

ROSHNI CAPITAL INC.
(A Capital Pool Company)

Condensed Interim Financial Statements

For the three and nine months ended September 30, 2024 and 2023

(Expressed in Canadian Dollars - Unaudited)

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Condensed Interim Financial Statements

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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.

ROSHNI CAPITAL INC.

(A Capital Pool Company)

Condensed Interim Statements of Financial Position

(Expressed in Canadian Dollars - Unaudited)

	Note	September 30, 2024	December 31, 2023
		\$	\$
ASSETS			
Current			
Cash and cash equivalents		398,469	427,726
Amounts receivable		4,403	598
TOTAL ASSETS		402,872	428,324
LIABILITIES			
Current			
Accounts payable and accrued liabilities	3	7,537	28,803
SHAREHOLDERS' EQUITY			
Share capital	4	548,150	548,150
Reserves	5	85,941	85,941
Accumulated deficit		(238,756)	(234,570)
		395,335	399,521
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		402,872	428,324

Nature of operations (Note 1)

Approved on behalf of the Board of Directors on November 29, 2024:

 "Pritpal Singh"
 Director, CEO

 "Eyal Ofir"
 Director, CFO

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

ROSHNI CAPITAL INC.

(A Capital Pool Company)

Condensed Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars - Unaudited)

		For the three months ended September 30,		For the nine months ended September 30,	
	Note	2024	2023	2024	2023
		\$	\$	\$	\$
Expenses					
Office and general		76	-	152	-
Professional fees	6	998	696	6,522	9,814
Transfer agent and filing fees		4,491	1,563	10,310	8,140
		(5,565)	(2,259)	(16,984)	(17,954)
Other item					
Interest income		4,937	-	12,798	-
Net income (loss) and comprehensive income (loss) for the period		(628)	(2,259)	(4,186)	(17,954)
Basic and diluted loss per share		(0.00)	(0.00)	(0.00)	(0.00)
Weighted average number of common shares outstanding		8,000,000	8,000,000	8,000,000	8,000,000

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

ROSHNI CAPITAL INC.

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Condensed Interim Statements of Cash Flows

(Expressed in Canadian Dollars - Unaudited)

	For the nine months ended September 30,	
	2024	2023
	\$	\$
Cash flows used in operating activities		
Net loss for the period	(4,186)	(15,419)
Adjustments for non-cash items		
Changes in non-cash working capital item		
Prepays	-	(1,564)
Amounts receivable	(3,805)	(2,535)
Accounts payable and accrued liabilities	(21,266)	(17,827)
	(29,257)	(37,345)
Net change in cash and cash equivalents	(29,257)	(37,345)
Cash and cash equivalents, beginning of period	427,726	459,764
Cash and cash equivalents, end of period	398,469	422,419

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ROSHNI CAPITAL INC.

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Condensed Interim Statements of Changes in Shareholder's Equity

(Expressed in Canadian Dollars - Unaudited)

	Number of Shares Issued	Share Capital	Reserves	Accumulated Deficit	Total
		\$	\$	\$	\$
Balance at December 31, 2022	8,000,000	548,150	85,941	(199,127)	434,964
Net loss for the period	-	-	-	(15,419)	(15,419)
Balance at September 30, 2023	8,000,000	548,150	85,941	(214,546)	419,545
Net loss for the period	-	-	-	(20,024)	(20,024)
Balance at December 31, 2023	8,000,000	548,150	85,941	(234,570)	399,521
Net loss for the period	-	-	-	(4,186)	(4,186)
Balance at September 30, 2024	8,000,000	548,150	85,941	(238,756)	395,335

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

ROSHNI CAPITAL INC.

(A Capital Pool Company)

Notes to Condensed Interim Financial Statements

For the three and nine months ended September 30, 2024 and 2023

(Expressed in Canadian Dollars - Unaudited)

1. NATURE OF OPERATIONS

Roshni Capital Inc. (the "Company") was incorporated under the Business Corporations Act (Ontario) on May 12, 2021. On December 8, 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. On December 29, 2021, the Company began trading its shares on the TSX-V under the trading symbol "ROSH.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" ("QT")).

The Company's head office, principal address and registered and records office is located at 2185 Rosemount Crescent, Oakville, Ontario, L6M 3P4.

2. MATERIAL ACCOUNTING POLICIES

The following is a summary of significant accounting policies used in the preparation of these 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 years ended December 31, 2023 and 2022.

These financial statements are authorized for issuance by the Board of Directors on November 29, 2024.

Basis of presentation

These condensed interim financial statements of the Company have been prepared on an accrual basis and are based on historical costs, except for certain financial assets and liabilities that are measured at fair value. The financial statements are presented in Canadian dollars, which is the Company's functional and presentation currency, unless otherwise noted.

