Pardus Ventures Inc.

INTERIM CONDENSED FINANCIAL STATEMENTS

NINE MONTHS ENDED SEPTEMBER 30, 2023

(EXPRESSED IN CANADIAN DOLLARS)

NOTICE OF NO AUDITOR REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS

The accompanying unaudited interim condensed financial statements of Pardus Ventures Ltd. (the "Company") for the nine months ended September 30, 2023, have been prepared by the management of the Company and approved by the Company's Audit Committee and the Company's Board of Directors.

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

The accompanying unaudited interim condensed financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

Pardus Ventures Inc.
Interim Condensed Statement of Financial Position
As at September 30, 2023 and December 31, 2022
(Unaudited - Expressed in Canadian dollars)

	September 30, 2023	December 31, 2022
	$	$
ASSETS		
Current assets		
Cash	155,108	-
GST receivables	4,670	-
Subscription receivables	-	100,000
Total Assets	**159,778**	**100,000**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	4,603	17,627
Total Liabilities	**4,603**	**17,627**
Shareholders' equity		
Share capital (note 7)	238,043	100,000
Reserve	14,492	-
Deficit	(97,360)	(17,627)
Total Shareholders' Equity	**155,175**	**82,373**
Total Liabilities and Shareholders' Equity	**159,778**	**100,000**

Nature of operations (note 1)

Approved on behalf of the Board of Directors on November 20, 2023.

"Kar Fai Leung"
Director

"Jackie Lee"
Director

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

Pardus Ventures Inc.
Interim Condensed Statement of Loss and Comprehensive Loss
For the Nine Months Period Ended September 30, 2023
(Unaudited - Expressed in Canadian dollars)

	Nine Months Ended September 30, 2023	Three Months Ended September 30, 2023
	$	$
Expenses		
Accounting fees	5,865	1,605
Filing fees	27,366	10,532
General and administrative	12,681	12,435
Legal fees	31,269	7,797
Transfer agent fees	2,552	2,552
Loss and comprehensive loss for the period	**(79,733)**	**(34,921)**
Loss per share – basic and diluted	**(0.03)**	**(0.01)**
Weighted-average number of common shares outstanding - basic and diluted	**2,476,190**	**3,413,043**

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

Pardus Ventures Inc.
Interim Condensed Statement of Change in Shareholders' Equity
For the Nine Months Period Ended September 30, 2023
(Unaudited - Expressed in Canadian dollars)

	Number of Common Shares	Common Shares $	Reserves $	Deficit $	Total $
Balance, December 31, 2022	**2,000,000**	**100,000**	**-**	**(17,627)**	**82,373**
Shares issued for cash	2,000,000	200,000	-	-	200,000
Shares issuance costs	-	(61,957)	14,492	-	(47,465)
Loss for the period	-	-	-	(79,733)	(79,733)
Balance, September 30, 2023	**4,000,000**	**238,043**	**14,492**	**(97,360)**	**155,175**

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

Pardus Ventures Inc.
Interim Condensed Statement of Cash Flows
For the Nine Months Period Ended September 30, 2023
(Unaudited - Expressed in Canadian dollars)

	Nine Months Ended September 30, 2023
	$
Operating activities	
Loss for the period	(79,733)
Increase in GST receivables	(4,670)
Decrease in accounts payable	(13,024)
Net cash used in operating activities	**(97,427)**
Financing activities	
Issuance of common shares	300,000
Share issuance cost	(47,465)
Net cash provided by financing activities	**252,535**
Change in cash during the period	155,108
Cash, beginning of the period	-
Cash, end of the period	155,108

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

1. NATURE OF OPERATIONS

Pardus Ventures Inc. (the "Company") was incorporated on December 9, 2022 under the laws of British Columbia. The Company completed an Initial Public Offering ("IPO") of its common shares on July 27, 2023, and on July 31, 2023, the Company began trading its shares on the TSX Venture Exchange ("TSX-V" or the "Exchange"). The Company is classified as a Capital Pool Company ("CPC") as defined in the TSX-V Policy 2.4. The Company has not commenced commercial operations and has no significant assets. The activities of the Company are initially limited to the efforts to identify and evaluate the acquisition of assets and business, which would represent a "Qualifying Transaction" for regulatory purposes. The head office and the records and registered office is located at 2250 - 1055 W Hastings St. Vancouver, British Columbia, V6E 2E9.

