

Jesmond Capital Ltd.
(a Capital Pool Corporation)

Condensed Interim Financial Statements

**As at September 30, 2025 and December 31, 2024 and
for the three and nine months ended September 30, 2025 and 2024**

(Expressed in Canadian Dollars)

(Unaudited)

Jesmond Capital Ltd.

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

As at	September 30, 2025	December 31, 2024
Assets		
Current assets		
Cash	\$ 243,055	\$ 265,220
Prepaid expenses	2,912	-
	\$ 245,967	\$ 265,220
Liability and Shareholders' Equity		
Current liability		
Accounts payable	\$ 10,400	\$ 11,185
Shareholders' equity		
Share capital (note 5)	574,780	574,780
Share based payment reserve	84,960	84,960
Deficit	(424,173)	(405,705)
	235,567	254,035
	\$ 245,967	\$ 265,220

Approved on behalf of the board

(signed) "Stuart Olley" Director

(signed) "Gordon Chmilar" Director

The accompanying notes are an integral part of these financial statements

Jesmond Capital Ltd.

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

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Expenses				
Regulatory and filing fees	\$ 7,464	\$ 2,969	\$ 13,460	\$ 15,217
Professional fees	1,183	2,562	5,008	6,503
Total expenses	8,647	5,531	18,468	21,720
Net and comprehensive loss	\$ 8,647	\$ 5,531	\$ 18,468	\$ 21,720
Basic and diluted loss per share (note 6)	\$ -	\$ -	\$ -	\$ 0.01
Weighted average number of common shares (note 6)	3,833,000	3,833,000	3,833,000	3,833,000

The accompanying notes are an integral part of these financial statements

Jesmond Capital Ltd.

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

For the nine months ended September 30, 2025

	Shares	Share Capital	Share Based Payment Reserve	Deficit	Total
Balance, December 31, 2024	9,773,100	\$ 574,780	\$ 84,960	\$ (405,705)	\$ 254,035
Net and comprehensive loss				(18,468)	(18,468)
Balance, September 30, 2025	9,773,100	\$ 574,780	\$ 84,960	\$ (424,173)	\$ 235,567

For the nine months ended September 30, 2024

	Shares	Share Capital	Share Based Payment Reserve	Deficit	Total
Balance, December 31, 2023	9,773,100	\$ 574,780	\$ 84,960	\$ (366,545)	\$ 293,195
Net and comprehensive loss				(21,720)	(21,720)
Balance, September 30, 2024	9,773,100	\$ 574,780	\$ 84,960	\$ (388,265)	\$ 271,475

The accompanying notes are an integral part of these financial statements

Jesmond Capital Ltd.

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

	September 30,	September 30,
For the nine months ended	2025	2024
Operating activities		
Net and comprehensive loss	\$ (18,468)	\$ (21,720)
Change in non-cash working capital items		
Prepaid expenses	(2,912)	(1,775)
Accounts payable	(785)	3,438
	(22,165)	(20,057)
Net change during the period	(22,165)	(20,057)
Cash, beginning of period	265,220	301,785
Cash, end of period	\$ 243,055	\$ 281,728

The accompanying notes are an integral part of these financial statements

Jesmond Capital Ltd.

Notes to Condensed Interim Financial Statements

September 30, 2025

1. Nature of operations

Jesmond Capital Ltd. (the "**Company**") was incorporated under the *Business Corporations Act* (Alberta) on July 20, 2020. The Company maintains its head office and registered office at 1250, 639 – 5th Avenue SW., Calgary, Alberta, T2P 0M9. The Company is a Capital Pool Company ("**CPC**") as defined pursuant to Policy 2.4 of The TSX Venture Exchange (the "**TSXV**").

As a CPC, the proceeds raised by the Company from the issuance of common shares may only be used to identify and evaluate businesses and assets for future investment, and reasonable expenses relating to the Company's initial public offering, general and administrative expenses not exceeding in aggregate \$3,000 per month and relating to a proposed qualifying transaction. These restrictions apply until the completion of a Qualifying Transaction by the Company as defined under the policies of the TSXV.

