

INCEPTUS CAPITAL LTD.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED JUNE 30, 2023 AND 2022

(Unaudited - Expressed in Canadian Dollars)

INCEPTUS CAPITAL LTD.

FOR THE THREE MONTHS ENDED JUNE 30, 2023 AND 2022

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NOTICE TO THE READER

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

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management. The unaudited condensed interim consolidated financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards for the preparation of the condensed interim financial statements and are in accordance with IAS 34 – Interim Financial Reporting.

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

INCEPTUS CAPITAL LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

As at	Notes	June 30, 2023	March 31, 2023
		\$	\$
ASSETS			
Current assets:			
Cash		13,558	15,106
TOTAL ASSETS		13,558	15,106
LIABILITIES AND EQUITY			
CURRENT			
Accounts Payable and Accrual Liabilities		20,455	21,153
TOTAL LIABILITIES		20,455	21,153
EQUITY			
Share Capital	3	295,431	295,431
Reserves	3	42,304	42,304
Deficit		(344,632)	(343,782)
		(6,897)	(6,047)
TOTAL LIABILITIES AND EQUITY		13,558	15,106

Nature and continuance of operations (Note 1)

Proposed transaction (Note 8)

These condensed interim consolidated financial statements are authorized for issue by the Board of Directors on August 29, 2023.

They are signed on the Company's behalf by:

"Peter Chen"

Peter Chen

Director

"Tony Chan"

Tony Chan

Director

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

INCEPTUS CAPITAL LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

Notes	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022
\$	\$	
OPERATING EXPENSES		
Office and Miscellaneous	15	15
Transfer Agent Fees	835	1,598
LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	(850)	(1,613)
BASIS AND DILUTED INCOME/ (LOSS) PER SHARE	0.00	(0.00)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	2,067,500	2,067,500
BASIC AND DILUTED	2,067,500	2,067,500

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

INCEPTUS CAPITAL LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(UNAUDITED EXPRESSED IN CANADIAN DOLLARS)

	Share Capital				
	Number of Shares	Amount	Reserves	Deficit	Total Equity
BALANCE, MARCH 31, 2022	4,747,500	295,431	42,304	(337,247)	488
Loss for the Period	-	-	-	(1,613)	(1,613)
BALANCE, JUNE 30, 2022	4,747,500	295,431	42,304	(338,860)	(1,125)
Income for the Period	-	-	-	(4,922)	(4,922)
BALANCE, MARCH 31, 2023	4,747,500	295,431	42,304	(343,782)	(6,047)
Loss for the Period	-	-	-	(850)	(850)
BALANCE, JUNE 30, 2023	4,747,500	295,431	42,304	(344,632)	(6,897)

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

INCEPTUS CAPITAL LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

	Notes	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022
		\$	\$
OPERATING ACTIVITIES			
Loss for the Period		(850)	(1,613)
Changes in Non-Cash Working Capital Items			
Prepaid		-	(450)
Accounts Payable and Accrued Liabilities		(698)	(4,418)
Deferred Deposits		-	30,000
Cash Received/(Used) In Operating Activities		(1,548)	23,519
CHANGE IN CASH DURING THE PERIOD		(1,548)	23,519
CASH – BEGINNING OF PERIOD		15,106	24,915
CASH – END OF PERIOD		13,558	48,434

Supplement Disclosure of Non-Cash Transactions

Amount Paid for Interest	\$	-	\$	-
Amount Paid for Taxes	\$	-	\$	-
Expiry of Agent's Warrants	\$	-	\$	-

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

INCEPTUS CAPITAL LTD.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED JUNE 30, 2023 AND 2022
(Unaudited - Expressed in Canadian Dollars)

1. Nature and Continuance of Operations

Inceptus Capital Ltd. (the "Company") was incorporated under the provincial Business Corporations Act (British Columbia) on February 1, 2017 and its registered office is at 530, 355 Burrard Street, Vancouver, BC V6C 2G8 Canada. The Company is classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange ("TSX-V"). The principal business of the Company is to identify and evaluate assets or businesses with a view to potentially acquire them or an interest therein by completing a purchase transaction, by exercising of an option or by any concomitant transaction. The purpose of such an acquisition is to satisfy the related conditions of a qualifying transaction under the Exchange rules.

