FG Acquisition Corp.

Financial Statements

For the years ended December 31, 2023
and December 31, 2022

Independent Auditor's Report

To the Shareholders of FG Acquisition Corp.:

Opinion

We have audited the financial statements of FG Acquisition Corp. (the "Company"), which comprise the statements of financial position as at December 31, 2023 and December 31, 2022, and the statements of loss and comprehensive loss, changes in shareholders' equity (deficiency) and cash flows for the years then ended, and notes to the financial statements, including a material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and December 31, 2022, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates the Company's dependence on the continued support of its Sponsor and/or the completion of the Qualifying Transaction. As stated in Note 1, these events or conditions indicate that material uncertainties exist that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter Description	*Audit Response*
Valuation of Sponsor and OTM Warrants Refer to note 3 – Material accounting policies, note 8 – Warrants Liability. We considered this a key audit matter due to the significant judgment exercised by management in determining the fair value of Sponsor Warrants and OTM Warrants. Application of the option-pricing model requires estimates, which included expected volatility and the expected life of the respective Sponsor and OTM warrants. This, in turn, led to a high degree of auditor judgment in performing procedures to assess management's fair value of these financial instruments.	We responded to this matter by performing audit procedures over valuation of OTM and Sponsor Warrants. Our audit work in relation to this included, but was not restricted to, the following: • Obtain third party confirmation of OTM and Sponsor warrants outstanding at year end. • Involve MNP Valuation specialists to test how management measured the value of the Sponsor and OTM Warrants at year end using an option-pricing model, which included the following: - Evaluated the appropriateness of the option-pricing model by involving internal valuation specialists and tested the mathematical accuracy thereof. - Tested the underlying data used in the option-pricing model. - Evaluated the reasonableness of the expected volatility in the underlying assets by comparing it to volatility rates of companies having businesses similar to the Corporation; and - Evaluated the reasonableness of the expected life of the Sponsor and OTM Warrants based on the terms of the Sponsor and OTM Warrants and discussions with management. • Ensure appropriate disclosures are made in the financial statements in accordance with IFRS 7.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Murad Bhimani.

MNP LLP

Toronto, Ontario
March 27, 2024

Chartered Professional Accountants
Licensed Public Accountants

FG Acquisition Corp.
Statements of Financial Position
(expressed in U.S. dollars)

	Note	As at December 31, 2023	As at December 31, 2022
ASSETS			
Current			
Cash		$ 171,885	$ 680,325
Deferred costs		-	157,500
Funds Held in Escrow	6	2,504,124	116,677,634
Prepaids	5	65,230	318,163
Deferred tax asset		584,386	223,041
TOTAL ASSETS		**3,325,625**	**118,056,663**
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)			
Current liabilities			
Deferred Underwriting Commission	1	4,232,000	4,232,000
Accounts payable and accrued expenses		1,462,148	25,377
Current tax liability		1,356,390	223,041
Class A Restricted Voting Shares subject to redemption	7	1,002,454	113,850,000
Warrant liability - IPO	8	6,325,000	7,187,500
Warrant liability - Sponsor	8	4,393,500	4,567,500
Warrant liability - OTM	8	1,425,000	1,440,000
TOTAL LIABILITIES		20,196,492	131,525,418
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Share Capital	9	23,489	23,489
Accumulated deficit		(16,894,356)	(13,492,244)
TOTAL SHAREHOLDERS' EQUITY (DEFICIENCY)		(16,870,867)	(13,468,755)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$ 3,325,625**	**$ 118,056,663**

Note 1, Corporation Information and Going Concern
Note 14, Subsequent Event

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS:

“Hassan Raza Baqar”
DIRECTOR

“Andrew B. McIntyre”
DIRECTOR

The accompanying notes are an integral part of these financial statements

FG Acquisition Corp.
Statements of Loss and Comprehensive Loss
(expressed in U.S. dollars)

	Note	Twelve Months Ended December 31, 2023	Twelve months endec December 32, 2022
INCOME			
Interest income	6	$ 2,639,053	$ 1,677,634
EXPENSES			
General and administrative expenses	10	772,044	402,358
Transaction expenses	10	1,565,121	7,222,400
Loss on change in the fair value of financial liabilities	7,8	3,704,000	7,545,000
Total Expenses		6,041,165	15,169,758
Net (loss) and comprehensive (loss) for the year		$ (3,402,112)	$ (13,492,124)
(LOSS) PER SHARE			
(Loss) Per Class B Share, basic and diluted		$ (1.18)	$ (6.26)
Weighted average number of Class B Shares outstanding, basic and diluted		2,875,000	2,156,250

The accompanying notes are an integral part of these financial statements

FG Acquisition Corp.
Statements of Shareholders' Equity (Deficiency)

(expressed in U.S. dollars, except for number of shares outstanding amounts)

	Number		Amount		Accumulated Deficit		Total Shareholders' Equity (Deficiency)
Balance at December 31, 2021	**1**	**$**	**1**	**$**	**(120)**	**$**	**(119)**
Issuance of Class B Common Shares	2,874,999		24,999		-		24,999
Class B Common Shares Transaction Costs	-		(1,511)		-		(1,511)
Net loss for the year	-		-		(13,492,124)		(13,492,124)
Balance at December 31, 2022	**2,875,000**		**23,489**		**(13,492,244)**		**(13,468,755)**

	Number		Amount		Accumulated Deficit		Total Shareholders' Equity (Deficiency)
Balance at December 31, 2022	**2,875,000**	**$**	**23,489**	**$**	**(13,492,244)**	**$**	**(13,468,755)**
Net loss for the year	-		-		(3,402,112)		(3,402,112)
Balance at December 31, 2023	**2,875,000**		**23,489**		**(16,894,356)**		**(16,870,867)**

The accompanying notes are an integral part of these financial statements

FG Acquisition Corp.
Statements of Cash Flows

(expressed in U.S. dollars)

