000	0.15	July 18, 2030
8,096,272	0.06	January 13, 2033
18,096,272		

There were no stock options issued during the period ended March 31, 2026. During the year ended December 31, 2025, the Company granted 9,000,000 stock options to an officer, a director and consultants of the Company with a fair market value of $573,439. The following assumptions were used for the Black-Scholes valuation of the stock options assuming no expected dividends or forfeitures:

	Period ended March 31, 2026	Year ended December 31, 2025
Risk-free interest rate	-	2.70% - 3.10%
Expected life (in years)	-	1-5
Expected volatility	-	170% - 226%

Warrants

	Number of Warrants	Weighted Average Exercise Price ($)
Outstanding, December 31, 2024	41,242,733	0.06
Expired	44,442,940	0.05
Granted	(1,750,000)	0.06
Outstanding, December 31, 2025	83,935,673	0.05
Granted	34,484,734	0.10
Outstanding, March 31, 2026	**118,420,407**	**0.07**

The weighted-average remaining contractual life of warrants at March 31, 2026 was 2.31 years (December 31, 2025 - 1.94 years).

(Expressed in Canadian Dollars)

7. SHARE CAPITAL (cont'd…)

Warrants (cont'd…)

Additional information regarding warrants outstanding as at March 31, 2026 is as follows:

Exercise price ($)	Number of warrants	Expiry Date
0.055	26,540,116	September 12, 2026
0.055	1,065,000	October 15, 2026
0.055	11,687,617	November 28, 2026
0.12	200,000	May 22, 2027
0.055	2,200,000	March 7, 2027
0.055	4,973,705	March 31, 2027
0.05	3,000,000	April 30, 2027
0.05	34,840,663	June 30, 2029
0.10	33,913,306	January 21, 2030
	118,420,407	

8. RELATED PARTY TRANSACTIONS

Related party transactions were in the normal course of operations and measured at the exchange amount, which is the amount established and agreed to by the related parties. Key management personnel are the persons responsible for planning, directing and controlling the activities of the Company, and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

During the period ended March 31, 2026, the Company incurred $15,000 (2025 - $15,000) in director's fees to a director and officer of the Company. As at March 31, 2026, $58,249 (December 31, 2025 - $25,114) was included in prepaid expenses and $564 (December 31, 2025 - $564) was owing to the director and chief executive officer.

During the period ended March 31, 2026, the Company incurred $9,000 (2025 - $9,595) in accounting fees and corporate services to an accounting firm in which an officer of the Company is a partner. As at March 31, 2026, there was $6,300 (December 31, 2025 - $22,748) owing to this firm, included in accounts payable and accrued liabilities. This balance is unsecured, non-interest bearing and has no fixed terms of repayment.

During the period ended March 31, 2026, the Company paid or accrued IT maintenance fees of $210,000 (2025 - $140,000) and royalty fees of $9,300 (2025 - $12,289) to GDSA, a company with common directors (see Note 6). At March 31, 2026, the Company had accrued royalties payable of $20,344 (December 31, 2025 - $27,220).

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's cash and cash equivalents, receivables (excluding GST), accounts payable and accrued liabilities, royalty fees payable, and convertible debenture approximate their carrying value.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd…)

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

a) *Credit risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's credit risk is primarily attributable to its liquid financial assets including cash and cash equivalents and receivables. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash and cash equivalents with high credit quality financial institutions. As at March 31, 2026, the Company's cash and cash equivalents of $1,801,649 (December 31, 2025 - $917,558) are held in bank and investment accounts. The carrying amount of financial assets represents the maximum credit exposure.

b) *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2026, the Company had cash and cash equivalents of $1,801,649 to settle current liabilities of $312,843. As at March 31, 2026, the Company's financial liabilities consist primarily of accounts payable and accrued liabilities, royalty fees payable, deferred revenue, loan payable, and a convertible debenture. These obligations are expected to be settled through operating cash flows and existing cash resources.

