Bold Capital Enterprises Ltd.

Interim Condensed Financial Statements
For the three-month periods ended
March 31, 2024 and 2023
(Unaudited)

Bold Capital Enterprises Ltd.

INTERIM CONDENSED STATEMENT OF NET LOSS AND COMPREHENSIVE LOSS

For the three-month period ended March 31,		**2024**		2023
INTEREST INCOME	**$**	**3,281**	$	4,375
OPERATING EXPENSES				
Insurance		**4,713**		-
Listing and maintenance expenses		**22,124**		990
Professional fees		**115,472**		9,118
		142,309		10,108
NET LOSS AND COMPREHENSIVE LOSS	**$**	**(139,028)**	$	(5,733)
Net loss per share (Note 8)				
Net loss, basic and diluted	**$**	**(0,003)**	$	(0.0001)
Basic and diluted weighted average number of shares (Note 8)	**$**	**47,264,500**	$	47,264,500

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

Bold Capital Enterprises Ltd.

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
For the three-month period ended March 31,

2024

	Number			Amount			
	Common shares	**Stock options**	**Total**	**Share capital**	**Contributed surplus**	**Deficit**	**Total**
BALANCE, as at December 31, 2023	**47,264,500**	**311,337**	**47,575,837**	**$ 2,254,982**	**$ 72,000**	**$ (922,266)**	**$ 1,404,716**
Net loss and comprehensive loss of the period	**-**	**-**	**-**	**-**	**-**	**(139,028)**	**(139,028)**
BALANCE, as at March 31, 2024	**47,264,500**	**311,337**	**47,575,837**	**$ 2,254,982**	**$ 72,000**	**$ (1,061,294)**	**$ 1,265,688**

2023

	Number			Amount			
	Common shares	**Stock options**	**Total**	**Share capital**	**Contributed surplus**	**Deficit**	**Total**
BALANCE, as at December 31, 2022	47,264,500	311,337	47,575,837	$ 2,254,982	$ 72,000	$ (711,821)	$ 1,615,161
Net loss and comprehensive loss of the period	-	-	-	-	-	(5,733)	(5,733)
BALANCE, as at March 31, 2023	47,264,500	311,337	47,575,837	$ 2,254,982	$ 72,000	$ (717,554)	$ 1,609,428

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

Bold Capital Enterprises Ltd.

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

As at		March 31, 2024		December 31, 2023
ASSETS				
CURRENT ASSETS				
Cash in trust	$	**1,105,034**	$	1,137,773
Advance to a private company (Note 4)		**287,109**		283,828
Prepaid expenses		**12,566**		17,279
	$	**1,404,709**	$	1,438,880
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	$	**139,021**	$	34,164
SHAREHOLDERS' EQUITY				
Share capital (Note 5)		**2,254,982**		2,254,982
Contributed surplus (Note 7)		**72,000**		72,000
Deficit		**(1,061,294)**		(922,266)
		1,265,688		1,404,716
	$	**1,404,709**	$	1,438,880

Statutes of incorporation and nature of activities (Note 1)

On behalf of the Board,

(signed) Peter Rona, Director

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

Bold Capital Enterprises Ltd.

INTERIM CONDENSED STATEMENT OF CASH FLOWS

For the three-month period ended March 31,		**2024**		2023
OPERATING ACTIVITIES				
Net loss	**$**	**(139,028)**	$	(5,733)
Net change in non-cash working capital items				
Interest receivable		**(3,281)**		(4,375)
Prepaid expenses		**4,713**		-
Accounts payable		**104,857**		5,913
DECREASE IN CASH AND CASH EQUIVALENTS		**(32,739)**		(4,195)
CASH IN TRUST, beginning of period		**1,137,773**		1,270,768
CASH IN TRUST, end of period	**$**	**1,105,034**	$	1,266,573

Cash flows from operating activities do not include any interest paid or encashed, nor any tax paid.

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

1. STATUTES OF INCORPORATION AND NATURE OF ACTIVITIES

The Company was incorporated on May 16, 2018 under the Canada Business Corporations Act to become a Capital Pool Company listed on the TSX Venture Exchange Inc. (the "Exchange"), according to the provisions of Policy 2.4 of the TSX Venture Exchange Corporate Finance Manual. The Company's shares were admitted to trading on April 23, 2019 under the symbol BOLD.P.

The address of the Company's registered office is 800, Square Victoria, Office 3500, Montreal, Canada.

The principal business of the Company is the identification and evaluation of assets or business with a view to completing a Qualifying Transaction under policies of the Exchange. The Company must complete a Qualifying Transaction, which is subject to the approval of the Exchange. In the case of non-arm's length Qualifying Transaction, defined by Policy 2.4, the Company must also receive Majority of the Minority shareholders' approval, in accordance with Policy 2.4.

2. BASIS OF PREPARATION

Statement of compliance

The interim condensed financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and are in conformity with IAS 34.

The accounting policies described below have been applied on a uniform basis in the interim condensed financial statements.

The interim condensed financial statements were authorized for issue by the Board of Directors on May 29, 2024.

Basis of measurement

The interim condensed financial statements of the Company have been prepared on the going concern assumption and on the historical cost basis.

Presentation and functional currency

The financial statements are presented in Canadian dollars, which is also the functional currency of the Company.

Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

2. BASIS OF PREPARATION (continued)

Use of estimates and judgments

Information related to critical judgments in applying accounting policies and estimates that have the most significant impact on the financial statements relates to deferred income taxes, the value of the advance to a private company, and fair value of stock options.

3. SIGNIFICANT ACCOUNTING POLICIES

Income taxes

The Company uses the asset and liability method of accounting for deferred income taxes. Under this method, deferred tax assets and liabilities are determined based on deductible or taxable temporary differences between the carrying value and tax values of assets and liabilities using enacted or substantively enacted income tax rates expected to be in effect for the year in which the differences are expected to be absorbed. A deferred tax asset must be recognized for any deductible temporary differences to the extent that it is likely that a taxable income, to which these deductible temporary differences can be charged, will be available.

Financial instruments

<u>Recognition, initial measurement and derecognition</u>

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and they are measured initially at fair value adjusted for transaction costs, when applicable.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expired.

<u>Classification of financial assets</u>

The classification is determined by both:

- The entity’s business model for managing the financial assets;
- The contractual cash flow characteristics of the financial asset.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

Subsequent measurement of financial assets

Financial assets are measured at amortized cost if they meet the following conditions:

- They are held within a business model whose objective is to hold the financial assets and collect their contractual cash flows;
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortized cost using the effective interest method. For impaired financial assets, the effective interest rate is applied to the amortized cost of the financial asset. Interest income is recognized in net income. The Company's cash, interest receivable and advance to a private company fall into this category of financial assets.

Classification and subsequent measurement of financial liabilities

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

The Company's accounts payable fall into this category of financial liabilities.

Impairment of financial assets

The Company recognizes a value adjustment for expected credit losses on financial instruments that are measured at amortized cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company recognizes lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company has to measure the value adjustment for that financial instrument at an amount equal to 12-month expected credit losses.

To assess whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of default occurring on the financial instrument at the reporting date with the risk of default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that demonstrates otherwise.

The Company considers that default has occurred when it is unlikely that the debtor will repay its creditors in full, including the Company (without taking into account the guarantees owned). The Company also considers that default has occurred when a financial asset is more than 90 days past due, unless the Company has reasonable and supportable information to demonstrate that a delayed default criterion is more appropriate.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

Impairment of financial assets

A financial asset is impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred (significant financial difficulty of the borrower, breach of a contract, etc.).

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is default) and the exposure at default. The assessment of the probability of default and loss given default is based on the management's assessment of the probability of winning the legal proceedings undertaken. As for the financial assets' exposure in the case of default, it corresponds to the net carrying value of the assets at the reporting date.

Share issuance costs

Costs directly identifiable with the issuance of shares are deferred as an asset until the issuance of the shares. At issuance, these costs are recorded as a reduction of share capital. In case of abandonment, these costs are recognized in net income.

Stock-based compensation and other stock-based payments

The Company has a stock option plan under which directors, officers, employees and consultants can be granted stock options of the Company.

Each grant is treated separately with its proper vesting period and its own fair value at the grant date, determined by the Black & Scholes option pricing model. Compensation expense is recognized over the vesting period of each grant according to the number of options granted that should be vested, and any impact is immediately recognized. Any consideration paid by the officers, the employees and the consultants on exercise or purchase of stock options is credited to share capital. The value attributed to stock options is transferred to share capital at the issuance of common shares, or to the contributed surplus once expired.

In the normal course of business, the Company grants options in exchange for goods or services to parties other than directors, officers or employees. For these transactions, the Company evaluates the goods or services received and the increase in equity, which is the counterpart, directly to the fair value of goods or services received, unless that fair value cannot be reliably estimated. In this case, the fair value is the value of the options issued on the market at the date the goods or services are received.

Costs relating to assets or businesses acquisition

All costs incurred to identify and evaluate assets or businesses that may be acquired are recognized as expenses at the time they are incurred.