Significant estimates and judgments

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 determination of deferred income tax assets or liabilities requires subjective assumptions regarding future income tax rates and the likelihood of 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.

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2. MATERIAL ACCOUNTING POLICIES (continued)**Accounting pronouncements not yet adopted**

The following new standards, amendments to standards and interpretations have been issued but are not effective during the year ended August 31, 2024. The following amendments will be in effect for annual reporting periods beginning on or after January 1, 2024:

In January 2020, the IASB issued amendments to IAS 1, Presentation of Financial Statements, to provide a more general approach to the presentation of liabilities as current or non-current based on contractual arrangements in place at the reporting date.

These amendments:

- Specify that the rights and conditions existing at the end of the reporting period are relevant in determining whether the Company has a right to defer settlement of a liability by at least twelve months;
- Provide that management's expectations are not relevant consideration as to whether the Company will exercise its rights to defer settlement of a liability; and
- Clarify when a liability is considered settled.

On October 31, 2022, the IASB issued a deferral of the effective date for the new guidance by one year to annual reporting periods beginning on or after January 1, 2024, and is to be applied retrospectively. The Company has not yet determined the impact of these amendments on its consolidated financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

The Company has not yet determined the impact of these amendments on its financial statements.

3. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2024	December 31, 2023
Trade accounts payable	4,537	9,303
Accrued liabilities	3,000	19,500
	7,537	28,803

4. SHARE CAPITAL**Authorized share capital**

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

Issued shares

During the nine months ended September 30, 2024 and the year ended December 31, 2023 the Company did not issue any common shares.

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4. SHARE CAPITAL (continued)

As at September 30, 2024, the Company has 3,300,000 shares subject to escrow restrictions. The escrowed shares will be released from escrow in tranches over 18 months or a period of time from the Company completing a QT based on the qualifications of the target, whichever is longer.

5. RESERVES**Share options**

The Company ratified 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 totalling 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.

The Company did not have any share option transactions during the nine months ended September 30, 2024 and the year ended December 31, 2023.

A summary of the share options outstanding and exercisable at September 30, 2024 and December 31, 2023 is as follows:

Number outstanding and exercisable	Exercise price	Expiry date
	\$	
300,000	0.05	November 9, 2031
500,000	0.10	December 8, 2031
800,000		

The weighted average life of the outstanding share options is 7.16 years (December 31, 2023 – 7.92 years).

Agents' options

The Company did not have any agent's option transactions during the nine months ended September 30, 2024 and the year ended December 31, 2023.

A summary of the agents' options outstanding and exercisable at September 30, 2024 and December 31, 2023 is as follows:

Number outstanding and exercisable	Exercise price	Expiry date
	\$	
446,250	0.10	December 8, 2024

The weighted average life of the outstanding agents' options is 0.19 years (December 31, 2023 – 0.94 years).

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6. 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. The Company considers its officers and directors to be its key management personnel.

Summary of key management personnel compensation:

	For the nine months ended	
	2024	September 30, 2023
	\$	\$
Professional fees	4,750	6,370
	4,750	6,370

As at September 30, 2024, \$4,474 (December 31, 2023 - \$4,474) was included in accounts payable and accrued liabilities owing to a law firm, which a director of the Company is a partner of for legal fees.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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. Cash and cash equivalents are 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 of loss if a third party to a financial instrument fails to meet its commercial obligations. The Company believes its exposure to credit risk is not significant.

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. Accounts payable and accrued liabilities are due within the current operating period. As at September 30, 2024, the Company has a cash and cash equivalents balance of \$398,469 to settle current liabilities of \$7,537.

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.

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7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT(continued)**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. None of the Corporation's financial instruments bear interest; therefore, management believes that the Corporation is not exposed to any significant interest rate risk.

8. CAPITAL DISCLOSURE AND 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 favorable terms and approved by the TSX-V.

As a CPC, the Company will be subject to externally imposed capital requirements as outlined in the TSX-V Policy 2.4 and summarized below (subject in each case to the exceptions set forth in TSX-V Policy 2.4):

- (a) No salary, consulting, management fees or similar remuneration of any kind may be paid directly or indirectly to a related party of the Company or a related party of a QT;
- (b) No more than \$3,000 per month may be used for purposes other than to identify and evaluate a QT;
- (c) After the completion of its IPO and until the completion of a QT, a CPC may not issue any securities unless written acceptance of the TSX-V is obtained before the issuance of the securities.

There were no changes in the Company's approach to capital management during the nine months ended September 30, 2024.