Buzz Capital Inc.

(A Capital Pool Company)

Unaudited Condensed Interim Financial Statements

For the Three and Six Months Ended June 30, 2024 and 2023

(In Canadian Dollars)

Notice of No Auditor Review of the Interim Financial Statements

The accompanying unaudited condensed interim financial statements of the Corporation have been prepared by and are the responsibility of the Corporation's management. The Corporation's independent auditor has not performed a review of these financial statements in accordance with standards established by the CPA Canada for a review of interim financial statements by an entity's auditor.

Buzz Capital Inc.
Unaudited Condensed Interim Statements of Financial Position
As at June 30, 2024 and December 31, 2023
(in Canadian dollars)

As at		June 30, 2024	December 31, 2023
Current assets			
Cash held in trust	$	**1,050**	27,865
Investments		**300,000**	300,000
Prepaid expenses		**-**	667
Total current assets		**301,050**	328,532
Current liabilities			
Accrued liabilities		**-**	15,983
Total current liabilities		**-**	15,983
Shareholders' equity			
Share capital, net of issuance costs (note 3)		**529,506**	529,506
Contributed surplus		**68,859**	68,859
Retained earnings		**(297,315)**	(285,618)
Total shareholders' equity		**301,050**	312,549
Total liabilities and shareholders' equity	$	**301,050**	328,532

Subsequent Events – Note 6

Approved on behalf of the Board

"Gregory M. Prekupec"	"Lorne Gertner"
Director	Director

The accompanying notes are an integral part of these Unaudited Condensed Interim Financial Statements.

Buzz Capital Inc.

Unaudited Condensed Interim Statements of Loss and Comprehensive Loss
For the Three and Six Months Ended June 30, 2024 and 2023
(in Canadian dollars)

	Three month period ended June 30, 2024	Three month period ended June 30, 2023	**Six month period ended June 30, 2024**	Six month period ended June 30, 2023
Expenses				
Professional fees	**$ 7,760**	$ 18,643	**$ 7,769**	$ 18,643
Listing fees	**3,051**	15,632	**3,730**	17,754
Net loss and comprehensive loss	**$ (10,820)**	$ (34,275)	**$ (11,499)**	$ (36,397)
Net loss per share (basic and diluted)	**$ (0.00)**	$ (0.01)	**$ (0.00)**	$ (0.01)
Weighted average number of shares outstanding (basic and diluted)	**4,409,999**	4,409,999	**4,409,999**	4,409,999

The accompanying notes are an integral part of these Unaudited Condensed Interim Financial Statements.

Buzz Capital Inc.
Unaudited Condensed Interim Statements of Changes in Shareholders' Equity
For the Six Months Ended June 30, 2024 and 2023
(in Canadian dollars)

	Number of Shares	Share Capital	Retained Earnings	Contributed Surplus	Shareholders' Equity
Balance at January 1, 2023	8,409,999	$ 529,506	$ (169,634)	$ 68,859	$ 428,731
Net loss for the period	-	-	(36,397)	-	(36,397)
Balance, June 30, 2023	**8,409,999**	**$ 529,506**	**$ (206,031)**	**$ 68,859**	**$ 392,334**

	Number of Shares	Share Capital	Retained Earnings	Contributed Surplus	Shareholders' Equity
Balance at January 1, 2024	8,409,999	$ 529,506	$ (285,816)	$ 68,859	$ 312,549
Net loss for the period	-	-	(11,499)	-	(11,499)
Balance, June 30, 2024	**8,409,999**	**$ 529,506**	**$ (297,315)**	**$ 68,859**	**$ 301,050**

The accompanying notes are an integral part of these Unaudited Condensed Interim Financial Statements.

Buzz Capital Inc.
Unaudited Condensed Interim Statements of Cash Flows
For the Six Months Ended June 30, 2024 and June 30, 2023
(in Canadian dollars)

		Six month period ended June 30, 2024		Six month period ended June 30, 2023
Cash provided by (used in)				
Operating Activities				
Net loss for the period	**$**	**(11,499)**	$	(36,397)
Change in prepaid expenses		**667**		(4,050)
Change in accrued liabilities		**(15,983)**		(23,666)
Cash Used In Operating Activities		**(26,815)**		(64,114)
Net change in cash		**(26,815)**		(64,114)
Cash beginning of period		**27,865**		451,776
Cash end of period	**$**	**1,050**	$	387,662

The accompanying notes are an integral part of these Unaudited Condensed Interim Financial Statements.