Cash and cash equivalents

Cash and cash equivalents include cash and highly liquid financial instruments, with an initial term of three months or less, when appropriate.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

New accounting standard applied

IAS 1 - Presentation of Financial Statements

On January 23, 2020, the International Accounting Standards Board (IASB) published an amendment to IAS 1 - Presentation of Financial Statements. The amendment "Classification of Liabilities as Current or Non-current" only affects the presentation of liabilities in the statement of financial position, and not the amount or timing of recognition of any asset, liability, income or expense, or the information that entities disclose about those items. On October 31, 2022, the IASB published a new amendment, "Non-current Liabilities with Covenants", which specifies conditions affecting the classification of a liability when an entity must comply with covenants within 12 months after the reporting period and clarifies the disclosure requirements in the notes. In addition, the latest amendment further postpones the effective date of the previous amendments to financial statements beginning on or after January 1, 2024, with retrospective application.

These amendments did not have any impact on the Company's interim condensed financial statements.

New standards and interpretations not yet adopted

A number of new standards, and amendments to standards and interpretations published by the IASB, are not yet effective and have not been applied in preparing these financial statements. None of these is expected to have a significant impact on the interim condensed financial statements of the Company.

4. ADVANCE TO A PRIVATE COMPANY

	2024	2023
Advance to a private company, 5%	**$ 350,000**	$ 350,000
Interest receivable	**31,719**	28,438
Allowance for credit loss	**(94,610)**	(94,610)
	$ 287,109	$ 283,828

The changes in expected lifetime credit losses are as follows:

	2024	2023
Balance, beginning of year	**$ 94,610**	$ -
Credit loss	**-**	94,610
Balance, end of year	**$ 94,610**	$ 94,610

5. SHARE CAPITAL

Authorized

An unlimited number of common shares, non-cumulative dividend, participating and voting, without par value

		March 31, 2024		December 31, 2023
Stated and outstanding				
47,264,500 common shares	**$**	**2,254,982**	$	2,254,982

A total of 4,800,000 common shares are subject to an escrow agreement: 25% of the escrowed shares will be released from escrow on the acceptance by the Exchange of the Company's Qualifying Transaction (the "Initial Release") (Note 10). An additional 25% will be released on each of the dates that are 6 months, 12 months and 18 months following the Initial Release. Stock options and common shares acquired pursuant to the exercise of incentive stock options prior to completion of the Qualifying Transaction must be deposited in escrow and will be subject to escrow until the Initial Release is issued.

6. CAPITAL DISCLOSURES

The Company includes the total of the equity in the capital definition. In terms of capital management, the Company's objectives are to preserve its ability to continue its operation to ensure its sustainability to complete a Qualifying Transaction and to provide an adequate return to its shareholders, and to ensure sufficient equity financing to find a Qualifying Transaction in a way that maximizes the shareholders' return given the assumed risks of the operation. The Company may issue new shares following approval by the Board of Directors. The capital management strategy remains the same as in 2023.

7. STOCK OPTION PLAN

The Company has adopted an incentive stock option plan, which provides that the Board of Directors may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers and employees of the Company and its affiliates, as well as to consultants non-transferable options to purchase common shares for a period of up to ten years from the date of the grant, provided that the number of common shares reserved for issuance may not exceed 10% of the total issued and outstanding common shares after the completion of the contemplated initial public offering.

Pursuant to the stock option plan, the maximum number of common shares reserved for issuance in any 12-month period to any one optionee other than a consultant may not exceed 5% of the issued and outstanding common shares at the date of the grant. The maximum number of common shares reserved for issuance in any 12-month period to any consultant may not exceed 2% of the issued and outstanding common shares at the date of the grant.

The following table summarizes the situation of the Company's stock option plan and the changes incurred during the three-month period ended:

	March 31, 2024			March 31, 2023		
	Number		**Weighted average exercise price**	Number		Weighted average exercise price
Outstanding, beginning of the period	**311,337**	**$**	**0.10**	311,337	$	0.10
Changes	**-**		**-**	-		-
Outstanding, end of the period	**311,337**	**$**	**0.10**	311,337	$	0.10
Options exercisable, end of the period	**311,337**	**$**	**0.10**	311,337	$	0.10

7. STOCK OPTION PLAN (continued)

The following table summarizes information about the options outstanding and exercisable as at March 31, 2024:

	Options outstanding			Options exercisable	
Exercise price	**Number of options outstanding**	**Weighted average remaining contractual life**	**Weighted average exercise price**	**Number of options exercisable**	**Weighted average exercise price**
$0.10	**311,337**	**0.05 years**	**$ 0.10**	**311,337**	**$ 0.10**

8. NET LOSS PER SHARE

The basic income per common share is calculated by dividing the net income (net loss) assumed by the common shareholders by the weighted average number of common shares outstanding during the period. The diluted net income (net loss) per share is calculated giving effect to the potential dilution that could occur if the instruments to issue common shares were exercised at the later of the beginning of the year or the issuance date. The treasury stock method is used to determine the dilutive effect of the instruments.

For the three-month period ended March 31, 2024, the diluted net loss per share was the same as the basic net loss per share since the dilutive effect of stock options was not included in the calculation: otherwise the effect would have been antidilutive. The number of stock options not included in the calculation for this period is 311,337 (2023 - 311,337) stock options. Accordingly, the diluted net loss per share was calculated using the basic weighted average number of shares outstanding.

9. FINANCIAL RISKS

Objectives and politics concerning financial risk management

The Company considers managing risk as being an integral part of its development and diversification strategies. It is exposed to various risks related to its financial instruments. The Company focusses on actively securing short to medium term cash flows by minimizing the exposures to financial markets. The Company does not enter into financial instrument agreements including derivative financial instruments for speculative purposes.

9. FINANCIAL RISKS (continued)

Financial risks

The Company's most significant financial risk exposure is as follows:

Credit risk

Credit risk relates to the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk due to the fact that it provides an advance to a private company. The Company holds a first rank guarantee on all the patents and patent applications of the private company. The quality of the guarantee has not undergone any significant change. Management is of the opinion that exercising the guarantee will be sufficient to meet liquidity needs to allow the recovery of the amount recoverable and is continuing its efforts to recover the amounts advanced (Note 10). As at March 31, 2024, the Company holds its cash in a trust account in a law firm.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company is exposed to this risk primarily through its accounts payable. However, as at March 31, 2024, it does not incur any liquidity risk due to its available cash.

10. SIGNIFICANT EVENTS

In March 2022, the Company entered into an arm's length letter of intent with SinuSafe Medical Ltd. ("SinuSafe") pursuant to which the Company and SinuSafe intended to complete a transaction whereby the Company would acquire all of the issued and outstanding shares in the share capital of SinuSafe (the Transaction"). The Transaction was intended to constitute the Company's Qualifying Transaction pursuant to Policy 2.4 of the TSX Venture Exchange. In connection with the proposed Transaction, in May 2022, the Company executed a secured loan agreement with SinuSafe pursuant to which it loaned SinuSafe the principal amount of $350,000. The loan is secured against the core assets of SinuSafe, namely its patent and patent applications, has a term of 12 months and bears interest at a rate of 5% payable at maturity.

In November 2022, due to the significant changes in market conditions, the Company announced that the parties agreed to an extension for the negotiation and signature of a definitive agreement from October 31, 2022 to January 31, 2023. The Company and its financial and legal advisors had been working to move toward the signature of a definitive agreement and had accommodated SinuSafe throughout the process. Unfortunately, SinuSafe did not secure additional financing nor, in the Company's view, did they demonstrate a good faith effort to come to an agreement on the final terms of the proposed Transaction, despite the sustained efforts of the Company and its financial and legal advisors.

On March 31, 2023, the Company announced that it decided not to grant any further extensions for the consummation of the Transaction and, unfortunately, the proposed Transaction lapsed. As a consequence of the termination of the proposed Transaction, the Company demanded that SinuSafe repay the secured loan in the principal amount of $350,000, as well as accrued and unpaid interest, the whole as contemplated in the loan agreement. As at March 31, 2024, the Company is continuing to work with its Canadian and Israeli legal advisors in connection with the foregoing demands against SinuSafe and to preserve its rights.

10. SIGNIFICANT EVENTS (continued)

In December 2023, the Company entered into an arm's length amalgamation agreement with Stardust Solar Holdings Inc. ("Stardust") pursuant to which the Company and Stardust intended to complete a transaction whereby the Company would hold all of the issued and outstanding shares in the share capital of Stardust (the "Transaction"). The Transaction was intended to constitute the Company's Qualifying Transaction pursuant to Policy 2.4 of the TSX Venture Exchange.

Pursuant to the Transaction, the Company will, among other things, consolidate its issued and outstanding common shares on the basis of 2.4876 common shares for one common share of the Resulting Issuer, and issue an aggregate of 51,304,012 Resulting Issuer Shares to the Stardust shareholders, at a deemed issue price of $0.30 per Resulting Issuer Share, valuing Stardust at $15,400,000. Upon completion of the Transaction, the shareholders of Stardust are expected to hold 51,304,012 Resulting Issuer Shares, representing 73% of the 70,304,012 issued and outstanding Resulting Issuer Shares on a non-diluted basis, and the current shareholders of the Company are expected to hold 19,000,000 Resulting Issuer Shares, representing 27% of the 70,304,012 issued and outstanding Resulting Issuer Shares on a non-diluted basis.

Completion of the Transaction will be subject to certain conditions, including but not limited to: (a) completion of due diligence by the parties; (b) receipt of all necessary shareholder approvals of Stardust and the Company; (c) receipt of all required regulatory and third party approvals; (d) approval of the Transaction by the Exchange as Bold’s “Qualifying Transaction”; and (e) closing of the Transaction on or before June 30, 2024, unless extended in writing by the Company and Stardust.