Where an acquisition or participation is warranted, additional funding may be required. The ability of the Company to fund its potential future operations and commitments is dependent upon the ability of the Company to obtain additional financing. There is no assurance that the Company will identify a business or asset that warrants acquisition or participation within the time limitations permissible under the policies of the Exchange, at which time the Exchange may suspend or de-list the Company's shares from trading.

On November 9, 2017, the Company successfully completed its initial public offering ("IPO") and listed on the TSX-V under the symbol of "ICLP". The offering consisted of 2,147,500 common shares at a price of \$0.10 per share for gross proceeds of \$214,750. The proceeds raised from the IPO may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to 30% of the gross proceeds may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until the completion of a qualifying transaction by the Company as defined under the policies of the Exchange.

These condensed interim consolidated financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. These condensed interim consolidated financial statements do not include adjustments to amounts and reclassification of assets and liabilities that might be necessary should the Company be unable to continue operates.

During fiscal year 2022, the Company entered into a letter of intent to acquire 100% of the issued common shares of Smartwell Technology Inc., a private company incorporated under the laws of British Columbia and a company specializing in the development of intelligent algorithms for processing agriculture data.

During fiscal year 2023, the Company entered into a binding letter of intent for the acquisition of Smartwell as more fully described in Note 8.

As at June 30, 2023, the Company has working deficit of \$6,897, and has incurred accumulated loss of \$344,632 since incorporation. The Company possesses \$13,558 in cash. The continuation of the Company as a going concern is dependent upon its ability to complete a qualifying transaction. To the extent that the Company is unable to identify a purchase transaction, additional financing might be needed. However, there can be no assurance that such financing will occur in the amounts and with the terms expected in favor of the Company. These material uncertainties may cause significant doubt on the Company's ability to continue as going concern.

The COVID-19 pandemic has developed rapidly in 2020 and measures taken by various governments to contain the virus have affected economic activity. The Company has taken a number of measures to monitor and mitigate the effects of COVID-19, such as safety and health measures (social distancing, working from home and specific protocols for office attendance). Since the Company has not started its operations, so there has been no negative impact on the business.

The Company will continue to follow the various government policies and advice and, monitor the implications of COVID-19 on the Company.

2. Significant Accounting Policies

(a) Statement of Compliance

These condensed interim consolidated financial statements of the Company comply with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting.

These condensed interim consolidated financial statements were approved by the Board of Directors for issuance on August 29, 2023.

(b) Basis of presentation

These condensed interim consolidated financial statements have been prepared on the historical cost basis and are presented in Canadian dollars, which is the Company's presentation currency.

(c) Basis of consolidation

These condensed interim consolidated financial statements include the financial statements of the Company and its wholly-owned subsidiary, 1262595 B.C. Ltd., a BC company, which carries no activity and is currently dormant.

INCEPTUS CAPITAL LTD.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED JUNE 30, 2023 AND 2022
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2. Significant Accounting Policies (Continued)

(d) Significant Judgments, Estimates and Assumptions

The preparation of these condensed interim consolidated financial statements requires management to make judgment, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities at the date of the condensed interim consolidated financial statements and reported amounts of expenses during the reporting period.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual outcomes could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Areas of Assumptions and Estimates

Going Concern

These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. If the going concern assumption were not appropriate for these financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses and the statement of financial position classifications used.

(e) Financial Instruments

The Company classifies and measures the Company's financial assets and liabilities as follows:

Financial Assets

Amortized cost

This category includes financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the solely principal and interest ("SPPI") criterion. Financial assets classified in this category are measured at amortized cost using the effective interest method.