1. INCORPORATION AND NATURE OF OPERATIONS

Buzz Capital Inc. (the "Corporation") was incorporated under the *Canada Business Corporations Act* on February 15, 2017. On August 21, 2017, the Corporation completed its initial public offering and commenced trading on the TSX Venture Exchange (the "Exchange") as a Capital Pool Company, as defined in Policy 2.4 of the Exchange, under the trading symbol "BUZ.P".

The principal business of the Corporation is to identify and evaluate assets or businesses with a view to completing a Qualifying Transaction ("QT"). The Corporation has not commenced operations and has no assets other than cash held in trust and prepaid expenses. The Corporation's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition, or business, or an interest therein. Such an acquisition will be subject to the approval of the regulatory authorities concerned and, in the case of a non-arm's length transaction, of the majority of the minority shareholders.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to $3,000 per month may be used for reasonable general and administrative expenses of the Corporation. These restrictions apply until completion of a QT.

On August 27, 2019, the Corporation was suspended from trading by the Exchange for failing to complete a QT within 24 months from the date of listing. On May 21, 2021, the Corporation held an Annual and Special Meeting of Shareholders where disinterested shareholders approved the removal of the consequences of the Corporation failing to complete a Qualifying Transaction within 24 months of its initial public offering, in accordance with certain changes to Policy 2.4 – Capital Pool Companies. Commencing August 11, 2023, the Corporation's common shares were reinstated for trading on the Exchange.

The head office and the registered head office of the Corporation is located at 116 Albert Street, Suites 300, Ottawa, Ontario, K1P 5G3.

On August 23, 2024, the Board of Directors approved the unaudited condensed interim financial statements for the three months ended June 30, 2024 and 2023.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These unaudited interim condensed financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These unaudited condensed interim financial statements have been prepared on an accrual basis and are based on historical costs, modified where applicable, by the measurement at fair value of selected non-current assets, financial assets, and financial liabilities. These unaudited condensed interim financial statements are presented in Canadian dollars, which is the corporation's functional and presentation currency.

The accounting policies applied by the Corporation in these Unaudited Condensed Interim Financial Statements are the same as those applied by the Corporation in audited financial statements for the years ended December 31, 2023 and 2022.

(in Canadian dollars)

3. SHARE CAPITAL

Authorized

Unlimited common shares

Issued	**#**	**$**
4,000,000 common shares (i)	4,000,000	$ 200,000
4,200,000 common shares (ii)	4,200,000	420,000
Cost of issuance-cash	-	(100,430)
Cost of issuance-share based payment	-	(22,110)
Exercise of Agent Warrants (ii)	2,850	435
Exercise of Agent Warrants (iii)	207,149	31,611
Balance, December 31, 2023, 2022 and June 30, 2024	8,409,999	$529,506

(i) Escrowed Shares

During the period ended December 31, 2017, the corporation issued 4,000,000 common shares at $0.05 per share for total proceeds of $200,000. The corporation incurred share issuance costs of $5,894 related to this issuance. The issued and outstanding common shares will be held in escrow pursuant to the requirements of the Exchange.

All common shares acquired on exercise of stock options granted to directors and officers prior to the completion of a Qualifying Transaction, must also be deposited in escrow until the final exchange bulletin is issued. As a result, the escrow shares have not been contemplated in the weighted-average shares outstanding calculation.

All common shares of the Corporation acquired in the secondary market prior to the completion of a Qualifying Transaction by a Control Person, as defined in the policies of the Exchange, are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Corporation held by principals of the resulting issuer will also be subject to escrow. As of December 31, 2023, 4,000,000 common shares are subject to escrow.

(ii) Initial Public Offering

On August 21, 2017, the Corporation completed its Initial Public Offering (“IPO”) of 4,200,000 common shares at $0.10 per share ($420,000). The Corporation entered into an agreement with Haywood Securities Inc. (the “Agent”) to raise $420,000 in connection with the Corporation’s IPO. The Corporation paid a commission of 10% of gross proceeds to the Agent and granted the Agent an option to acquire 10% of the common shares issued in the offering exercisable for a period ending twenty-four months from the date the Corporation’s Common Shares are listed on the TSX Venture Exchange, exercisable at $0.10 per share. The Corporation also paid a corporate finance fee upon the closing of the offering and reimbursed the Agent for legal fees and other reasonable expenses incurred pursuant to the Offering. The Corporation incurred cash issuance costs related to the IPO of $94,536.

(in Canadian dollars)

3. SHARE CAPITAL (Cont'd)

(iii) Options

The Corporation has established a stock option plan for its directors, officers and consultants under which the Corporation may grant options from time to time to acquire a maximum of 10% of the issued and outstanding common shares. The exercise price of each option granted under the plan shall be determined by the Board of Directors.

Options may be exercised for a maximum term of ten years from the date of the grant. They are non-transferable and expire within 90 days of termination of employment or holding office as director or officer of the Corporation and, in the case of death, expire one year thereafter.

Upon death, the options may be exercised by legal representation or designated beneficiaries of the holder of the option. Any shares issued upon exercise of the options prior to the Corporation entering into a Qualifying Transaction will be subject to escrow restrictions. Unless otherwise stated, the options fully vest when granted.

The following table reflects the continuity of stock options:

	Number of Stock Options and Agent Warrants (i, ii)	Weighted Average Exercise Price ($)
Balance, January 1, 2019 (i, ii)	1,192,150	$0.10
Exercise of Agent Warrants (iii)	(207,149)	$(0.10)
Expiry of Agent Warrants (iv)	(210,001)	$(0.10)
Balance, December 31, 2020 and December 31, 2021	775,000	$0.10
Expiry of Stock Options (v)	(775,000)	$(0.10)
Balance, December 31, 2023 and June 30, 2024	Nil	N/A

i. On August 21, 2017, the Corporation granted 420,000 warrants to the Agent, which are exercisable within two years from the date of grant at an exercise price of $0.10 per share. These warrants were valued on the date of issue using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, risk-free interest rate of 1.24%, expected volatility of 100% and an expected life of two years. The value attributed to these warrants was $22,110.

ii. On August 21, 2017, the Corporation granted 775,000 options to directors and officers, which are exercisable within five years from the date of grant at an exercise price of $0.10 per share. These options were valued on the date of issue using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, risk-free interest rate of 1.43%, expected volatility of 100% and an expected life of five years. The value attributed to these options was $57,795.

iii. During the year ended December 31, 2018, the Agent exercised 2,850 warrants at an exercise price of $0.10 per share for gross proceeds of $285. The value attributed to these warrants was $150. During the year ended December 31, 2019, the Agent exercised 207,149 warrants at an exercise price of $0.10 per share for gross proceeds of $20,715. The value attributed to these warrants was $10,896.

iv. On August 21, 2019, a total of 210,001 agent warrants expired unexercised.

v. On August 21, 2022, a total of 775,000 options expired unexercised.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital Management

The Corporation's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Corporation includes equity, comprised of share capital, contributed surplus and deficit, in the definition of capital.

The Corporation's primary objective, with respect to its capital management, is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Corporation may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to $3,000 per month may be used for reasonable general and administrative expenses of the Corporation. These restrictions apply until completion of a QT.

Risk Disclosures and Fair Values

The Corporation's financial instruments, consisting of cash held in trust approximates fair value due to the relatively short term maturity of the instruments. It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments.

5. RELATED PARTY TRANSACTIONS

There were no related party transactions and no remuneration was paid to key management personnel during the three months ended June 30, 2024 or June 30, 2023.

6. QUALIFYING TRANSACTION

On May 14, 2021, the Corporation entered a letter of intent with Grata Technologies Inc. ("Grata") to complete a transaction that will result in a reverse take-over of the Corporation by Grata. The Corporation intends that the Proposed Transaction to constitute its "Qualifying Transaction" under Policy 2.4 – Capital Pool Companies of the TSXV. On April 17, 2023, the Corporation announced that a number of conditions precedent contained in the LOI have not been satisfied and, as a result, the proposed business combination between the Corporation and Grata will not be proceeding and the LOI has lapsed.