Exelerate Capital Corp.

(A Capital Pool Corporation)

Condensed Interim Financial Statements

(Expressed in Canadian Dollars - Unaudited)

For the Three Months Ended May 31, 2025 and 2024

Exelerate Capital Corp.
(A Capital Pool Corporation)

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Notice to Readers
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NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, 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 unaudited condensed interim financial statements of the Company have been prepared by, and are the responsibility of, the Company's management.

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

Exelerate Capital Corp.
(A Capital Pool Corporation)

Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars - Unaudited)

	May 31, 2025	February 29, 2025
	$	$
ASSETS		
Current		
Cash and cash equivalents (Note 3 and 4)	1,010,628	1,031,655
Prepaid expenses and other assets	9,230	6,326
TOTAL ASSETS	**1,019,858**	**1,037,981**
LIABILITIES		
Current		
Accrued liabilities	28,624	18,847
SHAREHOLDERS' EQUITY		
Capital stock (Note 5)	1,464,556	1,464,556
Reserves (Note 6)	102,267	102,267
Accumulated deficit	(575,589)	(547,689)
	991,234	1,019,134
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**1,019,858**	**1,037,981**

Nature of Operations (Note 1)

These condensed unaudited interim financial statements are authorized for issuance by the Board of Directors on July 28, 2025.

On behalf of the Board of Directors:

“Mark Kohler”	“Barry Richards”
Director (SIGNED)	Director (SIGNED)

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

Condensed Interim Statements of Comprehensive Loss
(Expressed in Canadian Dollars - Unaudited)

	For the Three Months Ended May 31, 2025	For the Three Months Ended May 31, 2024
	$	$
EXPENSES		
Insurance	4,998	4,998
Professional fees	15,867	3,364
Operating expenses (Note 7)	9,586	3,407
Regulatory and listing fees	3,745	5,596
	(34,196)	(17,365)
Interest income	6,296	12,741
NET LOSS AND COMPREHENSIVE LOSS, FOR THE PERIOD	**(27,900)**	**(4,624)**
BASIC AND DILUTED LOSS PER SHARE	(0.002)	(0.001)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING (Note 5)	10,520,250	10,520,250

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

Exelerate Capital Corp.
(A Capital Pool Corporation)

Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars - Unaudited)

	For the Three Months Ended May 31, 2025	For the Three Months Ended May 31, 2024
	$	$
OPERATING ACTIVITIES		
Net loss for the period	(27,900)	(4,624)
Adjustments for non-cash items:		
Share-based compensation	-	-
Net changes in non-cash working capital items:		
Prepaid expenses	(2,904)	4,119
Accounts payable and accrued liabilities	9,777	9,105
Cash (used in) provided by operating activities	(21,027)	8,600
NET CHANGE IN CASH	(21,027)	8,600
CASH, BEGINNING OF PERIOD	1,031,655	1,092,844
CASH, END OF PERIOD	**1,010,628**	**1,101,444**

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

Exelerate Capital Corp.
(A Capital Pool Corporation)

Condensed Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars - Unaudited)

	Number of Shares Issued	Share Capital	Share-Based Payment Reserve	Accumulated Deficit	Total Shareholders' Equity
		$	$	$	$
Balance, February 28, 2024	**17,560,250**	**1,464,556**	**102,267**	**(502,605)**	**1,064,218**
Loss for the year	-	-	-	(45,084)	(45,084)
Balance, February 29, 2025	**17,560,250**	**1,464,556**	**102,267**	**(547,689)**	**1,019,134**
Loss for the period	-	-	-	(27,900)	(27,900)
Balance, May 31, 2025	**17,560,250**	**1,464,556**	**102,267**	**(575,589)**	**991,234**

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

1. NATURE OF OPERATIONS

Exelerate Capital Corp. (the "Company") was incorporated under the British Columbia Business Corporations Act on May 8, 2018 and is classified as a Capital Pool Corporation ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange Inc. (the "Exchange") Corporate Finance Manual. On June 7, 2019, the Company completed its Initial Public Offering (the “Offering”), and its proposed concurrent non-brokered private placement equity financing. Consequently, the Company shares became listed, and began trading on the Exchange on June 7, 2019, under the trading symbol “XCAP”. The Company’s principal business is the identification and evaluation of assets or a business and, once identified or evaluated, the negotiating of an acquisition or participation in a business subject to receipt of shareholder approval, if required, and the acceptance by regulatory authorities, resulting in a Qualifying Transaction (the “QT”), as defined in Exchange Policy 2.4.

There is no assurance that the Company will identify a QT within the rules outlined in the TSX policies.

The head office, principal address and records office of the Company are located at 2200 HSBC Building 885 West Georgia Street, Vancouver, British Columbia V6C 3E8.

These financial statements were approved by the Board of Directors on July 28, 2025.

2. MATERIAL ACCOUNTING POLICIES

The following is a summary of material accounting policies used in the preparation of these financial statements.

Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the IFRS Interpretations Committee (“IFRIC”).

Basis of presentation

The financial statements are presented in Canadian dollars unless otherwise noted.

The accounting policies applied in preparation of these financial statements are consistent with those applied and disclosed in the Company’s audited financial statements for the year ended February 28, 2025.

The financial statements are prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss ("FVTPL"), which are stated at their fair value. The accounting policies have been applied consistently throughout the entire period presented in these financial statements.

2. MATERIAL ACCOUNTING POLICIES (continued)

Significant estimates and judgments and assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised. These financial statements do not include any accounts that require significant estimates as the basis for determining the stated amounts.

