TripSitter.CLINIC

TRIPSITTER CLINIC LTD. (formerly 1284684 B.C. Ltd.)
Interim Condensed Consolidated Financial Statements

For the nine months ended October 31, 2024

(Expressed in Canadian Dollars)

NOTICE TO READER

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

The accompanying interim condensed consolidated 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 interim condensed consolidated financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of financial statements by an entity's auditor.

Tripsitter Clinic Ltd. (formerly 1284684 B.C. Ltd.)

Interim Condensed Consolidated Statements of Financial Position
(in Canadian dollars)

As at	Note		October 31, 2024		January 31, 2024
ASSETS					
Current Assets					
Cash		**$**	**1,403**	$	2,825
TOTAL ASSETS		**$**	**1,403**	$	2,825
LIABILITIES AND SHAREHOLDERS' (DEFICIT) EQUITY					
Liabilities					
Current liabilities					
Accounts payable & accrued liabilities	10	**$**	**479,518**	$	447,812
Promissory notes payable	10		**324,102**		273,045
Derivative liability	6		**9,708**		9,708
Total Liabilities			**813,328**		730,565
Shareholder's Equity					
Share capital	6		**7,277,129**		7,277,129
Contributed surplus	8,9		**289,740**		289,740
Accumulated other comprehensive loss			**(18,207)**		(5,111)
Accumulated deficit			**(8,360,587)**		(8,289,498)
Total Shareholders' (Deficit) Equity			**(811,925)**		(727,740)
TOTAL LIABILITIES AND SHAREHOLDERS' (DEFICIT) EQUITY		**$**	**1,403**	$	2,825

Nature of Operations (Note 1)
Going Concern Assumption (Note 2)
Commitments and Contingencies (Note 14)
Subsequent Events (Note 15)

Approved by the Board of Directors

signed "Dr. John Huber"
Chief Executive Officer and Director

signed "Matthew Morgan"
Director

Tripsitter Clinic Ltd. (formerly 1284684 B.C. Ltd.)

Interim Consolidated Statements of Loss and Comprehensive Loss
For the period ended October 31, 2024 and October 31, 2023
(in Canadian dollars)

	Note	For the period ended October 31, 2024	For the period ended October 31, 2023
REVENUE			
Revenue	11	**$ -**	$ 22,171
EXPENSES			
Office & general		**$ 39,732**	$ 36,390
Consultants	10	**27,000**	27,000
Professional fees		**4,357**	61,330
Share based compensation	9	**-**	13,000
Heath care providers		**-**	10,226
Marketing & advertising		**-**	4,252
Software development		**-**	3,009
Shareholder communications		**-**	37,015
Salaries & wages		**-**	324
Foreign exchange gain		**-**	(181)
Gain on debt settlement		**-**	(45,859)
Total expenses		**71,089**	146,596
Net loss		**(71,089)**	(124,425)
Foreign currency translation adjustment		**13,096**	(7,626)
Net loss and comprehensive Loss		**$ (84,185)**	$ (116,799)
Net loss per share - basic and diluted	**7**	**$ (0.01)**	$ (0.02)
Weighted average shares outstanding	**1 & 7**	**6,658,174**	**6,658,174**

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

Tripsitter Clinic Ltd. (formerly 1284684 B.C. Ltd.)

Interim Consolidated Statements of Changes in Shareholders' (Deficit) Equity
(in Canadian dollars)

	Note	Share Capital Number of Common Shares	Share Capital Amount	Contributed Surplus	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total
Balance at January 31, 2023		**6,658,174**	**$ 7,277,129**	**$ 4,556,161**	**$ (15,132)**	**$ (12,267,712)**	$ 449,554
Share based compensation	9	-	-	16,656	-	-	16,656
Unexercised options expired	6	-	-	(121,656)	-	121,656	-
Unexercised warrants expired	8	-	-	(4,161,421)	-	4,161,421	-
Foreign currency translation adjustment		-	-	-	10,021	-	10,021
Net loss		-	-	-	-	(304,863)	(304,863)
Balance at January 31, 2024		**6,658,174**	**$ 7,277,129**	**$ 289,740**	**$ (5,111)**	**$ (12,267,712)**	**$ (727,740)**
Foreign currency translation adjustment		-		-	(13,096)	-	(13,096)
Net loss		-		-	-	(71,089)	(71,089)
Balance at October 31, 2024		**6,658,174**	**$ 7,277,129**	**289,740**	**$ (18,207)**	**$ (8,360,587)**	**$ (811,925)**

Tripsitter Clinic Ltd. (formerly 1284684 B.C. Ltd.)