	Note	Twelve Months Ended December 31, 2023	Twelve months Ended December 31, 2022
OPERATING ACTIVITIES			
Net (loss) for the year		**$ (3,402,112)**	**$ (13,492,124)**
Non-cash items			
Loss on change in fair value of financial liabilities	7,8	3,704,000	7,545,000
Transaction costs associated with financing activities	10	-	7,222,400
Changes in operating assets and liabilities			
Prepaids	5	252,933	(318,163)
Accounts Payable and accrued liabilities	10	1,436,771	1,079
Deferred costs		157,500	(133,322)
Current tax liability		(481,235)	-
Cash flows provided (used) by operating activities		**1,667,857**	**824,870**
FINANCING ACTIVITIES			
Proceeds from sale of Class B Shares	9	-	24,999
Proceeds from sale of Sponsor Warrants	8	-	4,350,000
Proceeds from sale of OTM Warrants	8	-	150,000
(Distribution) proceeds from (redemption) sale of Class A Restricted Voting Units	7	(116,349,807)	115,000,000
Transaction costs	10	-	(2,991,911)
Cash flows (used) provided by financing activities		**(116,349,807)**	**116,533,088**
INVESTING ACTIVITIES			
Funds held in escrow	6	114,173,510	(116,677,634)
Cash flows provided (used) in investing activities		**$ 114,173,510**	**$ (116,677,634)**
Net (decrease) increase in cash during the year		**$ (508,440)**	**$ 680,324**
Cash, beginning of year		**$ 680,325**	**$ 1**
Cash, end of year		**$ 171,885**	**$ 680,325**

The accompanying notes are an integral part of these financial statements

NOTE 1. CORPORATE INFORMATION AND GOING CONCERN

FG Acquisition Corp. (the **"Corporation"**) is a special purpose acquisition corporation **("SPAC"**) incorporated under the laws of the Province of British Columbia for the purpose of effecting, directly or indirectly, an acquisition of one or more businesses or assets, by way of a merger, amalgamation, arrangement, share exchange, asset acquisition, share purchase, reorganization, or any other similar business combination involving the Corporation (a **"Qualifying Acquisition"**). The Corporation will search for target businesses within the financial services sector. However, there is not a limitation to a particular industry or geographic region for purposes of completing a qualifying acquisition.

The Corporation was incorporated on October 25, 2021 under the *Business Corporations Act* (British Columbia), and is domiciled in Canada. The registered head office of the Corporation is located at 510 West Georgia Street, Suite 1800, Vancouver, BC V6B 0M3.

FGAC Investors LLC and CG Investments VII Inc. (together, the **"Sponsors"**) are the Sponsors of the Corporation.

The Corporation's ability to continue as a going concern is dependent upon the continued support of its Sponsors, and upon the completion of the Qualifying Transaction or on the approval of an extension of the Permitted Timeline should the Qualifying Transaction not be completed by July 5, 2024. In the event a Qualifying Transaction does not occur, the escrowed cash will be returned to Class A Restricted Voting unit holders and the Sponsors will have no recourse against the escrowed cash. These conditions represent material uncertainties that may cast significant doubt upon the Corporation's ability to continue as a going concern. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Corporation be unable to continue as a going concern. If the Corporation is not able to continue as a going concern, the Corporation may 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 these financial statements. These differences could be material.

On March 28, 2022, the Corporation filed its Final Prospectus (**"Final Prospectus"**) with the securities regulatory authorities in each of the provinces and territories of Canada, other than Quebec, in respect of the Corporation's proposed initial public offering (the "**Offering**") of 10,000,000 Class A restricted voting units (the "**Class A Restricted Voting Units**") at a price of $10.00 per Class A Restricted Voting Unit for aggregate gross proceeds of $100,000,000.

On April 1, 2022, in connection with the Offering, the Sponsors purchased an aggregate of 2,874,999 Class B shares (the "**Class B Shares**") in the capital of the Corporation for an aggregate purchase price of $24,999. Upon closing of the Qualifying Acquisition, each Class B Share will be automatically converted on a 100-for-1 basis into new proportionate voting shares of the Corporation (the "**Proportionate Voting Shares**"), as set forth in the notice of articles and articles of the Corporation, available on SEDAR+ - Landing Page (sedarplus.ca). No Proportionate Voting Shares will be issued during the period after Closing and prior to the closing of the Qualifying Acquisition.

On April 5, 2022, the Corporation closed its Offering for gross proceeds of $100,000,000 and the Class A Restricted Voting Units began trading on the Toronto Stock Exchange (the "**Exchange**") under the symbol "FGAA.V". Each Class A Restricted Voting Unit consists of one Class A restricted voting share (a "**Class A Restricted Voting Share**") and one-half of a share purchase warrant (each whole warrant, an "**IPO Warrant**"). The Class A Restricted Voting Units initially traded as a unit on the Exchange, but the Class A Restricted Voting Shares and the IPO Warrants began trading separately 40 days following the closing of the Offering ("**Closing**"). On or immediately following completion of the Qualifying Acquisition, each Class A Restricted Voting Share (unless previously redeemed) will be automatically converted into a common share in the capital of the Corporation (each, a "**Common Share**"). No Common Shares will be issued during the period after Closing and prior to the closing of the Qualifying Acquisition. The IPO Warrants will become exercisable, at an exercise price of $11.50, commencing 65 days after the completion of the

NOTE 1. CORPORATE INFORMATION AND GOING CONCERN *(continued)*

Qualifying Acquisition and will expire at 5:00 p.m. (Toronto time) on the day that is five years after the completion of the Qualifying Acquisition or earlier if a Qualifying Acquisition is not completed within the Permitted Timeline (as defined herein) or if the expiry date is accelerated.

The IPO Warrants shall contain a right (the "**Warrant Put Rights**") to require the Sponsors to acquire such IPO Warrants (other than those held by the Corporation's Sponsors) in connection with a Qualifying Acquisition or upon the liquidation and cessation of the business of the Corporation (a "**Winding-Up**"), for $1.25 per IPO Warrant. In connection with a Qualifying Acquisition, holders of IPO Warrants exercising such Warrant Put Right shall be required to deposit all or a portion of their IPO Warrants prior to the deadline set by the Corporation. Holders of IPO Warrants shall be provided not less than 21 days' notice nor more than 60 days' notice of such deadline. Warrant Put Rights shall be automatically exercised in connection with a Winding-Up. The applicable IPO Warrants shall be acquired by the Sponsors, subject to applicable law, immediately prior to the closing of the Qualifying Acquisition or in connection with a Winding-Up, as applicable. To facilitate the transfer of the IPO Warrants to the Sponsors pursuant to the Warrant Put Rights, concurrently with Closing, the Sponsors deposited $6,250,000 (the "**Warrant Put Rights Escrow Amount**") with TSX Trust Company (the "**Escrow Agent**") in accordance with the warrant agency agreement dated April 5, 2022 among the Corporation, TSX Trust Company, as the warrant agent, and the Sponsors (the "**Warrant Agreement**"). The Warrant Put Rights Escrow Amount deposited with the Escrow Agent will be required to be invested in permitted investments, being U.S. dollar denominated cash or in book based securities, negotiable instruments, investments or securities which evidence: obligations issued or fully guaranteed by the Government of Canada, the Government of the United States of America or any Province of Canada or State of the United States of America. The Sponsors intend to invest Warrant Put Rights Escrow Amount deposited with the Escrow Agent only in instruments that are the obligation of, or guaranteed by, the federal or provincial/state governments of Canada and the United States of America.

The Corporation granted Canaccord Genuity Corp. and Raymond James Ltd. (together, the "**Underwriters**"), a 30-day option following Closing to purchase up to an additional 1,500,000 Class A Restricted Voting Units, at a price of $10.00 each (the "**Over-Allotment Option**") for additional aggregate proceeds of up to $15,000,000 to cover over-allotments, if any, and for market stabilization purposes.

If the Corporation is unable to consummate a Qualifying Acquisition within the permitted timeline of 15 months (the "**Permitted Timeline**") from the date of Closing, subject to any extension as described below, the Corporation will be required to redeem each of the outstanding Class A Restricted Voting Shares, for an amount per share, payable in cash, equal to the pro-rata portion (per Class A Restricted Voting Share) of: (A) the escrowed funds available in the escrow account established for the purpose of holding the proceeds of the Offering pursuant to the terms of the escrow agreement (the "**Escrow Agreement**") dated as of the date of Closing between the Corporation, the Escrow Agent and the Underwriters (the "**Share Escrow Account**"), including any interest and other amounts earned thereon, less (B) an amount equal to the total of (i) any applicable taxes payable by the Corporation on such interest and other amounts earned in the Share Escrow Account, (ii) any taxes of the Corporation (including under Part VI.1 of the *Income Tax Act* (Canada) (the "**Tax Act**")) arising in connection with the redemption of the Class A Restricted Voting Shares, and (iii) up to a maximum of $100,000 of interest and other amounts earned from the proceeds in the Share Escrow Account to pay actual and expected Winding-Up expenses and certain other related costs (as described in the Final Prospectus), each as reasonably determined by the Corporation, and the Warrant Put Rights shall be automatically exercised. The Underwriters will have no right to the Deferred Amount (as defined herein) in such circumstances.

NOTE 1. CORPORATE INFORMATION AND GOING CONCERN *(continued)*

Such Permitted Timeline, however, could be extended to up to 36 months with shareholder approval of the holders of Class A Restricted Voting Shares, by ordinary resolution, with approval by the Corporation's board of directors. If such approvals are obtained, holders of Class A Restricted Voting Shares, irrespective of whether such holders vote for or against, or do not vote on, the extension of the Permitted Timeline, would be permitted to deposit all or a portion of their Class A Restricted Voting Shares for redemption prior to the second business day before the shareholders' meeting in respect of the extension. Upon the requisite approval of the extension of the Permitted Timeline, and subject to applicable law, the Corporation will be required to redeem such Class A Restricted Voting Shares so deposited at an amount per share, payable in cash, equal to: (A) the pro-rata portion (per Class A Restricted Voting Share) of: (i) the escrowed funds available in the Share Escrow Account at the time of the meeting in respect of the extension, including any interest and other amounts earned thereon, less (ii) an amount equal to the total of (a) any applicable taxes payable by the Corporation on such interest and other amounts earned in the Share Escrow Account and (b) actual and expected expenses directly related to the redemption (and for greater certainty, such amount will not be reduced by the deferred underwriting commissions per Class A Restricted Voting Share held in the Share Escrow Account), each as reasonably determined by the Corporation, less (B) any taxes of the Corporation (including under Part VI.1 of the Tax Act), as reasonably determined by the Corporation, arising in connection with the redemption of the Class A Restricted Voting Shares divided by the number of shares being redeemed. The Warrant Put Rights shall not be exercisable in connection with an extension of the Permitted Timeline.

Notwithstanding the foregoing redemption rights, each holder of Class A Restricted Voting Shares, together with any affiliate of such holder or other person with whom such holder or affiliate is acting jointly or in concert, will not be permitted to redeem a number of Class A Restricted Voting Shares that is more than 15% of the aggregate number of Class A Restricted Voting Shares issued and outstanding following Closing. This limitation will not apply in the event a Qualifying Acquisition does not occur within the Permitted Timeline, or in the event of an extension to the Permitted Timeline.

Simultaneously with Closing, the Sponsors purchased 4,150,000 share purchase warrants (the "**Sponsors' Warrants**") at a price of $1.00 per Sponsors' Warrant and 1,500,000 out of money share purchase warrants (the "**OTM Warrants**") at a price of $0.10 per OTM Warrant. The OTM Warrants and the Sponsors' Warrants will become exercisable 65 days after the completion of the Qualifying Acquisition. Each OTM Warrant will entitle the holder to purchase one Class A Restricted Voting Share at a price of $15.00 for a period of ten years after the completion of a Qualifying Acquisition. Each Sponsors' Warrant will entitle the holder to purchase one Class A Restricted Voting Share at a price of $11.50 for a period of five years after the completion of a Qualifying Acquisition.

The Class A Restricted Voting Shares may be considered "restricted securities" within the meaning of such term under applicable Canadian securities laws. Prior to the completion of the Qualifying Acquisition, holders of the Class A Restricted Voting Shares would not be entitled to vote at (or receive notice of or meeting materials in connection with) meetings held only to consider the election and/or removal of directors and auditors. The holders of the Class A Restricted Voting Shares would, however, be entitled to vote on and receive notice of meetings on all other matters requiring shareholder approval (including the proposed Qualifying Acquisition, if required under applicable law, and any proposed extension to the Permitted Timeline) other than the election and/or removal of directors and auditors prior to closing of a Qualifying Acquisition. In lieu of holding an annual meeting prior to the closing of the Qualifying Acquisition, the Corporation is required to provide an annual update on the status of identifying and securing a Qualifying Acquisition by way of a press release.

NOTE 1. CORPORATE INFORMATION AND GOING CONCERN *(continued)*

Simultaneously with Closing, pursuant to the transfer restrictions agreement and undertaking dated April 5, 2022 and entered into by the Sponsors in favour of the Exchange (the "**Exchange Agreement and Undertaking**"), the Sponsors agreed not to transfer any of their Class B Shares, Sponsors' Warrants or OTM Warrants until after the closing of the Qualifying Acquisition, in each case other than transfers required due to the structuring of the Qualifying Acquisition or unless otherwise permitted by the Exchange. Any Class A Restricted Voting Shares and/or IPO Warrants purchased by the Sponsors would not be subject to the restrictions set out in the Exchange Agreement and Undertaking. The Class B Shares, Sponsors' Warrants and OTM Warrants purchased by the Sponsors pursuant to the Final Prospectus will not be subject to relinquishment based on performance.