The following table summarizes the contractual maturities of the Company's financial liabilities as at March 31, 2026:

	Less than 1 year	1 -2 years	2-3 years	3-4 years	4-5 years	Total
Accounts payable and accrued liabilities	171,368	-	-	-	-	171,368
Royalty fees payable	20,344	-	-	-	-	20,344
Deferred revenue	83,079	-	-	-	-	83,079
Loan payable	32,831	-	-	-	-	32,831
Convertible debenture	5,221	72,364	-	-	-	77,585
Total contractual obligations	312,843	72,364	-	-	-	385,207

c) *Market ri*sk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

d) *Currency risk*

A portion of the Company's financial assets and liabilities are denominated in US dollars. The Company monitors this exposure, but has no hedge positions.

The Company is exposed to currency risk on fluctuations related to cash, accounts payable and accrued liabilities and royalty fees payable that are denominated in US dollars. At March 31, 2026, a 10% change in the value to the US dollar as compared to the Canadian dollar would not have a significant effect on net loss.

(Expressed in Canadian Dollars)

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd…)

e) *Interest rate risk*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk, from time to time, on its cash balances. Surplus cash, if any, is placed on call with financial institutions and management actively negotiates favorable market related interest rates.

10. CAPITAL DISCLOSURE AND MANAGEMENT

The Company defines its capital as all components of shareholders' equity. The Company's objectives when managing capital are to safeguard its ability to continue as a going concern.

In order to maintain its capital structure, the Company is dependent on equity funding and when necessary, raises capital through the issuance of equity instruments, primarily comprised of common shares. The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will make changes to its capital structure as deemed appropriate under the specific circumstances.

The Company is not subject to any externally imposed capital requirements or debt covenants, and does not presently utilize any quantitative measures to monitor its capital. There were no changes to the Company's approach to managing capital during the period.

11. CONTRACTUAL OBLIGATIONS

On October 16, 2023, the Company amended the January 25, 2023 agreement with AMI to pay five monthly payments of US$17,500 ($23,182) from November 2023 to March 2024 and issue 1,571,428 common shares to settle payment for services provided from April to December 2024 (issued at a fair value of $69,225 during the year ended December 31, 2025).

12. SEGMENT INFORMATION

The operating segment is reported in a manner consistent with the internal reporting provided to the key management team that comprises the Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO") and the Chief Operating Officer ("COO"). The key management team fulfills the role of the chief operating decisionmaker. The key management team is responsible for allocating resources and assessing the performance of the Company's operating segments. The Company manages its business under a single reportable operating segment, being the Swiss-hosted Cybersecurity and Internet Privacy solutions for secure communications and secure data management worldwide.

(a) Total Revenues by Major Product Type

Revenue is recognized over time on a straight-line basis over the subscription term as the services are provided. The following table shows the Company's revenue disaggregated by major solution type:

		Period ended March 31, 2025		Year ended December 31, 2025
Business to Business partners	**$**	**2,273**	$	8,577
Direct customer purchases		**91,789**		400,130
	$	**94,062**	$	408,707

(Expressed in Canadian Dollars)

12. SEGMENT INFORMATION (cont'd…)

(b) Total Revenues by geographical location

The following table shows the Company's revenue disaggregated by geographical location:

		Period ended March 31, 2026		Year ended December 31, 2025
United States	**$**	**92,125**	$	372,267
Rest of the World		**1,937**		36,440
	$	**94,062**	$	408,707

The Company operates in one reportable operating segment, being a Cybersecurity and Internet Privacy provider for secure communications and data management. Geographical information is as follows:

		Total Current Assets		Equipment		Total
March 31, 2026						
Canada*	**$**	**898,571**	**$**	**79,918**	**$**	**978,489**
United States		**1,040,836**		**-**		**1,040,836**
	$	**1,939,407**	**$**	**79,918**	**$**	**2,019,325**
December 31, 2025						
Canada*	$	725,120	$	93,738	$	818,858
United States		306,858		-		306,858
	$	1,031,978	$	93,738	$	1,125,716

* The equipment is owned by Sekur Private Data Ltd. but is located in Switzerland.

13. SUBSEQUENT EVENTS

Subsequent to the period ended March 31, 2026. the Company issued 11,625,000 stock options to consultants of the Company, exercisable at $0.14 for a period of 24 months from the date of issuance. The Company also issued 4,398,728 options to directors, officers and consultants of the Company, exercisable at $0.14 for a period of 48 months from the date of issuance. The Company also issued 6,147,999 shares for services to consultants of the Company.