The Company has not conducted commercial operations. The Company's continuing operations are dependent upon its ability to evaluate and negotiate an agreement to acquire an interest in a material asset or business. There is no assurance that the Company will be able to complete a Qualifying Transaction or that it will be able to secure the necessary financing to complete a Qualifying Transaction.

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 its ability to obtain additional financing. Such an acquisition will be subject to regulatory approval and, if required, shareholder approval.

2. Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Company's functional currency.

3. Statement of compliance

These unaudited condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting and interpretations adopted by the International Accounting Standards Board (IASB). These condensed interim financial statements follow the same accounting policies and methods of application as those used in the Company's audited financial statements for the year end December 31, 2024.

The financial statements were approved by the Board of Directors on November 25, 2025.

4. Material accounting policies

(a) Measurement uncertainty

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and

Jesmond Capital Ltd.

Notes to Condensed Interim Financial Statements

September 30, 2025

4. **Material accounting policies, continued**

disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the period.

The following are the financial statement items which are most impacted by estimation uncertainty and critical judgments in applying the accounting policies.

The Company recognizes deferred tax assets to the extent that it is probable that future taxable profits will be available to utilize the Company's deductible temporary differences which are based on management's judgement on the degree of future taxable profits. To the extent that future taxable profits differ significantly from the estimates impacts the amount of the deferred tax assets management judges is probable.

(b) Financial instruments

Recognition

The Company recognizes financial assets and financial liabilities when it becomes party to the contractual provisions of the instrument.

Classification

Financial assets are classified as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The classification of subsequently measured at amortized cost is used when the objective of the business model is hold assets and collect contractual cash flows, and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's cash is classified as a financial asset measured at fair value through profit and loss.

Financial liabilities are classified as subsequently measured at amortized cost, unless they meet the criteria for measurement at fair value or other prescribed measurement.

The Company's accounts payable are classified as a financial liability subsequently measured at amortized cost.

Measurement

Financial assets and financial liabilities classified as subsequently measured at amortized cost are initially measured at fair value plus or minus transaction costs that are directly attributable to the acquisition of the financial asset or issue of the financial liability. Subsequently the financial assets and liabilities are measured at amortized cost using the effective interest rate method.

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Notes to Condensed Interim Financial Statements

September 30, 2025

4. Material accounting policies, continued

Impairment

Financial assets classified as subsequently measured at amortized cost or fair value through other comprehensive income reflect the Company's assessment of expected credit losses. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(c) Earnings per share

The Company presents basic and diluted earnings per share data for its common shares. Basic earnings per share is calculated by dividing earnings attributable to the equity shareholders by the weighted average number of common shares outstanding during the period. All of the shares held in escrow are considered contingently returnable until the Company completes a Qualifying Transaction and, accordingly, are not considered to be outstanding shares for purposes of the calculation. Diluted earnings per share are determined by adjusting the weighted average number of common shares for the dilutive effect of share based payments using the treasury stock method. Under this method, stock options, whose exercise price is less than the average market price of the Company's common shares, are assumed to be exercised and the proceeds used to repurchase common shares at the average market price for the period.

(d) Income taxes

Income taxes are calculated using the liability method of tax allocation accounting. Temporary differences arising from the difference between the tax basis of an asset or liability and its carrying value on the statement of financial position are used to calculate deferred income tax liabilities or assets. Deferred income tax liabilities or assets are calculated using tax rates anticipated to apply in the periods that the temporary differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent it is probable that future taxable profits will be available against which they can be utilized. 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.

(e) Share based payments

Share based payments to employees are measured at the fair value of the equity instruments granted and amortized over the vesting period. Share based payments to non-employees are measured at the fair value of the good or service received or the fair value of the equity instruments issued if it is determined that the fair value of the good or service cannot be measured reliably, and are recorded at the date the good or service is received. The corresponding amount is recorded to an equity reserve. The Company estimates the fair value of options using the Black-Scholes option pricing model.