Interim Consolidated Statements of Cash Flows
(in Canadian dollars)

	Note	Period Ended October 31, 2024	Period Ended October 31, 2023
OPERATING ACTIVITIES			
Net loss		**$ (71,089)**	$ (124,425)
Adjustments to non-cash items:			
Accrued interest		**27,541**	-
Stock-based compensation	9	**-**	13,000
Changes in non-cash working capital items:			
Amounts payable and accrued liabilities		**4,486**	(75,548)
Prepaid expenses and deposits		**-**	1,146
		(39,063)	**(185,827)**
FINANCING ACTIVITIES			
Issuance of promissory notes payable	10	**50,737**	124,381
		50,737	**124,381**
EFFECT OF FOREIGN CURRENCY TRANSLATION		**(13,096)**	**7,626**
NET CASH FLOWS		**(1,422)**	(53,820)
CASH AT BEGINNING OF YEAR		**2,825**	54,848
CASH AT END OF PERIOD		**$ 1,403**	$ 1,028

1. NATURE OF OPERATIONS

Tripsitter Clinic Ltd. (the “Company”), formerly 1284684 B.C. Ltd. (“BCCO”), was incorporated under the Business Corporations Act (British Columbia) (“BCBCA”) on January 19, 2021, its head and registered office is located at Suite 1500 – 1055 West Georgia Street, Vancouver, British Columbia, Canada V6E 4N7.

Since incorporation until the closing of the Amalgamation (defined below), the Company did not carry on any active business. The principal business of the Company was to identify and evaluate businesses and assets with a view to completing a going public transaction and having identified and evaluated such opportunities, to negotiate an acquisition or participation subject to acceptance by the Canadian Securities Exchange (the “CSE”).

The Company completed a three-cornered amalgamation pursuant to the provisions of the Ontario Business Corporations Act (“OBCA”), whereby 2821573 Ontario Inc. (“2821573”), a wholly-owned subsidiary of the Company, and Tripsitter Clinic Corp. (“Tripsitter”) amalgamated on November 4, 2021 (the “Closing”), with Tripsitter (“Amalco”) surviving as a wholly owned subsidiary of the Company (the “Amalgamation”).

Prior to the Closing, the Company did not have any business operations or assets other than cash and other receivables and did not have written or oral agreements in principle for the acquisition of an asset or business other than the Amalgamation agreement.

Tripsitter was incorporated on October 14, 2020, pursuant to the OBCA. Tripsitter provides online medical services through its mobile-first webapp that acts as a virtual clinic, helping people seeking mental health treatment that includes legal psychedelic medicine connect with licensed medical practitioners, to help guide them safely through their healing process. Substantially all of Tripsitter’s efforts are devoted to building its web app, attracting licensed medical practitioners to its platform, and creating awareness about the Company’s services to potential patients. The majority of Tripsitter’s mental health treatment services are currently operated out of its subsidiary, Tripsitter Corp. Tripsitter’s head office is located at 2200 - 885 West Georgia Street Vancouver, BC V6C 3E8 Canada.

Tripsitter had one wholly owned subsidiary, Tripsitter Corp, a corporation formed under Chapter 78 of Nevada Revised Statutes on February 24, 2021, in the State of Nevada under the name “Tripsitter Corp.” Tripsitter Corp.’s head office and registered office are located at 321 W. Winnie Lane #104, Carson City, Nevada 89703, USA. Tripsitter Corp was dissolved on September 27, 2023, and Tripsitter is in the process of incorporating another entity in Nevada to continue its services.

Amalgamation

On March 11, 2021, the Company entered into an amalgamation agreement with Tripsitter (the “Amalgamation Agreement”). Under the terms of the Amalgamation Agreement, Tripsitter agreed to amalgamate with 2821573 and proposed to combine the business and assets of the Company and Tripsitter through the amalgamation (the “Transaction”), among other things, this resulted in the Company’s shares having a deemed value of $0.9228 per share. As of the date of the Closing, the Company had a total of 1,353,174 (6,765,868 pre-share consolidation on August 30, 2023) shares outstanding.

The Transaction was completed on November 4, 2021, whereby the Company acquired all of the issued and outstanding securities of Tripsitter in exchange for the issuance of 4,695,000 (23,475,000 pre-share consolidation on August 30, 2023) shares in the Company to former Tripsitter shareholders on a pro-rata basis, which resulted in Tripsitter becoming a 100% wholly owned subsidiary of the Company, the former Tripsitter shareholders owning 78% of the Company and Tripsitter nominees being appointed to the Company’s board of directors. This Transaction constituted a reverse takeover transaction of the Company by Tripsitter, with Tripsitter being identified as the accounting acquirer. As a result, these consolidated financial statements are a continuation of Tripsitter. The Company’s results of operations are included from November 4, 2021, onwards, except for share capital which has been retroactively adjusted to reflect the capital of the Company.

The Company commenced trading on the Canadian Securities Exchange (“CSE”) under the symbol KETA on November 29, 2021.

Share Consolidation

On August 30, 2023, the Company consolidated its issued and outstanding common shares on the basis of one (1) post-consolidated common share for every five (5) pre-consolidated common shares.

As a result, the outstanding shares of the company were reduced to 6,658,174 common shares. The name and symbol did not change.

2. BASIS OF PREPARATION

Going Concern Assumption

The Company had not yet achieved profitable operations. For the period ended October 31, 2024, the Company had cash outflows from operations of $39,063 (2023 –$185,827). As at October 31, 2024, Tripsitter had an accumulated deficit of $8,360,587 (2023 - $12,392,137) and expects to incur further losses in the development of its business, all of which represents a material uncertainty that may cast significant doubt about Tripsitter's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to conduct its planned business, meet its on-going levels of corporate overhead and discharge its liabilities as they come due. These consolidated financial statements have been prepared on a going concern basis which assumes that Tripsitter will be able to realize its assets and discharge liabilities in the normal course of business. Accordingly, these consolidated financial statements do not give effect to adjustments, if any that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities through means other than the normal course of business and at amounts which may differ from those shown in these consolidated financial statements.

Management plans to secure the necessary financing through the issuance of new equity or debt instruments. Nevertheless, there is no assurance that these initiatives will be successful.

Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). The principal accounting policies applied in the preparation of these financial statements are set out below.

These consolidated financial statements comprise the consolidated statements of loss and comprehensive loss, the consolidated statements of financial position, the consolidated statements of changes in shareholders' equity (deficit), the consolidated statements of cash flows, and the accompanying notes to the consolidated financial statements.

These consolidated financial statements were authorized for issuance by the Board of Directors of the Company on December 24, 2024.

Basis of consolidation

The consolidated financial statements include the accounts of the Company, its wholly-owned subsidiary Tripsitter, and Tripsitter's wholly-owned subsidiary Tripsitter Corp.

Subsidiaries are entities controlled by a company where control is defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are included in consolidated financial statements from the date control is obtained until the date control ceases. All intercompany balances, transactions, income, and expenses have been eliminated on consolidation.

The consolidated financial statements are presented in Canadian Dollars, which is also the reporting currency of the Company. The Company's functional currency is Canadian Dollars. For the year ended January 31, 2022, Tripsitter's functional currency was determined to be the United States Dollar. On February 1, 2022, the functional currency of Tripsitter was changed from United States Dollars to Canadian Dollars due to a change in the primary economic environment in which it operates. Accordingly, on the date of the change, all assets and liabilities were translated to Canadian Dollars using the spot rate as at February 1, 2022. Tripsitter Corp.'s functional currency is United States Dollars as most of its operations, with the exception of strategy and finance, are based in the United States.

These consolidated financial statements have been prepared on a historical cost basis except for financial instruments classified at fair value through profit or loss ("FVTPL").

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and use of estimates and judgments described in the Company's consolidated financial statements are set out below. These policies have been applied consistently to all periods presented.

Use of estimates and judgments
The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of these consolidated financial statements, and the reported amounts of expenses during the reporting periods. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual results could differ from these estimates and such differences could be material. Key areas of judgment and estimation or use of managerial assumptions are as follows:

Share based payments
Where common shares (each, a "Share") are issued to non-employees, they are recorded at the fair value of the goods or services received unless that fair value cannot be estimated reliably in which case, they are measured at the fair value of the shares issued. Amounts related to the issuance of Shares are recorded as a reduction of share capital. If the fair value of the goods or services received cannot be estimated reliably, the goods or services received, and the corresponding increase in equity are measured, indirectly, by reference to the fair value of the Shares issued, measured at the date the entity obtains the goods or the counterparty renders service.

Deferred taxes
Significant estimates are required in determining the Company's income tax provision. Some estimates are based on interpretations of existing tax laws or regulations. Various internal and external factors may have favourable or unfavourable effects on the Company's future effective tax rate. These include, but are not limited to, changes in tax laws, regulations and/or rates, changing interpretations of existing tax laws or regulations, and results of tax audits by tax authorities.

The Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained based on its technical merits.

Share-based compensation
The fair value of options awarded to employees, directors, service providers and lenders is measured using the Black-Scholes option pricing model and is recognized over the vesting periods in net loss and contributed surplus. A forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number of options that vest. Upon exercise of the option, consideration received, together with the amount previously recognized in contributed surplus, is reclassified as an increase to share capital.

The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted if the fair value of the goods or services received by the Company cannot be reliably estimated. Estimating fair value for share-based compensation transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including expected life of the share-based payment, volatility and dividend yield and making assumptions about them.

Asset acquisition vs. business combination
Judgement is required to determine if the acquisition represented either a business combination or an asset purchase. A key determining factor of the acquisition of a business is evidence of an integrated set of activities with inputs, processes and outputs. Additionally, management estimates and judgment are also required if applying the optional concentration test when assessing if the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

Going concern
These consolidated financial statements have been prepared on a going concern basis and do not reflect the 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 operations. Management has applied judgment in the assessment of the Company's ability to continue as a going concern, considering all available information, and concluded that the going concern assumption is appropriate for a period of at least twelve months following the end of the reporting period. Given the judgment involved, actual results may lead to a materially different outcome.

Provision and contingencies
The amount recognized as a provision, including legal, contractual, constructive and other exposures, obligations or contingent consideration are the best estimate of the consideration required to settle the related liability, including any related interest charges, considering the risks and uncertainties surrounding the obligation. In addition, contingencies will only be resolved when one or more future events occur or fail to occur. Therefore, assessment of contingencies inherently involves the exercise of significant judgment with regards to the outcome of future events.

Cash
Cash in the consolidated statements of financial position is comprised of cash held in trust and at Canadian and American chartered banks.

Accounts receivable
Accounts receivable are non-interest bearing, unsecured obligations due from patients and third-party payors. The Company makes an implicit allowance for potentially uncollectible amounts to arrive at net receivables through its revenue recognition policy. In accordance with IFRS 9 Financial Instruments ("IFRS 9"), the Company evaluates the credit risk on accounts receivable and measures a loss allowance at an amount equal to the expected credit losses for the subsequent 12-month period. Estimates of expected credit losses take into account the Company's collection history, deterioration of collection rates during the average credit period, as well as observable changes in and forecasts of future economic conditions that affect default risk. Where applicable, the carrying amount of a trade receivable is reduced for any expected credit losses through the use of an allowance for doubtful accounts ("AFDA") provision. Changes in the AFDA provision are recognized in the consolidated statements of loss and comprehensive loss. When the Company determines that no recovery of the amount owing is possible, the amount is deemed irrecoverable, and the financial asset is written off.

The methodology to arrive at net receivables is reviewed by management periodically. The balance of accounts receivable represents management's estimate of the net realizable value of receivables after discounts and contractual adjustments. The Company performs an estimation and review process periodically to identify instances on a timely basis where such estimates need to be revised to accurately assess the amount of expected revenues.

Revenue recognition and deferred revenue
The Company follows the five-step model in IFRS 15 when recognizing revenues:
1. Identify the contract with patients
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to performance obligations in the contract
5. Recognize revenue when the Company satisfies a performance obligation

The Company's revenues are generated from the provision of initial consultations and monthly subscriptions to patients seeking mental health treatment that includes legal psychedelic medicine by connecting them with licensed medical practitioners. The subscription terms are for 30-day periods (previously offered in three or six-month periods that were discontinued early in the year ended January 31, 2023), paid monthly in advance and are cancellable before the delivery of the prescription medication. Revenue related to initial consultations are recognized when the initial consultations are completed. Subscription revenue is recognized net of pharmaceutical costs ratably over the term of the subscription plan as the contractual services are provided, beginning on the date the prescription medication is delivered to the patient.

Deferred revenue represents the consideration received from patients in advance of revenue recognition from subscription services, including non-refundable funds and refundable patient deposits.

Loss per share
Basic loss per share is computed by dividing net loss attributable to common shareholders by the weighted average number of shares outstanding in the year. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to purchase common shares at the average market price during the year. When a loss is incurred during the year, basic and diluted loss per share are the same as the exercise of stock options and share purchase warrants is considered to be anti-dilutive. As at October 31, 2024, all outstanding stock options and share purchase warrants are anti-dilutive.

Share-based payments
Equity-settled share-based payments to employees, directors, service providers and lenders are measured at the fair value of the equity instruments at the grant date and are recognized as an expense over the relevant vesting periods with a corresponding credit to contributed surplus.

Equity-settled share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments granted, if it is determined that the fair value of the goods or services received cannot be reliably measured. The fair value of equity-settled share-based payments to non-employees is recorded as an expense at the date the goods or services are received with a corresponding credit to contributed surplus.

The number of equity instruments expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest. After the vesting date, amounts recorded for expired instruments remain in contributed surplus. Charges to share-based payments that are forfeited before vesting are reversed from contributed surplus.

Income taxes
Income tax expense consists of current and deferred tax expense. Current and deferred tax are recognized in net loss except to the extent that it relates to items recognized directly in equity or other comprehensive income. Current tax is recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the income tax rates enacted or substantively enacted at the end of the reporting period and includes any adjustment to taxes payable in respect of previous years. Deferred tax is recognized on any temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable earnings. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized, and the liability is settled. The effect of a change in the enacted or substantively enacted tax rates is recognized in net loss and comprehensive loss or in equity depending on the item to which the adjustment relates. Deferred tax assets are recognized to the extent future recovery is probable. At each reporting period end, deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

Financial Instruments
Financial assets and liabilities, including derivatives, are recorded on the consolidated statements of financial position when the Company becomes a party to the financial instrument or derivative contract.

Classification and measurement of financial instruments
At initial recognition, the Company measures a financial instrument at its fair value plus transaction costs that are directly attributable to the acquisition of the financial instrument. If the financial instrument is measured at FVTPL, transaction costs of financial instruments are expensed in the consolidated statements of loss and comprehensive loss.

Subsequent measurement of financial assets under IFRS 9 is based on the Company's business model and the contractual cash flow characteristics of the asset. There are three measurement categories in which the Company classifies its financial instruments:

Amortized cost: Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Finance income from these financial instruments are recorded in net loss using the effective interest rate method.

Fair value through other comprehensive income ("FVOCI"): Financial instruments that are held for collection of contractual cash flows and for selling the financial instruments, where the financial instruments' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognized in net loss. When the financial instrument is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to net loss.

FVTPL: Financial instruments that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on a financial instrument that is subsequently measured at FVTPL and is not part of a hedging relationship is recognized in net loss and presented net in comprehensive loss in the year in which it arises.

Financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

The following table shows the classification categories under IFRS 9 for each class of the Company's financial assets and financial liabilities.

Cash	FVTPL
Other receivables	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Promissory notes payable	Amortized cost
Derivative liability	FVTPL

Contingency
When a contingency substantiated by confirming events, can be reliably measured and is likely to result in an economic outflow, a liability is recognized based on the best estimate of compensation required to settle the obligation. A contingent liability is disclosed where the existence of an obligation will only be confirmed by future events, or where the amount of a present obligation cannot be measured reliably. Contingent assets are only disclosed when the inflow of economic benefits is probable. When the economic benefit becomes virtually certain, the asset is no longer contingent and is recognized in the consolidated financial statements.

Intangible Assets
Intangible assets are recorded at cost, less accumulated amortization and accumulated impairment losses. Following initial recognition, such intangible assets are carried at cost less any accumulated amortization on a straight-line basis over their useful life. The estimated useful life and amortization method are reviewed at the end of each reporting period, and the effects of any changes are reported on a prospective basis.

At the end of each reporting period, the Company reviews the carrying amount of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss, or any reversal of a previously recognized impairment loss, is recognized immediately in profit or loss.

Research and Development
Expenditures on research activities are recognized in the consolidated statements of loss and comprehensive loss as they are incurred.

Development expenditures are capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to complete development and has sufficient resources to complete development and to use or sell the asset. Other development expenditures are expensed as incurred, classified as software development in the consolidated statements of loss and comprehensive loss.

4. OTHER RECEIVABLES

	October 31, 2024	January 31, 2024
HST and other receivables	-	-
Total other receivables	**$ -**	**$ -**

(in Canadian dollars)

5. REVERSE TAKE-OVER TRANSACTION

On November 4, 2021, 1284684 B.C. LTD ("BCCO") and Tripsitter completed an amalgamation transaction which constitutes a reverse take-over of BCCO by Tripsitter (the "Transaction"). As a result of the Transaction, BCCO now carries on the business of Tripsitter.

Under the terms of an amalgamation agreement between the BCCO, Tripsitter and 2821573 Ontario Inc. ("2821573"), a wholly owned subsidiary of BCCO, dated March 11, 2021, as amended and restated effective November 4, 2021, the Transaction was completed by way of a three-cornered amalgamation under the laws of Ontario whereby 2821573 merged with and into Tripsitter to form an amalgamated entity, named "Tripsitter Clinic Corp.". On closing of the Transaction, the amalgamated companies continued under the name Tripsitter Clinic Corp. and became a wholly owned subsidiary of BCCO and the shareholders of Tripsitter exchanged their ownership interest in Tripsitter for common shares of BCCO on a 1 to 1 basis. In addition, each outstanding option to purchase Tripsitter common shares was exchanged for the equivalent number of options to purchase common shares of BCCO on the same terms and conditions as the original security. Concurrent with the completion of the Transaction, BCCO filed articles of amendment to change its name from "1284684 B.C. LTD " to "Tripsitter Clinic Ltd" (the "Company").

Following the completion of the Transaction, the Company had 6,048,174 (30,240,868 pre-share consolidation of August 30, 2023) Common Shares issued and outstanding, approximately 22.3% of which are held by the prior shareholders of BCCO and approximately 77.7% of which are held by the former shareholders of Tripsitter.

The Company also publicly filed a non-offering final prospectus dated August 23, 2021 in connection with the listing of its common shares (the "Common Shares") on the Canadian Securities Exchange ("CSE"). Trading in the Common Shares commenced under the ticker symbol "KETA" on November 29, 2021 following the issuance by the CSE of its final bulletin in respect of the listing.

The fair value of the consideration issued at the closing of the Transaction is as follows:

		Amount
Consideration		
Fair value of common shares as at November 4, 2021(1)	$	6,243,543
Fair value of warrants as at November 4, 2021(2)		4,204,896
		10,448,439
Net assets acquired		
Cash		2,296,522
Other receivables		348,459
Accounts payable and accrued liabilities		(134,531)
		2,510,450
Listing expense		7,937,989
	$	**10,448,439**

(1) The value of 1,353,174 (6,765,868 pre-share consolidation of August 30, 2023) common shares issued in the Transaction is measured at a fair value of $0.9228 per share based on BCCO's most recent financing event which took place on August 2021.

(2) A total of 1,062,887 warrants (5,314,433 pre-share consolidation of August 30, 2023) were issued in the Transaction. 850,000 warrants (4,249,998 pre-share consolidation of August 30, 2023) were measured at a grant date value of $0.8749 per warrant, as estimated by using the Black-Scholes pricing model with the following assumptions: exercise price of $0.05; share price of $0.9228, expected volatility of 115%; expected life of 1.40 years; dividend yield of 0% and a risk-free interest rate of 0.98%. 1,064,435 warrants were measured at a grand date value of $0.4543 per warrant, as estimated by using the Black Scholes pricing model with the following assumptions: exercise price of $1.60; share price of $0.9228, expected volatility of 120%; expected life of 1.98 years; dividend yield of 0% and a risk-free interest rate of 0.98%.

6. SHARE CAPITAL

Share Capital Authorized

The authorized share capital of the Company consists of the following:

An unlimited number of common shares and an unlimited number of special shares, issuable in series.

Share Capital issued during the period ended October 31, 2024 and October 31, 2023 is as follows:

	Note	Number of Shares Issued	Amount $
Balance January 31, 2022		6,058,174	7,187,129
Issued pursuant to debt settlement	14	400,000	60,000
Issued pursuant to asset acquisition		200,000	30,000
Balance January 31, 2023 & October 31, 2024		**6,658,174**	**7,277,129**
Issued pursuant to debt settlement		-	-
Issued pursuant to asset acquisition		-	-
Balance January 31, 2024 & October 31, 2024		**6,658,174**	**7,277,129**

On January 31, 2023, the Company issued 400,000 Shares (2,000,000 pre-share consolidation of August 30, 2023) and 200,000 commons share purchase warrants (1,000,000 pre-share consolidation of August 30, 2023), each exercisable into a Share of the Company at a price of $0.05 up until August 1, 2024, in settlement of debt totaling $101,787 (US$76,245). The Shares and common share purchase warrants were determined to have a fair value totaling $60,000 and $14,785, respectively, resulting in a gain on settlement of debt recognized in the consolidated statement of loss and comprehensive loss for the year ended January 31, 2023 totaling $27,002.

The fair value of the Shares was determined based on the trading price on the date of settlement, and the common share purchase warrants were valued using a Black-Scholes option pricing model (note 9).

On January 31, 2023, the Company issued 200,000 Shares (1,000,000 pre-share consolidation of August 30, 2023) and 200,000 common share purchase warrants (1,000,000 pre-share consolidation), 100,000 (500,000 pre-share consolidation) of which are exercisable into Shares at a price of US$0.20 and the remaining 100,000 (500,000 pre-share consolidation) exercisable at a price of US$0.50, all exercisable up until February 28, 2026, in exchange for an intangible asset acquired as part of the Company's Asset Acquisition (note 14). The fair value of the Shares was determined to be $30,000 based on the trading price on the date of the Asset Acquisition, and the common share purchase warrants were valued at $7,258 using a Black-Scholes option pricing model (note 8). As the common share purchase warrants held an exercise price denominated in USD that differs from that of the Company's functional currency, these warrants have been classified as a derivative liability, included in the consolidated statement of financial position as at January 31, 2023 for amounts totaling $7,258.

(in Canadian dollars)

7. LOSS PER SHARE

	Period Ended October 31, 2024	Period Ended October 31, 2024
Numerator		
Net loss for the year/period	**$ (71,089)**	$ (146,596)
Denominator		
Weighted average shares - basic and diluted	**6,658,174**	**6,658,174**
Loss per share - basic and diluted	**$ (0.01)**	$ (0.02)

8. WARRANTS

	Note	Number of warrants	Weighted average exercise price ($)
Balance, January 31, 2022		1,052,887	1.80
Warrants issued pursuant to the debt settlement		200,000	0.25
Warrants issued pursuant to asset acquisition		100,000	3.34
Warrants issued pursuant to asset acquisition		100,000	1.34
Balance, January 31, 2023		**1,452,887**	**1.66**
Unexercised warrants expired		(1,052,887)	(1.80)
Balance, October 31, 2023		**400,000**	2.34
Unexercised warrants expired		(200,000)	(0.25)
Balance, October 31, 2024		**200,000**	2.34

The following table reflects the warrants issued and outstanding as of October 31, 2024:

Expiration date	Number of Warrants	Exercise Price $	Remaining life (years)
February 28, 2026	100,000	3.34	1.33
February 28, 2026	100,000	1.34	1.33
Balance/weighted average	**200,000**	**2.34**	**1.58**

On April 1, 2023, 840,000 share purchase warrants (4,199,998 pre-share consolidation of August 30, 2023) with exercise price of $0.05 were expired. Additionally, on October 27, 2023, 212,887 share purchase warrants (1,064,435 pre-share consolidation of August 30, 2023) with exercise price of $1.60 and on August 1, 2024 200,000 (1,000,000 pre-share consolidation of August 30, 2023) with exercise price of $0.25 were expired.

The fair value of warrants issued has been estimated on the date of grant using the Black-Scholes pricing model. Assumptions used in the Black-Scholes pricing model are as follows:

Expiration date	Exercise Price $	Grant date share price $	Expected volatility %	Expected warrant life (years)	Expected dividend yield (%)	Risk-free interest rate (%)	Number of Warrants
February 28, 2026	3.34	0.1500	100	1.33	0	0.98	100,000
Feb 28, 2026	1.34	0.1500	100	1.33	0	0.98	100,000
							200,000

(in Canadian dollars)

9. STOCK OPTION PLAN

On January 29, 2021, the Company has adopted an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the applicable stock exchange's requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase Shares. Pursuant to the Option Plan, the number of Shares reserved for issuance will not exceed 10% of the issued and outstanding Shares of the Company. Stock options granted under the Option Plan can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

During the year ended January 31, 2023, 10,000 options (50,000 pre-share consolidation of August 30, 2023) were expired, and 21,667 options (108,333 pre-share consolidation of August 30, 2023) were forfeited.

During the year ended January 31, 2024, 123,333 options (616,667 pre-share consolidation of August 30, 2023) were expired and all remaining 403,600 options (2,018,000 pre-share consolidation of August 30, 2023) were fully vested.

The Compensation Options were valued using the Black-Scholes option pricing model with the following assumptions: stock price of US$1.00, exercise price of US$1.00, expected volatility of 100%; dividend yield of 0%; risk-free interest rate of 0.87%;0% forfeiture rate; and an expected life of 5.0 years. The expected volatility is based on the historical volatility of comparable companies over the life of the Compensation Options. The Company has not paid any cash dividends historically and has no plans to pay cash dividends in the foreseeable future. The risk-free interest rate is based on the yield of Canadian Benchmark Bonds with equivalent terms. The expected option life in years represents the period of time that the Compensation Options are expected to be outstanding. The fair value assigned to the Compensation Options was $424,413of which $2,376 was expensed in the year ended January 31, 2024 (2023 - $42,308).

Additionally, for the year ended January 31, 2024, the Company granted 125,000 options (625,000 pre-share consolidation of August 30, 2023, nil options were issued for the year ended January 31, 2023) pursuant to the Option Plan collectively to the Director, Officer and a Consultant. The value assigned to these Options was $14,200 of which $14,200 was expensed in the year ended January 31, 2024 and all these options were vested during the year. During the Nine months ended at October 31, 2024 130,000 were expired.

	Number of Options		Weighted Avg. Exercise Price
Balance at January 31, 2022	**433,600**	**$**	**1.25**
Options expired	(10,000)		1.25
Options forfeited	(21,667)		1.25
Options granted	125,000		0.15
Balance at January 31, 2023 & October 31, 2023	**526,933**	**$**	**0.99**
Options expired	(123,333)		1.25
Balance at January 31, 2024	**403,600**	**$**	**0.91**
Options expired	(130,000)		1.25
Balance at October 31, 2024	**273,600**	**$**	**0.75**

As at October 31, 2024, details of the issued and outstanding Compensation Options are as follows:

Expiry Date	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested as at January 31, 2024	Number of Options Unvested
February 28, 2026	1.33	148,600	148,600	-
April 18, 2028	3.47	125,000	125,000	-
Balance, October 31, 2024	**2.31**	**273,600**	**273,600**	**-**

(in Canadian dollars)

10. RELATED PARTY TRANSACTIONS

The Company's related parties include certain investors and shareholders, key management personnel, and entities owned by key management personnel.

During the periods ended October 31, 2024 and October 31, 2023, the Company incurred the following related party transactions:

On April 21, 2023, May 29, 2023, June 28, 2023, December 4, 2023, January 26, 2024, May 20, 2024, June 13, 2024 & June 14, 2024, the Company issued promissory notes to Cabazon Capital Ltd which is controlled by individual who owns greater than 10% of the Company's Shares, in the amounts of $50,000, $50,400, $19,881, $10,000, $9,584, $19,775, $20,917 & $10,000 respectively. Such notes are repayable within 30 days of the lender providing the Company with written notice of demand with interest payable on the unpaid principal at the rate of 12 percent per annum. As such, the promissory notes have been classified as a current liability in the consolidated statements of financial position. As at October 31, 2024, principal totaling $324,102 and accrued interest of $27,540.81 (2023 - $17,759.06) were included in the consolidated statement of financial position under promissory notes payable and accounts payable & accrued liabilities, respectively.

Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company, including directors. Key management at January 31, 2024, includes all directors and executive officers of the Company.

Key management personnel compensation for the period ended October 31, 2024 and October 31, 2023 was comprised of:

	October 31, 2024	October 31, 2023
Salaries & consulting fees	**$ 27,000**	$ 27,000
Share-based compensation	**-**	-
	$ 27,000	**$ 27,000**

11. REVENUE

The Company earns its revenue from the sale of monthly subscription plans in the United States.

Contract liabilities

Deferred revenue arises from the sale of monthly subscription plans to the Company's consultation services and the provision of prescription medication. The balance of deferred revenue as at October 31, 2024 is expected to be recognized into revenue over the next twelve months.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Instruments

The Company initially recognizes cash at fair value. The carrying amounts of trade receivables included in other receivables, accounts payable and accrued liabilities and promissory notes payable are approximately equivalent to their fair value due to the relatively short periods to maturity of these instruments.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expire.

The Company measures financial instruments by grouping them into classes upon initial recognition, based on the purpose of the individual instruments. The Company initially measures all financial instruments at fair value plus, in the case of financial instruments not classified as FVTPL, transaction costs that are directly attributable to the acquisition or issuance of the financial instruments.

Fair Value Hierarchy

Financial instruments recorded at fair value are classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The hierarchy is summarized as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets and liabilities

Level 2 – inputs that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices) from observable market data

Level 3 – inputs for assets and liabilities not based upon observable market data

As at October 31, 2024 and October 31, 2023, the Company had one level 1 financial instrument – cash.

Financial Risk Factors

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

Credit risk

Financial instruments that potentially subject the Company to credit risk consist primarily of cash. Cash is held in trust or maintained at Canadian and American financial institutions.

Liquidity risk

Liquidity risk relates to the risk the Company will encounter difficulty in meeting its obligations associated with financial liabilities. The financial liabilities on the Company's consolidated statements of financial position consist of accounts payable and accrued liabilities, and promissory notes payable. Management closely monitors cash flow requirements and future cash flow forecasts to ensure it has access to funds to meet operational and financial obligations.

Amounts due within one year	October 31, 2024	October 31, 2023
	$	$
Accounts payable and accrued liabilities	**479,518**	**354,161**
Promissory notes payable	**324,102**	**253,781**
	803,620	**607,942**

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument denominated in a foreign currency will fluctuate because of changes in foreign exchange rates. The Company's functional currency is Canadian Dollars, and the majority of its transactions are in Canadian Dollars. Tripsitter's and Tripsitter Corp.'s functional currency is United States Dollars, and the majority of its transactions are in United States Dollars.

13. CAPITAL MANAGEMENT

The Company's objective in managing capital is to ensure a sufficient liquidity position to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Company defines capital as net equity and debt, comprised of issued Shares and accumulated deficits. The Company seeks to ensure that it has sufficient cash resources to maintain its ongoing operations and finance its research and development activities, corporate and administration expenses, working capital, and overall capital expenditures. Since its inception, the Company has primarily financed its liquidity needs through private placements of Shares. The Company is not subject to externally imposed capital requirements.

14. COMMITMENTS AND CONTINGENCIES

The Company is party to legal proceedings and other claims in the ordinary course of its operations. Litigation and other claims are subject to many uncertainties and the outcome of individual matters is not predictable. Where management can estimate that there is a loss probable, a provision has been recorded in its consolidated financial statements, where proceedings are at a premature stage or the ultimate outcome is not determinable, then no provision is recorded.

On June 1, 2022, the Company was named in a legal claim brought by an alleged investor of the Company (the "Plaintiff"), alleging to have subscribed to 30,000 common shares (150,000 pre-share consolidation of August 30, 2023) and 30,000 warrants (150,000 pre-share consolidation of August 30, 2023) of the Company, solicited through a third-party broker who shall be left unnamed, in exchange for consideration totaling $750. In the months following, the Plaintiff received notification that their share purchase agreement was allegedly cancelled with no proceeds having been returned to the Plaintiff. The claim has been settled by Plaintiff and the third-party broker with no cost to the Company.

On April 18, 2023, the Company was named in a legal claim brought by a consultant. The consultant alleged that the Company owed $38,280 for services provided after the termination of their consulting agreement on January 31, 2023. The Company vigorously defended the lawsuit, asserting that the claim was without merit. Subsequently, the lawsuit was dismissed with no cost to the Company.

As of October 31, 2024, no provision has been made for this claim in the consolidated statement of financial position, as management, based on legal counsel's advice, believes that the claim had no merits and the dismissal of the lawsuit confirms that no liability exists.