Upon Closing, an aggregate of $100,000,000 from the sale of the Class A Restricted Voting Units, or U.S.$10.00 per Class A Restricted Voting Unit sold to the public, was deposited in the Share Escrow Account, in accordance with the Escrow Agreement. Based on the initial $100,000,000 placed in escrow and an interest rate of approximately 0.3% per annum, if the Share Escrow Account remains in place over the 15 months following the Closing (and no Qualifying Acquisition has been completed and the Permitted Timeline has not otherwise been extended), the cash held in escrow is expected to grow from the initial U.S.$10.00 per Class A Restricted Voting Unit sold to the public to approximately U.S.$10.04 per Class A Restricted Voting Share, before applicable taxes and other permitted deductions. Subject to applicable law and payment of certain taxes, permitted redemptions and certain expenses, as further described herein, none of the funds held in the Share Escrow Account will be released to the Corporation prior to the closing of a Qualifying Acquisition.

Following the closing of the Qualifying Acquisition, the Corporation intends to use a portion of the balance of the non-redeemed Class A Restricted Voting Shares' portion of the Share Escrow Account (less tax liabilities on amounts earned on the escrowed funds and certain expenses directly related to redemptions) to pay the Underwriters the balanced of the agreed underwriting commission, being 3.5% of the gross proceeds of the Offering, which is only payable upon the closing of the Qualifying Acquisition (the "**Deferred Amount**"). If the Qualifying Acquisition is closed and the Share Escrow Account is released, any shortfall in respect of the Deferred Amount shall be made up from other sources of capital available to the Corporation. The per share amount the Corporation will distribute to holders of Class A Restricted Voting Shares who properly redeem their shares will not be reduced by the Deferred Amount the Corporation will pay to the Underwriters.

As 100% of the gross proceeds of the Offering and any additional equity raised pursuant to a rights offering will be held by the Escrow Agent in the Share Escrow Account, shareholder approval of the Qualifying Acquisition is not required pursuant to the Exchange rules. As such, and unless shareholder approval is otherwise required under applicable law, including in the event of an arrangement or amalgamation of the Corporation, the Corporation will: (i) prepare and file with applicable securities regulatory authorities a prospectus containing disclosure regarding the Corporation and its proposed Qualifying Acquisition; (ii) mail a notice of redemption to the holders of the Class A Restricted Voting Shares and make the final prospectus publicly available at least 21 days prior to the deadline for redemption; and (iii) send by prepaid mail or otherwise deliver the prospectus to the holders of the Class A Restricted Voting Shares no later than midnight (Toronto time) on the second business day prior to the deadline for redemption, which delivery may be effected electronically in compliance with National Policy 11-201 – *Electronic Delivery of Documents*.

NOTE 1. CORPORATE INFORMATION AND GOING CONCERN *(continued)*

The gross proceeds from the Offering will be held in escrow following the Closing to enable the Corporation to (i) satisfy redemptions made by holders of Class A Restricted Voting Shares (including in the event of a Qualifying Acquisition or an extension to the Permitted Timeline, or in the event a Qualifying Acquisition does not occur within the Permitted Timeline), (ii) fund the Qualifying Acquisition with the net proceeds following payment of any such redemptions and the Deferred Amount and/or (iii) pay taxes on amounts earned on the escrowed funds and certain permitted expenses. Such escrowed funds and all amounts earned thereon, subject to such obligations and applicable law, will be assets of the Corporation.

The Warrant Put Rights Escrow Amount will be held in escrow following the Closing to facilitate payments to the holders of IPO Warrants exercising the Warrant Put Right in connection with a Qualifying Acquisition or to the holders of IPO Warrants upon the occurrence of a Winding-Up. Such escrowed funds and all amounts earned thereon, subject to such obligations and applicable law, will be assets of the Sponsors. In the event the Corporation completes a Qualifying Acquisition, any portion of the Warrant Put Rights Escrow Amount that is not paid to the holders of IPO Warrants upon the exercise of Warrant Put Rights shall be returned to the Sponsors in accordance with the Warrant Agreement.

In connection with the completion of a Qualifying Acquisition, the Corporation will provide holders of Class A Restricted Voting Shares with the opportunity to redeem all or a portion of their Class A Restricted Voting Shares, provided that they deposit their shares for redemption prior to the deadline specified by the Corporation, following public disclosure of the details of the Qualifying Acquisition and prior to the closing of the Qualifying Acquisition, of which prior notice had been provided to the holders of the Class A Restricted Voting Shares by any means permitted by the Exchange, not less than 21 days nor more than 60 days in advance of such deadline, in each case, with effect, subject to applicable law, immediately prior to the closing of the Qualifying Acquisition, for an amount per share, payable in cash, equal to the pro rata portion (per Class A Restricted Voting Share) of: (A) the escrowed funds available in the Share Escrow Account at the time immediately prior to the redemption deposit deadline, including interest and other amounts earned thereon; less (B) an amount equal to the total of (i) any applicable taxes payable by the Corporation on such interest and other amounts earned in the Share Escrow Account, and (ii) actual and expected expenses directly related to the redemption, each as reasonably determined by the Corporation, subject to the limitations described in the Final Prospectus. For greater certainty, such amount will not be reduced by the amount of any tax of the Corporation under Part VI.1 of the Tax Act or the Deferred Amount per Class A Restricted Voting Share held in the Share Escrow Account. If approval of the Qualifying Acquisition by shareholders' is otherwise required under applicable law, including in the event of an arrangement or amalgamation of the Corporation, holders of Class A Restricted Voting Shares shall have the option to redeem their Class A Restricted Voting Shares irrespective of whether they vote for or against, or do not vote on, the Qualifying Acquisition at any shareholders' meeting. Holders of Class A Restricted Voting Shares will be given not less than 21 days' notice of such shareholders' meeting (if such meeting is required under applicable law, including in the event of an arrangement or amalgamation of the Corporation) and of the corresponding redemption deposit deadline if such meeting is required. Participants through CDS Clearing and Depositary Services Inc. ("**CDS**") may have earlier deadlines for beneficial holders to make deposits of Class A Restricted Voting Shares for redemption. If a CDS participant's deadline is not met by a holder of Class A Restricted Voting Shares, such holder's Class A Restricted Voting Shares may not be eligible for redemption.

