COMPASS VENTURE INC.

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE-MONTH PERIOD ENDED

OCTOBER 31, 2021

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS

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

The accompanying unaudited interim condensed 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 interim condensed financial statements in accordance with the standards established by Chartered Professional Accountants ("CPA") of Canada for a review of interim financial statements by an entity's auditor.

COMPASS VENTURE INC.

Condensed Interim Statements of Financial Position

(Expressed in Canadian Dollars - Unaudited)

	October 31, 2021 $	July 31, 2021 $
ASSETS		
CURRENTASSETS		
Cash	501,640	507,720
Tax recoverable	1,071	392
	502,711	508,112
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	24,393	171
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 3)	681,026	681,026
CONTRIBUTED SURPLUS	111,315	111,315
DEFICIT	(314,023)	(284,400)
	478,318	507,941
	502,711	508,112

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)

These condensed interim financial statements were approved by the Board of Directors on December 21, 2021.

On behalf of the Board: *|s| "Lim Kah Meng"* Dr. Lim Kah Meng, Director *|s| "Joshua Siow"* Joshua Siow, Director

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

COMPASS VENTURE INC.

Condensed Interim Statement of Comprehensive Loss

(Expressed in Canadian Dollars - Unaudited)

	Three months ended October 31, 2021 $	**Three months ended October 31, 2020 $**
EXPENSES		
Bank charges	142	144
Consulting fees	6,690	4,000
Filing fees	1,779	8,697
Office expense	443	-
Professional fees	19,739	8,500
Transfer agent fees	830	(823)
NET LOSS AND COMPREHENSIVE LOSS	29,623	20,518
NET LOSS PER SHARE – BASIC AND DILUTED	(0.003)	(0.004)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	10,450,000	4,950,000

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

COMPASS VENTURE INC.

Condensed Interim Statements of Changes in Equity

(Expressed in Canadian Dollars – Unaudited)

	Common Shares					
	Number of Shares	**Amount**	**Contributed Surplus**	**Share Subscriptions**	**Deficit**	**Total**
		$	$	$	$	$
Balance, July 31, 2020	4,950,000	234,900	-	-	(102,671)	132,229
Share subscriptions	-	-	-	10,000	-	10,000
Comprehensive loss for the period	-	-	-		(20,518)	(20,518)
Balance, October 31, 2020	**4,950,000**	**234,900**	-	**10,000**	**(123,189)**	**121,711**
Balance, July 31, 2021	**10,450,000**	**681,026**	**111,315**	**-**	**(284,400)**	**507,941**
Comprehensive loss for the period	-	-	-	-	(29,623)	(29,623)
Balance, October 31, 2021	**10,450,000**	**681,026**	**111,315**	**-**	**(314,023)**	**478,318**

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

COMPASS VENTURE INC.

Condensed Interim Statement of Cash Flows

(Expressed in Canadian Dollars – Unaudited)

	Three months ended October 31, 2021 $	Three months ended October 31, 2020 $
OPERATING ACTIVITIES		
Net loss for the period	(29,623)	(20,518)
Changes in non-cash working capital items:		
Tax recoverable	(679)	351
Prepaid expense	-	(29,500)
Accounts payable and accrued liabilities	24,222	(16,347)
CASH USED IN OPERATING ACTIVITIES	(6,080)	(66,014)
FINANCING ACTIVITIES		
Share subscriptions received	-	10,000
CASH PROVIDED BY FINANCING ACTIVITIES	-	10,000
INCREASE (DECREASE) IN CASH	(6,080)	(56,014)
CASH, BEGINNING OF PERIOD	507,720	145,681
CASH, END OF PERIOD	501,640	89,667
SUPPLEMENTAL INFORMATION:		
Interest paid	–	-
Income taxes paid	–	-

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Compass Venture Capital Inc. ("the Company") was incorporated on January 02, 2020 under the Business Corporations Act (British Columbia). On January 21, 2021, the Company completed its Initial Public Offering (the "Offering") to be classified as a Capital Pool Company ("CPC") as defined in the TSX Venture Exchange ("TSX-V") Policy 2.4. The Company began trading its shares on the TSX-V under the trading symbol "CVI-P". The principal business of the Company is the identification and evaluation of assets or a business and, once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities (the "Qualifying Transaction" or "QT").

The head office of the Company is located at 1 North Bridge Road, #02-07 High Street Centre, Singapore, 179094, and the registered and records office is located at 1000 – 595 Burrard Street, Vancouver BC V7X 1S8.

The Company does not currently have operations or assets capable of generating ongoing revenues or cash flows and there is no certainty that its shares will be listed for trading or that it will complete a Qualifying Transaction (as such term is defined in the CPC Policy).

The Company has incurred losses since inception and had an accumulated deficit of $314,023 as at October 31, 2021 (July 31, 2021: $284,400). The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon finding and completing a Qualifying Transaction, obtaining additional financing or maintaining continued support from its shareholders and creditors and generating profitable operations in the future.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and the related adverse public health developments have adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The Company's operations have been negatively impacted by the pandemic. Management of the Company continues to monitor the situation and is following the protocols and rules set in place by the provincial and federal governments.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

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

Statement of compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Accounting Standards ("IAS") 34 "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB").
This condensed interim financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the audited financial statements of the Company for the year ended July 31, 2021.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of presentation

These financial statements are prepared on the historical cost basis except for certain financial instruments, which are measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. All amounts are expressed in Canadian dollars unless otherwise stated.

Significant accounting estimates and judgments

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting judgments:

i. the determination of the likelihood of utilizing tax carry-forwards and recognition of deferred income tax assets or liabilities
ii. the evaluation of the Company's ability to continue as a going concern

Accounting pronouncements not yet adopted

A number of new standards and amendments to existing standards have been issued by the IASB that are mandatory for accounting periods beginning on or after January 1, 2021, or later periods. The Company has not early adopted these new standards in preparing these financial statements. There new standards are either not applicable or are not expected to have a significant impact on the Company's financial statements.

3. SHARE CAPITAL

Authorized share capital

The Company is authorized to issue an unlimited number of common shares without par value.

Issued and outstanding common shares

At October 31, 2021, there were 10,450,000 (July 31, 2021: 10,450,000) common shares issued and outstanding.

3. SHARE CAPITAL (CONTINUED)

Escrowed shares

In conjunction with the Company's application to become a CPC, 4,950,000 shares at October 31, 2021 (July 31, 2021: 4,950,000) were held in escrow to be released in accordance with TSX Venture Exchange Policy 2.4 over a period of up to eighteen months from the date of the Final Exchange Bulletin following the completion of a Qualifying Transaction.

Stock options

The Company adopted a stock option plan (the "Plan") under which it can grant options to directors, officers, employees, and consultants. The total number of options issued and outstanding at any time cannot exceed 10% of the issued and outstanding common shares of the Company unless shareholder and regulatory approvals are obtained. Options granted under the Plan have a maximum of ten-year term and are non-transferable. Unless otherwise determined by the Board of Directors, options vest immediately upon granting.

As at October 31, 2021, there were 1,045,000 (July 31, 2021: 1,045,000) stock options issued and outstanding, with a weighted average exercise price of $0.10 and a weighted average outstanding life of 9.48 years. The Company did not issue any stock options during the three-month period ended October 31, 2021.

Warrants

As at October 31, 2021, there were 350,000 (July 31, 2021: 350,000) agent's warrants issued and outstanding. No warrants were issued during the three-month period ended October 31, 2021.

4. NET LOSS PER SHARE

The calculation of basic and diluted loss per share for the three months ended October 31, 2021 was based on the loss attributable to common shareholders of $29,623 for the period, and the weighted average number of common shares outstanding of 10,450,000.

Diluted loss per share did not include the effect of 1,045,000 stock options as they are anti-dilutive

5. RELATED PARTY BALANCE AND 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.

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include directors, the chief executive officer ("CEO") and chief financial officer ("CFO") of the Company.

There was no compensation incurred for key management personnel during the three-month period ended October 31, 2021.

At October 31, 2021, there were no balances owing to or from related parties (July 31, 2021: $Nil).

6. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which will allow it to pursue the completion of a Qualifying Transaction as defined in TSX-V Policy 2.4. Therefore, the Company monitors the level of risk incurred in its expenditures relative to its capital structure.

The Company considers its capital structure to include shareholders' equity. The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the potential underlying assets. To maintain or adjust the capital structure, the Company may issue new equity if available on favourable terms and approved by the TSX-V.

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 in aggregate may be used for reasonable general and administrative expenses of the Corporation. These restrictions apply until completion of a QT by the Company as defined under the policies of the Policy.

7. FINANCIAL INSTRUMENTS AND RISK

The Company's financial instruments consist of cash and accounts payable and accrued liabilities. The Company classifies cash as a financial asset held at amortized cost. The Company classifies accounts payable and accrued liabilities as financial liabilities, and these are held at amortized cost. The fair value of all of the Company's financial instruments approximates their carrying value.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data. The fair value of the Company's accounts payable and accrued liabilities approximates its carrying value. The Company's other financial instrument, being cash, is measured at fair value using Level 1 inputs.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

a. Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash account. Cash accounts are held with major banks in Canada. The Company has deposited its cash with a bank from which management believes the risk of loss is low.

7. FINANCIAL INSTRUMENTS AND RISK (CONTINUED)

b. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when due. As at October 31, 2021, the Company had cash of $501,640 to settle current liabilities of $24,393 which fall due for payment within 12 months.

c. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company is not exposed to market risk.

d. 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 exposed to interest rate risk, from time to time, on its cash balances. Surplus cash, if any, is placed on call with financial institutions and management actively negotiates favorable market related interest rates.