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company's financial statements include:

- The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.
- The determination of deferred income tax assets or liabilities requires subjective assumptions regarding future income tax rates and the likelihood or utilizing tax carry-forwards. Changes in these assumptions could materially affect the recorded amounts, and therefore do not necessarily provide certainty as to their recorded values.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI"); or (iii) fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income.

The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Cash and cash equivalents are measured at FVTPL.

2. MATERIAL ACCOUNTING POLICIES (continued)

Impairment

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial liabilities

Financial liabilities are designated as either: (i) fair value through profit or loss; or (ii) at 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. Accounts payable are classified under other financial liabilities and carried on the statement of financial position at amortized cost.

As at May 31, 2025 and February 28, 2025, the Company did not have any derivative financial liabilities.

Income taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the country where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

Deferred income tax is based on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

(Expressed in Canadian Dollars - Unaudited)

2. MATERIAL ACCOUNTING POLICIES (continued)

Loss per share

Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted loss per share is computed similar to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

Share-based Compensation

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods using the graded vesting method. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the share-based payment reserve.

The fair value of options is determined using the Black-Scholes Option Pricing Model which incorporates all market vesting conditions. The number of shares and options 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.

The Company transfers the value of cancelled and expired unexercised vested stock options and compensatory warrants to deficit from reserves on the date of expiration, based on the nature of the item.

3. CASH AND CASH EQUIVALENTS

	May 31, 2025	February 29, 2025
	$	$
Cash	19,953	7,269
High Interest Savings Investment Fund	990,675	1,024,386
	1,010,628	**1,031,655**

4. CASH RESTRICTION

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 not more than $3,000 per month may be used for general and administrative expenses of the Company, and as further described in TSX-V Policy 2.4 updated on January 1, 2021. These restrictions may apply until completion of the Qualifying Transaction by the Company as pursuant to the policies of the Exchange.

(Expressed in Canadian Dollars - Unaudited)

The Company's management applies stringent cash and expenditure controls that enhance its ability to preserve capital, including the investing of unrestricted cash balances into interest-bearing accounts that produce a sizable investment income for the Company. It also includes annually negotiating expenses necessary for the ongoing operation of a publicly listed entity such as legal fees and regulatory advisory fees, required annual shareholders' meeting preparation fees, and directors' and officers' insurance fees. The latter has been disclosed separately on the Statement of Loss and Comprehensive Loss, since it is material and is also deemed by management as a requirement to attracting a board of directors with the proper skill and experience to manage the completion of a Qualifying Transaction. If the D&O insurance is deemed to be simply general and administrative in nature, and discretionary, it may result in the Company exceeding the $3,000 per month Policy restriction. Management, working in conjunction with the listing regulator, and based on its operating practices to date, believes that the Company is well within its expenses and cash restrictions.

5. CAPITAL STOCK

Authorized	
unlimited common shares	
Issued	
17,560,250 common shares	**$ 1,464,556**

Issued Shares
No shares were issued during the year ended February 28, 2025, and the first quarter ended May 31, 2025.

Escrow Shares

As at May 31, 2025, the Company has 7,040,000 shares subject to escrow restrictions and will be released from escrow in tranches over 18 months, whereby 25% of the escrowed securities will be released from escrow on the date the Exchange issues a final bulletin for the Company's Qualifying Transaction, and 25% of the escrowed securities will be released from escrow on each of the 6, 12 and 18 months following such date.

Basic and Diluted Loss per Share

The calculation of basic and diluted loss per share for the three months ended May 31, 2025 and May 31, 2024 was based on the loss attributable to common shareholders of $27,900 and $4,624, respectively and the weighted average number of common shares outstanding of 10,520,250 and 10,520,250 respectively, which excludes contingently returnable escrow shares

6. RESERVES

Stock Options

The Company established a Stock Option Plan for its directors, officers, employees and consultants under which the Board of Directors of the Company may grant non-transferable stock options totaling in aggregate up to 10% of the Company's issued and outstanding common shares, exercisable for a period of up to ten years from the date of grant, and at an exercise price which is not less than that permitted by the TSX-V.

(Expressed in Canadian Dollars - Unaudited)

6. RESERVES (continued)

A summary of the stock option activities is as follows:

	Number of options	Weighted average exercise price
Balance, February 28, 2025, and May 31, 2025	**1,190,000**	**0.10**

A summary of the stock options outstanding and exercisable at May 31, 2025 is as follows:

Exercise Price	Number Outstanding	Number Exercisable	Expiry Date
$			
0.10	1,190,000	1,190,000	June 7, 2029, and November 11, 2025

The weighted average remaining life of the options is 3.72 years.

7. RELATED PARTY TRANSACTIONS AND BALANCES

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including directors (executive and non-executive) of the Company. There is no compensation paid to key management personnel.

During the three months ended May 31, 2025, rent expenses totaling $2,550 (year ended February 28, 2025 - $9,450) was paid to a corporation controlled by a director of the Company.

8. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital Management

The Company'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 Company includes equity, comprised of issued common shares, in the definition of capital.

The Company'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 Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The Company is not subject to externally imposed capital requirements other than the cash restriction disclosed in Note 4.

Risk Disclosures and Fair Values

The Company's financial instruments, consisting of cash and accrued liabilities, approximate fair values due to the relatively short-term maturities of the instruments. It is management's opinion that the Company is not exposed to significant interest, currency, or credit risks arising from these financial instruments.

As at May 31, 2025, the Company had accounts payable and accrued liabilities of $28,624 due within 12 months and had cash and short-term investments of $1,010,628 to meet its current obligations. As a result, the Company has minimal liquidity risk.