NOTE 1. CORPORATE INFORMATION AND GOING CONCERN *(continued)*

Following completion of the Qualifying Acquisition, the Proportionate Voting Shares into which the Class B Shares are convertible, the Sponsors' Warrants and OTM Warrants, and the shares issuable on exercise of such Sponsors' Warrants and OTM Warrants may be subject to certain sale or transfer restrictions in accordance with applicable securities laws. The Sponsors will not be entitled to redeem the Class B Shares, or to exercise the Warrant Put Right in respect of their Sponsors' Warrants or OTM Warrants, in connection with a Qualifying Acquisition or an extension to the Permitted Timeline or entitled to access the escrow accounts should a Qualifying Acquisition not occur within the Permitted Timeline, as further described herein. The Sponsors (and, as applicable, the Corporation's directors and officers) will, however, participate in any liquidation distribution with respect to any Class A Restricted Voting Shares they may acquire in connection with or following the Offering through possible purchases on the secondary market.

On April 5, 2022, the Corporation entered into an administrative services agreement with FGAC Investors LLC, pursuant to which the Corporation will pay FGAC Investors LLC a fee of $10,000 (plus applicable taxes) per month in exchange for FGAC Investors LLC, as a Sponsor, providing certain services to the Corporation to help effect the Qualifying Acquisition, including but not limited to, various administrative, managerial and/or operational services.

On April 20, 2022, the Underwriters fully exercised the Over-Allotment Option. Pursuant to the exercise of the Over-Allotment Option, on April 20, 2022, the Corporation issued 1,500,000 Class A Restricted Voting Units for aggregate proceeds of $15,000,000, and the Sponsors purchased an additional 200,000 Sponsors' Warrants for an aggregate purchase price of $200,000 and deposited an additional $937,500 with the Escrow Agent pursuant to the Warrant Agreement to facilitate the transfer of the IPO Warrants to the Sponsors pursuant to the Warrant Put Rights.

On July 5, 2023, the Corporation announced that, following receipt of approval by the holders of its Class A Restricted Voting Shares, the board of directors has approved that, the Permitted Timeline to consummate its qualifying acquisition will be extended from July 5, 2023 to July 5, 2024. In connection with the Extension, the Corporation redeemed 11,398,742 Class A Restricted Voting Shares that have been deposited for redemption in connection therewith, at a redemption price of approximately US$10.21 per share.

Merger

On May 12, 2023, FGAC and its Sponsors entered into a business combination agreement (the "**Business Combination Agreement**") with ThinkMarkets, whereby the Corporation will acquire, directly or indirectly, all of the equity interest of ThinkMarkets.

In connection with the proposed Qualifying Acquisition, the Corporation called a special meeting of the shareholders of the Corporation (the "**Meeting**"). At the Meeting, shareholders entitled to vote were asked to consider and approve (a) an amendment of the articles of FGAC to: (i) provide that the Corporation's outstanding Class B Shares automatically convert into Common Shares on Closing rather than proportionate voting shares; (ii) create a class of preferred shares, issuable in series; and (iii) remove the Class A Restricted Voting Shares, Class B Shares and proportionate voting shares, (b) the adoption of an omnibus equity incentive plan, and (c) the approval of an extension of FGAC's permitted timeline to complete its qualifying acquisition.

All the resolutions put to shareholders at the Corporation's special meeting of shareholders held virtually on June 29, 2023, were approved.

On December 7, 2023, the Company announced the termination of the business combination with ThinkMarkets.

NOTE 1. CORPORATE INFORMATION AND GOING CONCERN *(continued)*

Merger *(continued)*

As of March 27, 2024, the Company continues to look for a target to complete a Qualifying Acquisition.

NOTE 2. BASIS OF PRESENTATION

These financial statements of the Corporation as at December 31, 2023 and 2022 have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board.

The financial statements of the Corporation have been prepared on a historical cost basis. The Corporation's functional and presentation currency is the U.S. dollar.

The financial statements were authorized for issuance by the Board of Directors of the Corporation on March 27, 2024.

NOTE 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

Cash and cash equivalents

Cash is classified as an asset at fair value.

Financial Instruments

Recognition

The Corporation recognizes financial assets and financial liabilities on the date the Corporation becomes a party to the contractual provisions of the instruments.

Classification

The Corporation classifies its financial assets and financial liabilities in the following measurement categories: i) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss, and ii) those to be measured at amortized cost. The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at fair value through profit or loss (irrevocable election at the time of recognition). For assets and liabilities measured at fair value, gains and losses are either recorded in profit or loss or other comprehensive income.

The Corporation reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

The Corporation's financial assets consist of cash and funds held in escrow, which are classified and subsequently measured at fair value through profit or loss ("FVTPL"). The Corporation's financial liabilities consist of accounts payable and accrued expenses and deferred Underwriting commission, which are classified and subsequently measured at amortized cost using the effective interest method. The Corporation's financial liabilities include Class A Restricted Voting Shares subject to redemption, which is classified and subsequently measured at FVTPL. The IPO, Sponsor and OTM Warrant liabilities are also classified as FVTPL as they include a cashless option.

NOTE 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

Financial Instruments *(continued)*

Measurement

All financial instruments are required to be measured at fair value on initial recognition, plus, in case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss **("FVTPL")** are expensed in profit or loss.

Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost at the end of the subsequent accounting periods. All other financial assets including equity investments are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income (irrevocable election at the time of recognition).

Additional fair value measurement disclosure includes classification of financial instrument fair values in a fair value hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements which are as follows:

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

Income taxes

Income tax expense consists of current and deferred tax expense. Current and deferred tax are recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current tax is recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the income tax rates enacted or substantively enacted at the end of the reporting period and includes any adjustment to taxes payable in respect of previous years.

Deferred tax is recognized on any temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable earnings. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized and the liability is settled. The effect of a change in the enacted or substantively enacted tax rates is recognized in net earnings and comprehensive income or in equity depending on the item to which the adjustment relates.

Deferred tax assets are recognized to the extent future recovery is probable. At each reporting period end, deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

NOTE 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

Earnings (loss) per share

Basic income or loss per Class B Share is calculated by dividing the net income or loss by the weighted average number of Class B Shares outstanding during the period. The calculation excludes the effect of Class A Restricted Voting Shares, as the Class A Restricted Voting Shares have been classified in these financial statements as financial liabilities.

Recently Issued Accounting Standards

In January 2020, the IASB issued amendments to IAS 1, Presentation of Financial Statements, to clarify the requirements for classifying liabilities as current or non-current. The amendments clarify the classification of liabilities as current or non-current based on rights that are in existence at the end of the reporting period and are unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability. The amendments also clarify the definition of "settlement" of a liability. The amendments are effective January 1, 2023, with early adoption permitted. The amendments are to be applied retrospectively. There were no changes to the Corporation’s financial statements upon adoption of these amendments.

In February 2021, the IASB issued amendments to IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, to introduce a definition of "Accounting Estimates". The amendments clarify the distinction between changes in accounting estimates and accounting policies as well as the correction of errors. Additionally, the IASB clarifies how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective January 1, 2023, with early adoption permitted. There were no changes to the Corporation’s financial statements upon adoption of these amendments.

4. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES, AND ASSUMPTIONS

The preparation of these financial statements requires the Corporation to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates and assumptions affect the Corporation’s reported amounts of assets, liabilities, and items in net income or loss, and the related disclosure of contingent assets and liabilities, if any. The Corporation evaluates its estimates on an ongoing basis. Such estimates are based on various assumptions that the Corporation believes are reasonable under the circumstances, and these estimates form the basis for making judgments about the carrying value of assets and liabilities and the reported amounts of items in net income or loss that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant accounting judgments, estimates and assumptions that the Corporation has made in the preparation of its annual financial statements.

Fair Value of Financial Instruments

Certain financial instruments are recorded in the Corporation’s statements of financial position at values that are representative of or approximate their fair value. The fair value of a financial instrument that is traded in active markets at each reporting date is determined by reference to its quoted market price. If the financial instrument does not trade on an active market, the Corporation will use an option-pricing model to measure the fair value of the financial instrument. Application of the option-pricing model requires estimates in expected dividend yields, expected volatility in the underlying assets and the expected life of the financial instrument. Changes in the underlying trading value or estimates may significantly affect the amount of net income or loss for a particular period. Furthermore, the quoted market price or option price of a financial liability may not be equal to the amount that the Corporation may have to pay in settlement of the underlying obligation, should such obligation become immediately payable. The Corporation reviews assumptions

4. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES, AND ASSUMPTIONS *(continued)*

Fair Value of Financial Instruments *(continued)*

relating to financial instruments on an ongoing basis to ensure that the basis for determination of fair value is appropriate.

Management exercised significant judgement in determining that the Class A Restricted Voting Shares were classified as financial liabilities and in the determination of the initial fair value of the Class A Restricted Voting Shares.

Warrant Valuations

Pursuant to the Corporation's Offering of Class A Restricted Voting Units, the Corporation issued warrants. The Corporation also issued warrants to the Sponsor concurrent with the Offering. Estimating the fair value of
warrants requires determining the most appropriate valuation model that is dependent on the terms and conditions of the warrant. To the extent a quoted market value is not available, the Corporation applies an option-pricing model to measure the fair value of the warrants issued. Application of the option pricing model requires estimates in expected dividend yields, expected volatility in the underlying assets and the expected life of the warrant. These estimates may ultimately be different from amounts subsequently realized, resulting in an overstatement or understatement of net income or loss.

Income taxes

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

5. PREPAIDS

The following balances were included in the Corporations prepaids balance as at December 31, 2023 and December 31, 2022:

		Amount
Directors' and officers' liability insurance		65,230
Other prepaid		-
Balance, December 31, 2023	**$**	**65,230**

		Amount
Directors' and officers' liability insurance		315,850
Other prepaid		2,313
Balance, December 31, 2022	**$**	**318,163**

6. FUNDS HELD IN ESCROW

On July 5, 2023, the Corporation announced that, following receipt of approval by the holders of its Class A Restricted Voting Shares, the board of directors has approved that, the Permitted Timeline to consummate its qualifying acquisition will be extended from July 5, 2023 to July 5, 2024. In connection with the Extension, the Corporation redeemed 11,398,742 Class A Restricted Voting Shares that have been deposited for redemption in connection therewith, at a redemption price of approximately US$10.21 per share. This resulted in $116,349,808 of Funds Held in Escrow being withdrawn for redemption of the Class A Restricted Voting Share Holders on July 5, 2023.

At as December 31, 2023, the escrow balance held by the TSX Trust Company on behalf of the Corporation was $2,504,124. The entire balance was held in a 5.20% interest bearing account.

For the twelve months ended December 31, 2023. the Corporation withdrew $462,769 from the Trust Account to pay for applicable taxes as a result of taxable interest income. The Corporation did not withdraw any funds during 2022.

7. CLASS A RESTRICTED VOTING SHARES SUBJECT TO REDEMPTION

Authorization

The Corporation is authorized to issue an unlimited number of Class A Restricted Voting Shares prior to the closing of a Qualifying Transaction. Following closing of the Qualifying Transaction, the Corporation will not issue any Class A Restricted Voting Shares. The holders of Class A Restricted Voting Shares have no pre-emptive rights or other subscription rights and there are no sinking fund provisions applicable to these shares.

Voting Rights

All holders of Class A Restricted Voting Shares will be entitled to receive notice of any meeting of shareholders' of the Corporation, and to attend, vote and speak at such meetings, except those meetings at which only holders of a specific class of shares are entitled to vote separately as a class under the Business Corporations Act (British Columbia).

Redemption Rights

The holders of Class A Restricted Voting Shares are entitled to redeem their shares, as described in the Final Prospectus, and are entitled to receive a pro-rata portion of the amount then held in the escrow account, less applicable taxes and other permitted deductions: (i) in the event that the Corporation does not complete a Qualifying Transaction within the Permitted Timeline; (ii) in the event of the completion of a Qualifying Transaction; and (iii) in the event of an extension to the Permitted Timeline.

As previously discussed, the Corporation redeemed 11,398,742 Class A Restricted Voting Shares in connection with the approval of the Permitted Timeline.

Classification

The redemption rights embedded in the terms of the Corporation's Class A Restricted Voting Shares are considered by the Corporation to be outside of the Corporation's control and subject to uncertain future events. Accordingly, the Corporation has classified its "Class A Restricted Voting Shares subject to redemption" as financial liabilities carried at FVTPL.

7. CLASS A RESTRICTED VOTING SHARES SUBJECT TO REDEMPTION *(continued)*

Fair value of Class A Restricted Voting Shares subject to redemption – issued and outstanding:

Refer to Note 1, Corporate Information and Going Concern, for additional details of terms and issuance of Class A Restricted Voting Shares.

The initial fair value of the Corporation's Class A Restricted Voting Shares was based on the Offering price of $10.00 per unit, bifurcated by reallocating the estimated fair market value of the IPO Warrants. The IPO Warrants were measured on issuance based on the closing price of the security on the first day the Restricting Voting Units split, which was $1.20, equating to $6,900,000 of fair market value. This resulted in an initial fair value of $108,100,000 for Class A Restricted Voting Shares, based upon 11,500,000 shares outstanding.