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Notes to Condensed Interim Financial Statements

September 30, 2025

4. Material accounting policies, continued

(f) Accounting standards issued but not yet adopted

IFRS 18 Presentation and disclosure in the financial statements (replacement of IAS 1)

This new standard maintains many of the current requirements for the presentation of financial statements and adds new requirements concerning the statement of profit or loss, management-defined performance measures, and the principles of aggregation and disaggregation of information. The new requirements concerning the statement of profit or loss include requiring entities to classify income and expenses included in the statement of profit or loss in one of five categories (operating, investing, financing, income taxes, discontinued operations), and prescribing that subtotals for operating profit or loss and profit or loss before financing and income taxes are presented.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier adoption permitted.

The Company is assessing the impact of the new standard on its financial statements.

Other new accounting standards and amendments to existing standards that have been issued and that the Company will be required to adopt in future years are either not applicable or are not expected to have a significant impact on the Company's financial statements.

5. Share capital

Authorized

Unlimited number of Common shares

Escrowed shares

Pursuant to an escrow agreement dated January 27, 2021 between the Company, Alliance Trust Company and certain shareholders of the Company 5,940,100 of the issued and outstanding common shares have been deposited in escrow. Upon the Company completing a Qualifying Transaction, the TSXV will issue a bulletin announcing the final acceptance, and 25% of the common shares held pursuant to the escrow agreement shall immediately be released. Every six months following the initial release an additional 25% will be released. These common shares are considered contingently returnable until the Company completes a Qualifying Transaction and, accordingly, are not considered to be outstanding shares for purposes of the calculation of loss per share.

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Notes to Condensed Interim Financial Statements

September 30, 2025

5. Share capital, continued

Stock Options

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 TSXV requirements, grant to directors, officers, employees and consultants to the Company, nontransferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares. However, other than in connection with a Qualifying Transaction, during the time that the Company is a CPC, the aggregate number of Common Shares issuable upon exercise of all options granted under the Option Plan shall not exceed 10% of the Common Shares of the Company issued and outstanding at the closing of the Company's initial public offering. Such options will be exercisable for a period of up to ten years from the date of grant.

The Board of Directors determines the exercise price per common shares, the number of options granted to individual directors, officers, employees and consultants and all other terms and conditions of the options. The Plan is subject to regulatory approval.

In connection with the closing of its IPO, the Company granted incentive options to certain officers and directors to acquire, in aggregate, 944,000 common shares at a price of \$0.10 per share each with an expiry date of February 19, 2031.

All of the outstanding incentive options are exercisable as of September 30, 2025.

6. Loss per share

Basic loss per share amounts are calculated by dividing net loss for the period attributable to ordinary equity holders of the Company by the weighted average number of common shares outstanding during the period.

The following reflects the loss and unit data used in the basic and diluted loss per share computations:

<u>Nine months ended</u>	<u>September 30, 2025</u>
Net loss available to common shareholders	
(numerator)	\$ (18,468)
Effect of shares outstanding during the period	9,773,100
Effect of escrowed shares	(5,940,100)
	<u>3,833,000</u>
<u>Loss per share (basic and diluted)</u>	<u>\$ (0.00)</u>

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Notes to Condensed Interim Financial Statements

September 30, 2025

6. Loss per share, continued

Nine months ended	September 30, 2024
Net loss available to common shareholders (numerator)	\$ (21,720)
Effect of shares outstanding during the period	9,773,100
Effect of escrowed shares	(5,940,100)
	3,833,000
Loss per share (basic and diluted)	\$ (0.01)

The Company has excluded potential common share equivalents, comprised of incremental shares from stock options calculated using the treasury method from the loss per share calculation, as they were anti-dilutive.

7. Related party transactions

A director and shareholder of the Company is a founder of the law firm Modern Finance Law. At September 30, 2025, \$8,239 (December 31, 2024 - \$5,051) has been accrued in respect of services provided by Modern Finance Law and is included in accounts payable.

8. Financial instruments

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

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. Accounts payable generally have contractual maturities of less than thirty days and are subject to normal trade terms.

9. Capital management

The Company defines capital as total equity which was \$235,567 at September 30, 2025. The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern and to have sufficient capital to be able to identify, evaluate and then acquire an interest in a business or assets.

The Company does not have any externally imposed capital requirements to which it is subject other than the restriction on the use of cash as referred to in Note 1.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares.