

PRIYANKA CAPITAL INC.

Financial Statements
Nine Months Ended July 31, 2023
(Unaudited - Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the condensed interim financial statements they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The accompanying condensed 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 Canadian Institute of Chartered Accountants for a review of condensed interim financial statements by an entity's auditor.

PRIYANKA CAPITAL INC.
Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

| | July 31, 2023 | October 31, 2022 |
|---|---------------|------------------|
| Assets | | |
| Current | | |
| Cash | \$ - | \$ - |
| | - | - |
| Loans Receivable (note 7 and note 8) | 2 | 2 |
| Total Assets | \$ 2 | \$ 2 |
| Liabilities and Shareholders' Deficiency | | |
| Liabilities | | |
| Current | | |
| Accounts payable and accrued liabilities | \$ 249,885 | \$ 244,885 |
| | 249,885 | 244,885 |
| Shareholders' Deficiency | | |
| Share capital (note 5) | 65,833 | 65,833 |
| Deficit | (315,716) | (310,716) |
| | (249,883) | (244,883) |
| Total Liabilities and Shareholders' Deficiency | \$ 2 | \$ 2 |

Nature of operations and going concern (note 1)

Approved on behalf of the Board on September 29, 2023:

"Glen Macdonald" (signed)
Glen Macdonald, Director

"Ken Ralfs" (signed)
Ken Ralfs, Director

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

PRIYANKA CAPITAL INC.
Statements of Loss and Comprehensive Loss
Nine Month Period Ended July 31
(Unaudited - Expressed in Canadian Dollars)

| | Three Months Ended July 31, 2023 | Three Months Ended July 31, 2022 | Nine Months Ended July 31, 2023 | Nine Months Ended July 31, 2022 |
|---|---|---|--|--|
| Operating Expenses | | | | |
| Professional fees | \$ 1,000 | \$ 500 | \$ 3,000 | \$ 3,142 |
| Filing fees | 1,000 | 445 | 2,000 | 2,714 |
| Net income (loss) and comprehensive income (loss) | \$ (2,000) | \$ (945) | \$ (5,000) | \$ (5,856) |
| Basic and diluted loss per share | (0.00) | (0.00) | (0.00) | (0.00) |
| Weighted average number of common shares outstanding | 1,316,670 | 1,316,670 | 1,316,670 | 1,316,670 |

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

PRIYANKA CAPITAL INC.**Statements of Changes in Shareholders' Deficiency****(Unaudited - Expressed in Canadian Dollars, except for the number of shares)**

| | Number of Outstanding Shares | Share Capital | Deficit | Total Shareholders' Deficiency |
|----------------------------------|---|----------------------|----------------|---|
| | | \$ | \$ | \$ |
| Balance, October 31, 2021 | 1,316,670 | 65,833 | (303,915) | (238,082) |
| Net loss for the period | - | - | (5,856) | (5,856) |
| Balance, July 31, 2022 | 1,316,670 | 65,833 | (309,771) | (243,938) |
| Balance, October 31, 2022 | 1,316,670 | 65,833 | (310,716) | (244,883) |
| Net loss for the period | - | - | (5,000) | (5,000) |
| Balance, July 31, 2023 | 1,316,670 | 65,833 | (315,716) | (249,883) |

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

PRIYANKA CAPITAL INC.
Statements of Cash Flows
Nine Months Ended July 31
(Unaudited - Expressed in Canadian Dollars)

| | 2023 | 2022 |
|---|-------------|-------------|
| Cash Provided by (Used in) | | |
| Operating Activities | | |
| Net loss for the year | \$ (5,000) | \$ (5,856) |
| Allowance for doubtful amounts | - | - |
| Change in non-cash working capital components | | |
| Accounts payable and accrued liabilities | 5,000 | 5,856 |
| Cash (Used in) Operating Activities | - | - |
| Change in Cash | - | - |
| Cash, Beginning of Period | - | - |
| Cash, End of Period | \$ - | \$ - |

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

PRIYANKA CAPITAL INC.
Notes to the Financial Statements
Nine Months Ended July 31, 2023
(Unaudited - Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Priyanka Capital Inc. (the “Company”) was incorporated under the *Business Corporations Act* (British Columbia) on October 16, 2014, and was a wholly owned subsidiary of Leucadia Finance Partners Inc. (“Leucadia”) until February 12, 2015. The principal business of the Company is to identify, evaluate and then acquire an interest in a business or assets. The address of its head office is 701 - 595 Howe Street, Vancouver, British Columbia, Canada V6C 2T5.

The Company entered into an arrangement agreement dated December 8, 2014 (the “Arrangement Agreement”) with Leucadia, Glenmac Capital Inc., Nishal Capital Inc., Ravensden Capital Inc. and Real Difference Capital Inc. Final court approval of the plan of arrangement (the “Arrangement”) was obtained on January 15, 2015 and the Company completed its arrangement on February 12, 2015 (the “Effective Date”) and became a reporting issuer in British Columbia and Alberta. Shareholders of record of Leucadia on the Effective Date (the “Shareholders”) received, among other things, one new common share of Leucadia and one-half of one Class 1 Reorganization Share of Leucadia (each whole share, a “Reorganization Share”) for each Leucadia share held. The Reorganization Shares were then, pursuant to the Arrangement and requisite corporate approvals, automatically transferred by Shareholders to the Company in exchange for an aggregate 1,316,670 common shares of the Company (each, a “Priyanka Share”), after accounting for rounding, which shares were issued to the Shareholders on a pro rata basis, such that the 1,316,667 Reorganization Shares were exchanged for 1,316,670 Glenmac Shares. Fractional shares of the Company were not issued, and any fractional shares resulting from the Arrangement were rounded up or down to the nearest whole number. Immediately following this, Leucadia redeemed all of the Reorganization Shares for a total of \$65,833 by the transfer to the Company of \$30,000 cash and a promissory note in the principal amount of \$35,833.

These financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company has not yet achieved profitable operations with a working capital deficit of \$249,883 (2022 - \$243,938) and a deficit of \$315,716 (2022 - \$309,771) and expects to incur further losses in the development of its business, all of which casts significant doubt about the Company’s ability to continue as a going concern.

The Company’s continuing operations, as intended, are dependent upon its ability to identify, evaluate and negotiate an acquisition of or participation in an interest in properties, assets or businesses. In addition, the Company will require additional financing in order to carry out its business objectives.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These financial statements have been prepared in accordance with IFRS, as issued by the International Accounting Standards Board and interpretations issued by the International Financial Reporting Interpretations Committee.

These financial statements are presented in Canadian dollars, which is the Company’s functional currency. All values are rounded to the nearest dollar unless otherwise indicated.

The significant accounting policies set out in note 3 have been applied consistently to all years presented.

PRIYANKA CAPITAL INC.
Notes to the Financial Statements
Nine Months Ended July 31, 2023
(Unaudited - Expressed in Canadian Dollars)

2. BASIS OF PRESENTATION (Continued)

(b) Approval of the financial statements

The financial statements of the Company were approved by the directors and authorized for issue on September 29, 2023.

(c) New accounting pronouncements

There is no new material accounting policy that is expected to affect the Company's financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Financial instruments

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transactions costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

PRIYANKA CAPITAL INC.
Notes to the Financial Statements
Nine Months Ended July 31, 2023
(Unaudited - Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Financial instruments (continued)

Debt instruments

Subsequent measurement of debt instrument depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortized cost:** 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. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' 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 profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.
- **FVPL:** Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognized in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognized in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognized in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

The Company assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

PRIYANKA CAPITAL INC.
Notes to the Financial Statements
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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Financial instruments (continued)

Fair value hierarchy

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – Inputs for assets or liabilities that are not based on observable market data.

Cash is measured at Level 1 and the carrying value of all financial assets and liabilities approximate their fair value due to their short-term nature.

(b) Share capital

Instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(c) Income taxes

Income tax expense consisting of current and deferred tax expense is recognized in the statements of loss and comprehensive loss. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period-end, adjusted for amendments to tax payable with regard to previous years.

Deferred income tax assets and liabilities are recognized for temporary differences between the carrying amounts for financial statement purposes and the tax basis for certain assets and liabilities. Deferred income tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which these temporary differences are expected to be settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset will be reduced.

(d) Loss per share

Basic loss per share is computed by dividing the loss available to common shareholders by the weighted average number of shares outstanding during the period. The computation of diluted earnings per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on the earnings per share. The dilutive effect of convertible securities is reflected in diluted earnings per share by application of the "if converted" method. The dilutive effect of outstanding options and warrants and their equivalents is reflected in diluted earnings per share by application of the treasury stock method.

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(Unaudited - Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Use of judgments and estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Areas requiring significant estimates in the current period include accrued liabilities. Significant areas requiring the use of management judgments in the application of IFRS during the preparation of the financial statements with the risk of material adjustment are as follows.

Income taxes

In assessing the probability of realizing deferred income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by tax authorities. The Company has not recognized any deferred income tax assets.

Collectability of loans receivable

The Company records an allowance for doubtful accounts related to due from related parties that are considered to be uncollectible. The allowance is based on the Company's knowledge of the financial condition of its related parties, the aging of the receivables and historical experience. A change to these factors could impact the estimated allowance and the provision for bad debts. As at July 31, 2023 and 2022, the Company has not reversed its allowance against the loans receivable.

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures and meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

4. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

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

Credit risk

The Company's cash is largely held in large Canadian financial institutions. The Company maintains cash deposits with these financial institutions, which from time to time may exceed federally insured limits. The Company is exposed to credit risk to the extent of its loans receivable. These loans are unsecured (note 7 and note 8).

Liquidity risk

The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances and through short-term borrowing. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. All of the Company's financial liabilities are current and expected to fall due within 30 days, except for the loan payable, which is due on demand.

Foreign exchange risk

The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, the Company is not exposed to foreign exchange risk.

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(Unaudited - Expressed in Canadian Dollars)

4. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The Company maintains bank accounts that earn interest at variable rates, but it does not believe it is currently subject to any significant interest rate risk.

Other price risk

Other price risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate due to changes in market prices other than from interest rates and foreign currency risk. The Company is not exposed to other price risk.

5. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares and preferred shares without par value.

(b) Issued and outstanding

No shares were issued during the periods ended July 31, 2023 and 2022.

6. CAPITAL MANAGEMENT

The Company does not use sources of financing that require fixed payments of interest and principal due to lack of cash flow from current operations, and is not subject to any externally imposed capital requirements.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern.

The Company considers its capital to be its share capital. Capital requirements are driven by the Company's general operations. To effectively manage the Company's capital requirements, the Company monitors expenses and overhead to ensure costs and commitments are being paid. There have been no changes in the Company's approach to capital management during the periods ended July 31, 2023 and 2022.

7. RELATED PARTY TRANSACTIONS

Due from a related party as at July 31, 2023 is \$1 (2022 - \$1) owing by the CEO as loans receivable. The balances are unsecured, non-interest-bearing and have no fixed terms of repayment.

The above transactions are in the normal course of operations.

8. LOANS RECEIVABLE

The Company has a loan receivable from a third party amounting to \$1 (2022 - \$1). This loan is non-interest-bearing and has no fixed terms of repayment.