For the twelve months ended December 31, 2022, the Company recorded a $5,750,000 unrealized loss on fair value adjustment related to Class A Restricted Voting Shares.

	Number		Amount
Balance, December 31, 2021	**-**	**$**	**-**
Issuance of Class A Restricted Voting Units pursuant to Offering	11,500,000		115,000,000
Allocation of value attributed to IPO Warrants			(6,900,000)
Fair value adjustment to Class A Restricted Voting Shares			5,750,000
Balance, December 31, 2022	**11,500,000**	**$**	**113,850,000**
Fair value adjustment to Class A Restricted Voting Shares		$	4,755,499
Shares redeemed in connection with Permitted Timeline extension	(11,398,742)	$	(116,349,807)
Accrued taxes payable on extension	-		(1,253,238)
Balance, December 31, 2023	**101,258**	**$**	**1,002,454**

On July 5, 2023, in connection with the Extension of the Permitted Timeline, the Corporation redeemed 11,398,742 Class A Restricted Voting Shares, and distributed an aggregate amount of $116,349,807 to Class A Restricted Holders.

After the redemption, the Company has 101,258 Class A Restricted Voting Shares outstanding. On December 31, 2023, the share price of the Class A Restricted Voting Shares was $9.90. As of December 31, 2022, the Company had 11,500,000 Restricted Voting Shares outstanding with a share price of $9.90.

For the twelve months ending December 31, 2023, the Corporation recorded a fair value loss on all Class A Restricted Voting Shares of $4,755,499 as compared to a fair value loss of $5,750,000 for the twelve months ended December 31, 2022.

8. WARRANTS LIABILITY

As at December 31, 2023, the Corporation had 11,600,000 warrants issued and outstanding, comprised of 5,750,000 IPO Warrants, 4,350,000 Sponsors' Warrants, and 1,500,000 OTM Warrants.

The IPO Warrants and Sponsors' Warrants will become exercisable at an exercise price of $11.50, commencing 65 days after the completion of a Qualifying Transaction and will expire at 5:00 p.m. (Toronto time) on the day that is five years after the completion of a Qualifying Transaction. The OTM Warrants will become exercisable at an exercise price of $15.00, commencing 65 days after the completion of a Qualifying Transaction and will expire at 5:00 p.m. (Toronto time) on the day that is ten years after the completion of a Qualifying Transaction.

8. WARRANTS LIABILITY *(continued)*

The IPO Warrants, Sponsors' Warrants and OTM Warrants were classified as financial liabilities carried at FVTPL as they include a cashless option and had the following fair values as of December 31, 2023 and December 31, 2022:

	Number	Amount
Balance, December 31, 2021	-	-
IPO Warrants	5,750,000	6,900,000
Fair value adjustment - IPO Warrants		287,500
Balance, December 31, 2022	**5,750,000**	**$ 7,187,500**
Fair value adjustment - IPO Warrants	-	(862,500)
Balance, December 31, 2023	**5,750,000**	**$ 6,325,000**

As previously discussed, the IPO Warrants were measured on issuance based on the closing price of the security on the first day the Restricting Voting Units split, which was $1.20.

As at December 31, 2023, the share price was $1.10 per IPO Warrant, compared to a market value of $1.25 per IPO warrant as of December 31, 2022. This resulted in a fair value gain on financials of $862,500 for the twelve months ended December 31, 2023, compared to a fair value loss of $287,500 for the twelve months ended December 31, 2022.

	Number	Amount
Balance, December 31, 2021	**-**	**$ -**
Sponsors' Warrants	4,350,000	4,350,000
Fair value adjustment - Sponsors' Warrants		217,500
Balance, December 31, 2022	**4,350,000**	**$ 4,567,500**
Fair value adjustment - Sponsors' Warrants		(174,000)
Balance, December 31, 2023	**4,350,000**	**$ 4,393,500**

The Sponsor Warrants were measured on issuance using $1.00 per warrant being the cash price paid per warrant. At December 31, 2023, the Sponsor Warrants were measured using an option pricing model with the following inputs: Volatility: 10%; Expected Life: 5 years; Risk Free Rate: 3.6%; Dividend Yield: 0%.

As at December 31, 2023, the fair value was $1.01 per Sponsor Warrant compared to a fair value of $1.05 per Sponsor Warrant as of December 31, 2022. This resulted in a fair value gain on financials of $174,000 for the twelve months ended December 31, 2023, compared to a fair value loss of 217,500 for the twelve months ended December 31, 2022.

	Number	Amount
Balance, December 31, 2021	**-**	**$ -**
OTM Warrants	1,500,000	150,000
Fair value adjustment - OTM Warrants		1,290,000
Balance, December 31, 2022	**1,500,000**	**$ 1,440,000**
Fair value adjustment - OTM Warrants		(15,000)
Balance, December 31, 2023	**1,500,000**	**$ 1,425,000**

8. WARRANTS LIABILITY *(continued)*

The OTM Warrants were measured on issuance using $0.10 per warrant being the cash price paid per warrant. At December 31, 2023, the OTM Warrants were measured using. an option pricing model with the following inputs: Volatility: 10%; Expected Life: 10 years; Risk Free Rate: 3.5%; Dividend Yield: 0%.

As at December 31, 2023, the fair value was $0.95 per OTM Warrant as compared to a fair value of $0.96 per OTM Warrant as of December 31, 2022. This resulted in a fair value gain on financials of $15,000 for the twelve months ended December 31, 2023, compared to a fair value loss of $1,290,000 for the twelve months ended December 31, 2022.

9. SHARE CAPITAL

Authorized

The Corporation is authorized to issue an unlimited number of Class B shares prior to the closing of the Qualifying Transaction. On October 25, 2021, the Corporation issued one Class B Share to FGAC Investors LLC in exchange for proceeds of $1.00. On April 1, 2022, in connection with the Offering, the Sponsors purchased an aggregate of 2,874,999 Class B shares in the capital of the Corporation for an aggregate purchase price of $24,999.

Voting Rights

Holders of Class B Shares are entitled to vote at all meetings of shareholders' and on all matters requiring a shareholder vote, with the exception of a vote to approve an extension of the Permitted Timeline within which the Corporation is required to complete its Qualifying Transaction, which will only be voted upon by holders of Class A Restricted Voting Shares.

