



SEKUR PRIVATE DATA LTD.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024

(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)

(Expressed in Canadian Dollars)

As at

	March 31, 2025	December 31, 2024
ASSETS		
Current		
Cash and cash equivalents	\$ 950,738	\$ 716,746
Receivables	24,308	24,381
Prepaid expenses	71,627	94,847
	1,046,673	835,974
Non-current		
Equipment (Note 3)	261,151	316,954
Total Assets	\$ 1,307,824	\$ 1,152,928
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 193,260	\$ 390,943
Royalty fees payable (Note 5)	35,543	23,284
Deferred revenue	78,119	89,439
Loan payable (Note 4)	68,482	-
	375,404	503,666
Shareholders' equity		
Share capital (Note 6)	23,849,140	23,557,133
Reserves (Note 6)	6,332,096	6,327,479
Shares subscribed (Note 6)	593,887	118,911
Accumulated other comprehensive income	9,492	9,590
Deficit	(29,852,195)	(29,363,851)
	932,420	649,262
Total Liabilities and Shareholders' Equity	\$ 1,307,824	\$ 1,152,928

Nature of operations and going concern (Note 1)

Subsequent events (Note 12)

Approved on behalf of the Board of Directors:

"Alain Ghiai"

Director

"Henry Sjöman"

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, 2025 and 2024

(Unaudited)

(Expressed in Canadian Dollars)

	Three months ended March 31, 2025	Three months ended March 31, 2024
REVENUE (Note 11)	\$ 138,843	\$ 159,464
EXPENSES		
Accounting and audit (Note 7)	9,595	66,147
Consulting fees	1,400	1,213
Credit card processing fees	5,616	6,768
Data center and hardware maintenance (Note 7)	140,000	45,000
Director's fees (Note 7)	15,000	-
Interest expense (Note 4)	6,612	-
Legal	1,118	1,971
Marketing (Note 10)	290,323	217,434
Office and administration	5,118	5,768
Research, development and software maintenance (Note 3)	128,170	128,175
Rent and virtual office	6,574	11,674
Royalty fees (Notes 5 and 7)	12,289	11,485
Transfer agent and filing fees	8,107	7,186
Travel	9,102	4,992
	(639,024)	(507,813)
OTHER ITEMS		
Interest income	-	2,204
Gain on settlement of shares for services	14,225	-
Gain on settlement of accounts payable	10,500	-
Gain (loss) on foreign exchange	(12,888)	18,820
	11,837	21,024
Net loss and comprehensive loss for the period	(488,344)	(327,325)
Other comprehensive income		
Translation adjustment	(98)	(376)
Comprehensive loss for the period	\$ (488,442)	\$ (327,701)
Basic and diluted net loss per share	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding	161,560,436	119,632,941

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, 2025 and 2024

(Unaudited)

(Expressed in Canadian Dollars)

	Number of Shares	Share Capital \$	Shares Subscribed \$	Reserves \$	Accumulated Other Comprehensive Income \$	Deficit \$	Shareholders' Equity \$
Balance, December 31, 2023	119,632,941	22,457,126	-	6,069,868	20,007	(27,396,720)	1,150,281
Shares subscribed	-	-	194,762	-	-	-	194,762
Net loss for the period	-	-	-	-	(376)	(327,325)	(327,701)
Balance, March 31, 2024	119,632,941	22,457,126	194,762	6,069,868	19,631	(27,724,045)	1,017,342
Balance, December 31, 2024	160,875,674	23,557,133	118,911	6,327,479	9,590	(29,363,851)	649,262
Shares issued for cash, net	6,973,705	212,507	(118,911)	4,617	-	-	98,213
Shares issued for settlement of accounts payable	700,000	24,500	-	-	-	-	24,500
Shares for services	1,571,428	55,000	-	-	-	-	55,000
Shares subscribed	-	-	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

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, 2025 and 2024

(Unaudited)

(Expressed in Canadian Dollars)

	2025	2024
CASH FLOWS USED IN OPERATING ACTIVITIES		
Net loss for the period	\$ (488,344)	\$ (327,325)
Items not affecting cash:		
Depreciation	55,803	57,352
Gain on settlement of shares for services	(14,225)	-
Gain on settlement of accounts payable	(10,500)	-
Interest expense	6,612	-
Changes in non-cash working capital items:		
Receivables	73	234
Prepaid expenses	23,220	(57,614)
Accounts payable and accrued liabilities	(93,458)	(80,986)
Royalty fees payable	12,259	12,379
Deferred revenue	(11,320)	(42,009)
Cash used in operating activities	(519,880)	(437,969)
CASH FLOWS FROM FINANCING ACTIVITIES		
Shares issued for cash, net of share issuance costs	217,124	-
Shares subscribed	474,976	194,762
Proceeds from loan payable	67,616	-
Loan repayments	(5,590)	-
Cash provided by financing activities	754,126	194,762
Effect of exchange rate on cash	(254)	(376)
Change in cash and cash equivalents	233,992	(243,583)
Cash and cash equivalents, beginning	716,746	924,739
Cash and cash equivalents, ending	\$ 950,738	\$ 681,156
Cash and cash equivalents:		
Cash	\$ 579,054	\$ 357,806
Money market mutual funds	371,684	323,350
	\$ 950,738	\$ 681,156
Supplemental cash flow information:		
Cash received for interest	\$ -	\$ 2,204
Fair value of warrants in financings	\$ 4,617	\$ -
Fair value of shares issued for settlement of accounts payable	\$ 24,500	\$ -
Fair value of shares issued for settlement of services	\$ 55,000	\$ -

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

SEKUR PRIVATE DATA LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the three months ended March 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian Dollars)

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 tradeable warrants were listed on the Canadian Securities Exchange under the new symbols “SKUR” and “SKUR.WT”, respectively.