Fair value through profit or loss ("FVTPL")

This category includes quoted equity instruments which the Company has not irrevocably elected, at initial recognition or transition, to classify at fair value through other comprehensive income. This category would also include debt instruments whose cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell. Financial assets in this category are recorded at fair value with changes recognized in profit or loss.

Financial Liabilities

Financial liabilities are designated as either: FVTPL; or amortized cost. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL.

The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded.

The following table summarizes the measurement categories under IFRS 9 for each class of the Company's financial assets and financial liabilities:

	IFRS 9 Classification
Financial Assets	
Cash	FVTPL
Financial Liabilities	
Accounts Payable and Accrued Liabilities	Amortized cost

Impairment of Financial Assets

The Company assesses impairment losses for financial assets using the forward-looking expected credit loss approach. There were no impairment losses recognized in these condensed interim consolidated financial statements for the years presented.

(f) Related Parties Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

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2. Significant Accounting Policies (Continued)

(g) Share Capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and the fair value of brokers' warrants are recognized as a deduction from equity, net of any tax effects.

(h) Share-Based Payments

The Company's stock option plan allows Company employees, directors, officers and consultants to acquire shares of the Company. The fair value of options granted is recognized as share-based payment expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. Fair value is measured at grant date, and each tranche is recognized using the graded vesting method over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options that are expected to vest. In situations where equity instruments are issued to consultants and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

(i) Income Taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case the income tax is recognized in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to offset the amounts, and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognized on temporary differences arising from the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilized.

Deferred tax is calculated using the tax rates expected to apply in the periods in which the assets will be realized or the liabilities settled, based on tax rates and laws enacted, or substantively enacted, by the reporting date. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(j) Loss per Share

Basic loss per share is computed by dividing net earnings (loss) (the numerator) by the weighted average number of outstanding common shares for the period (denominator). Escrow shares that are contingently returnable are not treated as outstanding and are excluded from the calculation of basic loss per share until the date the shares are no longer subject to recall.

In computing diluted earnings per share, an adjustment is made for the dilutive effect of outstanding share options, warrants and other convertible instruments. In periods where a loss is reported all outstanding options, warrants and other convertible instruments are excluded from the calculation of diluted loss per share, as they are all anti-dilutive.

Adoption of New Accounting Standards

There are no new pronouncements that have a significant effect on the Company.

3. Share Capital

a) Authorized Share Capital

Authorized:

Unlimited Class A Voting, Participating, Common Shares without par value

Unlimited Class B Voting, Non-participating, Common Shares without par value

Unlimited Class C Non-Voting, Participating, Common Shares without par value

Unlimited Class D Non-Voting, Non-participating, Common Shares without par value

b) Issued Share Capital

As at June 30, 2023, there were 4,747,500 Class A common shares issued and outstanding. No share transactions occurred during the three months ended June 30, 2023 and 2022.

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3. Share Capital (Continued)

c) Escrow

The Company has entered into a new escrow agreement in the form approved for capital pool companies by the TSX-V effective January 1, 2021, to amend, supersede and replace the original share escrow agreement entered into by the Company. The Company has 2,680,000 common shares subject to an escrow agreement whereby 25% of the shares will be released from escrow upon completion of the qualifying transaction. An additional 25% of the escrowed common shares will be released on each six-month anniversary thereafter unless otherwise permitted by TSX-V.

d) Share Purchase Option

The Company has a stock option plan pursuant to which it may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, and consultants to the Company, non-transferable options to purchase common shares (the "Incentive Stock Options"), provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares upon completion of the Offering, exercisable for periods of up to 10 years from the date of grant. Common Shares issued upon the exercise of options held by officers and directors are subject to the same escrow conditions to the extent of options exercised prior to the completion of a Qualifying Transaction.

During the three months ended June 30, 2023 and 2022, the Company granted nil incentive stock options to its directors and officers of the Company.

(e) Reserves – Stock Options

A summary of stock option activity for the three months ended June 30, 2023 is as follows:

	Number of Options/ Exercisable	Weighted Average Exercise Price (\$)	Weighted Average Remaining Contractual Life (Years)
Balance, March 31, 2023	474,750	\$0.10	4.63
Balance, June 30, 2023	474,750	\$0.10	5.13

The expiry date of 474,750 options above is November 14, 2027.

4. Related Parties

The Company has identified its directors and certain senior officers as its key management personnel. Key management personnel refer to individuals within an organization who have significant authority and responsibility for planning, directing, and controlling the activities of the entity. These individuals play a crucial role in the decision-making process and have a substantial impact on the organization's financial and operational performance.

As at June 30, 2023, the Company carried \$1,543 (2022: \$1,120) in accounts payable.

5. Capital Disclosures

The Company's capital consists of share capital. The Company's objective for managing capital is to maintain sufficient capital to identify, evaluate and complete an acquisition or other transaction as disclosed in Note 1. The Company sets the amount of capital in relation to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets.

The Company's objectives when managing capital are:

- i. to maintain a flexible capital structure, which optimizes the cost of capital at acceptable risk; and
- ii. to maintain investor, creditor and market confidence in order to sustain the future development of the business.

The Company is not subject to any externally or internally imposed capital requirements except as disclosed in Note 1. There were no changes in the Company's approach to capital management in the current year.

6. Financial Instruments

The Company classifies its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value:

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

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's cash is measured as level 1 input. The carrying value of accounts payable approximates fair value due to its short-term nature.

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7. Financial Risk Management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

Overview

The Company's consolidated financial instruments consist of cash, and accounts payable and accrued liabilities. The fair value of these financial instruments, other than cash which is measured at fair value, using level 1 of the fair value hierarchy, approximate their carrying value due to short term nature.

Credit Risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash is held with reputable institutions in Canada.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2023, the Company had a cash balance of \$13,558 to pay accounts payable of \$20,455. The Company is exposed to liquidity risk.

Market Risk

The Company will be subject to normal market risks including fluctuations in foreign exchange rates and interest rates. While the Company manages its operations in order to minimize exposure to these risks, the Company has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure. For the year ended March 31, 2023, the Company held \$nil financial instruments subject to significant foreign exchange or interest rate risks. Due to the nature of the business, the Company is not exposed to other price risk such as commodity price risk and equity price risk.

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 not exposed to significant interest rate risk.

8. Proposed Transaction

During fiscal year 2023, the Company entered into a binding letter of intent for the acquisition of Smartwell. The transaction is not a non-arm's-length qualifying transaction within the meaning of the policies of the TSX-V and is intended to constitute the qualifying transaction of the Company under Policy 2.4 (Capital Pool Companies) of the TSX-V. The Company expects to be classified as a technology issuer on Tier 2 of the TSX-V upon completion of the transaction. Trading in the shares of the Company on the TSX-V has been halted and will remain halted pending receipt by the TSXV of applicable documentation.

Pursuant to the transaction, the Company will issue one new resulting issuer share for every one outstanding common share of Smartwell to the pretransaction shareholders of Smartwell -- the Company will issue a total of 100.45 million common shares to the shareholders of Smartwell.

Following closing of the proposed transaction, the Company will have approximately 105,197,500 common shares issued and outstanding (non-diluted and not accounting for any exercise of options and warrants), of which the shareholders of the Company will hold approximately 4.51 per cent and the shareholders of Smartwell will hold approximately 95.49 per cent. The Company will issue up to 10,000,000 stock options to eligible people upon completion of the transaction. During fiscal year 2023, the Company received a \$30,000 non refundable deposit from Smartwell.

It is a further term of the LOI that, upon completion of the transaction, the resulting issuer will change its name to Smartwell Technology Corp. or such other name as is determined by Smartwell.

The transaction will result in a reverse takeover transaction and the continuance of financial information will be those of Smartwell. The transaction is subject to regulatory and shareholders' approval, as well as due diligence procedures.

9. Subsequent Event

Subsequent to the three months ended June 30, 2023, the Company was advanced \$25,000 from Smartwell.