Redemption Rights

Holders of Class B Shares do not have any redemption rights with respect to its Class B Shares, or rights to distributions from the escrow account if the Corporation fails to complete a Qualifying Transaction within the Permitted Timeline.

Class B Shares – Issued and Outstanding

The Corporation had 2,875,000 Class B shares issued and outstanding as of December 31, 2023 and December 31, 2022.

10. GENERAL AND ADMINISTRATIVE EXPENSES

The Corporation had the following general and administrative expenses for the following periods:

	For the twelve months ended December 31, 2023	For the twelve months ended December 31, 2022
Insurance	$ 250,620	$ 186,077
General office expenses	178,489	103,227
Filing and transfer agent fees	101,571	43,800
Professional	241,363	69,254
Total	**$ 772,044**	**$ 402,358**

10. GENERAL AND ADMINISTRATIVE EXPENSES *(continued)*

Not included in the table above are transaction expenses of $1,565,121 and $7,222,400 for the year ended December 31, 2023 and 2022, respectively. The transaction expenses for the year ended December 31, 2023 are a result of legal fees associated with the Qualifying Transaction, and are included in accounts payable and accrued expenses on the condensed statements of financial position. The transaction expenses for the twelve months ended December 31, 2022 are a result of fees associated with the initial public offering.

11. FINANCIAL INSTRUMENTS

Fair value measurements

The following table summarizes those assets and liabilities that are included at their fair values in the Corporation's statement of financial position as at December 31, 2023 and December 31, 2022. These assets and liabilities have been categorized into hierarchal levels, according to the significance of the inputs used in determining fair value measurements.

		Fair value as at December 31, 2023		
	Carrying value as at December 31, 2023	Level 1	Level 2	Level 3
Financial Assets and Liabilities				
Cash	171,885	171,885	-	-
Held in Escrow	2,504,124	2,504,124		
Class A Restricted Voting Shares subject to redemption	1,002,454	1,002,454	-	-
IPO Warrants	6,325,000	6,325,000	-	-
Sponsor Warrants	4,393,500	-	4,393,500	-
OTM Warrants	1,425,000	-	1,425,000	-

		Fair value as at December 31, 2022		
	Carrying value as at December 31, 2022	Level 1	Level 2	Level 3
Financial Assets and Liabilities				
Cash	680,325	680,325	-	-
Held in Escrow	116,677,634	116,677,634		
Class A Restricted Voting Shares subject to redemption	113,850,000	113,850,000	-	-
IPO Warrants	7,187,500	7,187,500	-	-
Sponsor Warrants	4,567,500	-	4,567,500	-
OTM Warrants	1,440,000	-	1,440,000	-

Financial Risk Management

The Corporation is exposed to financial risks due to the nature of its business and the financial assets and liabilities that it holds. The Corporation's overall risk management strategy seeks to minimize potential adverse effects on the Corporation's financial performance.

Market risk:

Market risk is the risk that a material loss may arise from fluctuations in the fair value of a financial instrument. For purposes of this disclosure, the Corporation segregates market risk into three categories: fair value risk, interest rate risk, and currency risk.

11. FINANCIAL INSTRUMENTS *(continued)*

Fair value risk:

Fair value risk is the potential for loss from an adverse movement, excluding movements relating to changes in interest rates and foreign exchange rates, because of changes in market prices. The Corporation is exposed to fair value risk in respect of its Cash, Funds held in Escrow, Class A Restricted Voting Shares subject to redemption and Warrants, which are carried in the Corporation's financial statements at their fair values.

A 1% increase in the fair value of Class A Restricted Voting Shares and Warrants would result in a decrease in net income of $131,460 and $1,270,450 for the year ended December 31, 2023 and 2022, respectively. A 1% decrease in the fair value of Class A Restricted Voting Shares and Warrants would result in an increase in net income of $131,460 and $1,270,450 for the year ended December 31, 2023 and 2022, respectively.

Interest rate risk:

Interest rate risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation's exposure to interest rate risk is nominal at this time.

Currency risk:

Currency risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates relative to the Corporation's presentation currency of the United States dollar. The Corporation does not currently have any exposure to currency risk as the Corporation transacts minimally in any currency other than the United States dollar.

12. Related Party Transactions

The Corporation entered into an administrative services agreement with FGAC Investors LLC on April 5, 2022, whereby FGAC Investors LLC will perform certain administrative services for the Corporation for a monthly fee of $10,000. For the twelve months ended December 31, 2023, the total administrative services expense was $120,000.

13. Income Taxes

The income tax recovery amount on pre-tax losses differs from the income tax recovery amount that would arise using the combined Canadian federal and provincial statutory rate of 27.0%, as a result of the following items:

	As at December 31, 2023	As at December 31, 2022
Loss before recovery of income taxes	(3,402,112)	(13,492,124)
Expected income tax (recovery) expense	(918,571)	(3,642,873)
Tax rate changes and other adjustments	-	(408)
Unrealized change in fair value	1,000,080	2,037,150
Change in tax benefits not recognized	(522,908)	1,606,131
Non-deductible transaction cost	441,399	-
Income tax (recovery) expense	-	-

13. Income Taxes *(continued)*

The Company's income tax (recovery) is allocated as follows:

	As at December 31, 2023	As at December 31, 2022
Current tax (recovery) expense	361,345	223,041
Deferred tax (recovery) expense	(361,345)	(223,041)
Net tax (recovery) expense	-	-

The following table summarizes the components of deferred tax:

	As at December 31, 2022	As at December 31, 2022
Deferred tax assets		
Share issuance costs	584,386	223,041
Deferred tax liabilities	-	-
Net deferred tax assets	**584,386**	**223,041**

Deferred tax assets and liabilities have been offset where they relate to income taxes levied by the same taxation authority and the Company has the legal right and intent to offset. Below is the movement in net deferred tax assets:

	December 2022	December 2022
Beginning of year balance	223,041	-
Recognized in profit/loss	361,345	223,041
End of year balance	**584,386**	**223,041**

Deferred tax assets are only recognized if management has determined that it is probable that such deferred tax assets may be recovered. The recoverability of deferred tax assets is dependent in part on the nature, terms, and conditions of any completed Qualifying Transaction. As such, management believes that the following deductible temporary differences do not currently meet the criteria for recognizing any deferred tax benefits:

	As at December 31, 2023	As at December 31, 2022
Share issuance costs	-	1,716,635
Deferred underwriters' commission	4,011,940	4,232,000
Total	**4,011,940**	**5,948,635**

14. Subsequent Event

The Corporation has evaluated subsequent events through the filing date of the financial statements and determined that there have been no events that have occurred that would require additional disclosures.