The Company is a Cybersecurity and Internet Privacy provider of Swiss-hosted solutions for secure communications and secure data management. The Company’s head office and principal address is located at First Canadian Place, 100 King Street West, Suite 5600, Toronto, ON, Canada, M5X 1C9 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 28, 2025.

b) Going concern

As at March 31, 2025, the Company had a deficit of \$29,852,195 (December 31, 2024 - \$29,363,851) since inception and incurred negative operating cash flows of \$519,880 (year ended December 31, 2024 - \$1,674,105). As at March 31, 2025, the Company had a working capital balance of \$671,269 (December 31, 2024 - \$332,308). 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. MATERIAL ACCOUNTING POLICY INFORMATION

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, 2024.

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.

SEKUR PRIVATE DATA LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the three months ended March 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian Dollars)

2. MATERIAL ACCOUNTING POLICY INFORMATION (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, 2024.

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

On March 7, 2024, the Company's subsidiary changed its name from GlobeX Data Inc. to Sekur Private Data Inc.

SEKUR PRIVATE DATA LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the three months ended March 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian Dollars)

3. EQUIPMENT

	Solid-state Drives		Servers		Equipment		Total
Cost:							
As at December 31, 2023 and December 31, 2024	\$	99,172	\$	796,465	\$	21,996	\$ 917,633
Additions during the period		-		-		-	-
As at March 31, 2025	\$	99,172	\$	796,465	\$	21,996	\$ 917,633
Accumulated depreciation:							
As at December 31, 2023	\$	55,778	\$	311,369	\$	4,124	\$ 371,271
Depreciation for the year, included in research, development and software maintenance expense		24,793		199,116		5,499	229,408
As at December 31, 2024		80,571		510,485		9,623	600,679
Depreciation for the period, included in research, development and software maintenance expense		4,649		49,779		1,375	55,803
As at March 31, 2025	\$	85,220	\$	560,264	\$	10,998	\$ 656,482
Net book value:							
At December 31, 2024	\$	18,601	\$	285,980	\$	12,373	\$ 316,954
At March 31, 2025	\$	13,952	\$	236,201	\$	10,998	\$ 261,151

4. LOAN PAYABLE

During the period ended March 31, 2025, the Company received a loan of \$74,228 (US\$51,606), consisting of a loan of \$67,616 (US\$47,000) and a loan fee of \$6,612 (US\$4,606).

During the period ended March 31, 2025, the Company made loan repayments of \$5,590 (US\$3,894) and recorded a gain on foreign exchange of \$156. The loan repayments are made as 22% of daily merchant receivables withheld to pay the loan. The final repayment date of the loan is September 2, 2026.

As at March 31, 2025, the remaining loan payable was \$68,482 (US\$47,712) (December 31, 2024 - \$nil).

SEKUR PRIVATE DATA LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the three months ended March 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian Dollars)

5. 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.

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, 2025, the Company accrued royalty fees of \$12,289 (2024 - \$11,485) in respect of the Reseller Agreement.

As at March 31, 2025, \$35,543 (December 31, 2024 - \$23,284) was payable to GDSA pursuant to the Reseller Agreement.

SEKUR PRIVATE DATA LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the three months ended March 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian Dollars)

6. 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, 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 \$19,982 of cash share issuance costs and issued 200,000 finder's warrants at a fair value of \$4,617 under the same terms as share issuance costs 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 \$55,000 for marketing services.
- c) Issued 700,000 common shares at a fair value of \$24,500 for settlement of a marketing agreement.

During the year ended December 31, 2024, the Company:

- a) Issued 200,000 units at \$0.07 per unit for proceeds of \$14,000. Each unit consists of one common share and one share purchase warrant exercisable at \$0.12 for a period of three years from the date of issuance. The Company allocated a fair value of \$3,000 to the warrants in relation to the financing.
- b) Completed the first tranche of a financing by issuing 28,290,116 units at \$0.034 per unit for proceeds of \$961,864. 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 \$28,801 of cash share issuance costs and allocated a fair value of \$254,611 to the warrants in relation to the financing.
- c) Completed the second tranche of a financing by issuing 12,752,617 units at \$0.034 per unit for proceeds of \$433,589. 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 \$23,034 of cash share issuance costs in relation to the financing. The fair value allocated to warrants was \$nil based on residual valuation method.
- d) Received \$118,911 as advances for shares pending issuance for a financing that was closed during the period ended March 31, 2025.

SEKUR PRIVATE DATA LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the three months ended March 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian Dollars)

6. SHARE CAPITAL (cont'd...)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, 2023	11,266,272	0.10
Expired	(100,000)	0.15
Outstanding and exercisable, December 31, 2024 and March 31, 2025	11,166,272	0.10

The weighted-average remaining contractual life of options at March 31, 2025 was 6.08 years (December 31, 2024 – 6.33 years).

Additional information regarding stock options outstanding as at March 31, 2025 is as follows:

Number of Options	Exercise Price (\$)	Expiry Date
3,000,000	0.20	August 30, 2026
8,166,272	0.06	January 13, 2033*
11,166,272		

- Subsequent to March 31, 2025, 70,000 options were cancelled.

There were no stock options issued during the period ended March 31, 2025 and the year ended December 31, 2024.

Warrants

	Number of Warrants	Weighted Average Exercise Price (\$)
Outstanding, December 31, 2023	2,321,585	0.70
Expired	(2,321,585)	0.70
Granted	41,242,733	0.06
Outstanding, December 31, 2024	41,242,733	0.06
Granted	7,173,705	0.06
Outstanding, March 31, 2025	48,416,438	0.06

The weighted-average remaining contractual life of warrants at March 31, 2025 was 1.59 years (December 31, 2024 - 1.76 years).

SEKUR PRIVATE DATA LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the three months ended March 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian Dollars)

6. SHARE CAPITAL (cont'd...)

Additional information regarding warrants outstanding as at March 31, 2025 is as follows:

Exercise price (\$)	Number of warrants	Expiry Date
0.055	28,290,116	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	2,000,000	March 7, 2027
0.055	200,000	March 7, 2027
0.055	4,973,705	March 31, 2027
	48,416,438	

7. 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, 2025, the Company incurred \$15,000 (2024 - \$nil) in director's fees to a director and officer of the Company. As at March 31, 2025, there was \$15,000 (December 31, 2024 - \$Nil) owing to the director and chief executive officer.

During the period ended March 31, 2025, the Company incurred \$9,595 (2024 - \$10,640) in accounting fees and corporate services to an accounting firm in which an officer of the Company is a partner. As at March 31, 2025, there was \$32,337 (December 31, 2024 - \$29,337) 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, 2025, the Company paid or accrued data center and hardware maintenance fees of \$140,000 (2024 - \$45,000) and royalty fees of \$12,289 (2024 - \$11,485) to GDSA, a company with common directors (see Note 5). At March 31, 2025, the Company had accrued royalties payable of \$35,543 (December 31, 2024 - \$23,284).

8. 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 and royalty fees payable approximate their carrying value.

SEKUR PRIVATE DATA LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the three months ended March 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian Dollars)

8. 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 primary exposure to credit risk is on its cash and cash equivalents of \$950,738 (December 31, 2024 - \$716,746) held in bank and investment accounts. The Company has deposited the cash with its bank from which management believes the risk of loss is remote.

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. Accounts payable and accrued liabilities are due within the current operating year. The Company has a sufficient cash balance to settle current liabilities.

c) *Market risk*

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, 2025, 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.

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.

9. 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.

SEKUR PRIVATE DATA LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the three months ended March 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian Dollars)

9. CAPITAL DISCLOSURE AND MANAGEMENT (cont'd...)

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.

10. 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 as payment for services provided from April to December 2024 (issued at a fair value of \$55,000 during the period ended March 31, 2025).

11. 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 at the point in time when the customer obtains control of the service. The following table shows the Company's revenue disaggregated by major solution type:

	Period ended March 31, 2025	Year ended December 31, 2024
Business to Business partners	\$ 1,890	\$ 10,321
Direct customer purchases	136,953	467,381
	\$ 138,843	\$ 477,702

(b) Total Revenues by geographical location

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

	Period ended March 31, 2025	Year ended December 31, 2024
Latin America	\$ 1,489	\$ 8,722
United States	137,354	468,980
	\$ 138,843	\$ 477,702

SEKUR PRIVATE DATA LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the three months ended March 31, 2025 and 2024

(Unaudited)

(Expressed in Canadian Dollars)

11. SEGMENT INFORMATION (cont'd...)

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		Equipment		Total
	Current Assets				
March 31, 2025					
Canada*	\$ 488,351	\$	261,151	\$	749,502
United States	558,322		-		558,322
	\$ 1,046,673	\$	261,151	\$	1,307,824
December 31, 2024					
Canada*	\$ 655,097	\$	316,954	\$	972,051
United States	180,877		-		180,877
	\$ 835,974	\$	316,954	\$	1,152,928

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

12. SUBSEQUENT EVENTS

Subsequent to the period ended March 31, 2025, the Company:

- Closed the first tranche of a non-brokered private placement 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.
- Closed the first tranche of a convertible debenture financing through the issuance of 1,000,000 convertible units for proceeds of \$70,000. The convertible financing carries an interest rate of 15% per annum for a period of 2 years from the date of issue. The debenture and interest may be converted into units 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.