Since incorporation on December 9, 2022, the Company has had no active business operations. As a CPC, the Company's principal business objective will be to identify and evaluate assets or businesses with a view to potential acquisition or participation by completing a Qualifying Transaction, as defined in Exchange Policy 2.4 subject, in certain cases, to shareholder approval and acceptance by the Exchange. The Company's ability to continue its operations is dependent upon obtaining additional financing sufficient to identify and evaluate potential acquisitions of business, and once identified and evaluated, to negotiate an acquisition thereof or participation therein subject to receipt of regulatory and, if required, shareholders' approval.

These interim condensed financial statements were authorized by the Board of Directors on November 20, 2023.

2. STATEMENT OF COMPLIANCE

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

3. BASIS OF PRESENTATION

These interim condensed financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. The interim condensed financial statements are presented in Canadian dollars, which is also the Company's functional currency. In addition, these interim condensed financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The preparation of interim condensed financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgement of complexity, or areas where assumptions and estimates are significant to the interim condensed financial statements are disclosed in Note 4.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized in other comprehensive income or loss or directly in equity, in which case it is recognized in other comprehensive income or loss or equity.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

a) Income taxes *(continued)*

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the group intends to settle its current tax assets and liabilities on a net basis.

b) Share capital

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

The proceeds from the issue of units are allocated between common shares and common share purchase warrants based on the residual value method. Under this method, the proceeds are allocated to share capital based on the fair value of the common shares and any residual value is allocated to common share purchase warrants.

c) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive. As there were no stock options outstanding during the period covered by these interim condensed financial statements, there is no dilutive effect on basic loss per share.

d) Financial instruments

Recognition

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

d) Financial instruments *(continued)*

Classification

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

The Company has implemented the following classifications:

- Cash is classified as a financial asset at fair value through profit or loss and any period change in fair value is recorded in profit or loss.
- Subscription receivable is classified as a financial asset at amortized cost.
- Accounts payable and accrued liabilities are classified as other financial liabilities and measured at amortized cost using the effective interest rate method.

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 with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

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 or 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).

Impairment

The Company assesses all information available, including on a forward-looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as the reporting date with the risk of default as at the date of initial recognition based on all information available, and reasonable and supportive forward-looking information.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

e) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

f) Critical accounting estimates and judgements

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual experience may differ from these estimates and assumptions.

The effect of a change in accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Information about critical accounting estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the interim condensed financial statements are discussed below:

Judgements

Going concern

Management has applied judgments in the assessment of the Company's ability to continue as a going concern when preparing its interim condensed financial statements for the period ended September 30, 2023. Management prepares the interim condensed financial statements on a going concern basis unless management either intends to liquidate the entity, or has no realistic alternative but to do so. The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future.

Estimates

Deferred tax assets and liabilities

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

5. CHANGES IN ACCOUNTING POLICIES

Future accounting standards

As the date of authorization of these interim condensed financial statements, certain new standards and amendments to existing standards have been published by the IASB that are not yet effective and have not been adopted early by the Company. Management anticipates that all relevant pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. New standards, interpretations and amendments are not expected to have a material impact on the Company's interim condensed financial statements.

6. RELATED PARTY TRANSACTIONS

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has identified its directors and certain senior officers as its key management personnel and the compensation costs for key management personnel and companies related to them are recorded at their exchange amounts as agreed upon by transacting parties.

As of September 30, 2023, there were no amounts due to/from related parties. Also see notes 7.

7. SHARE CAPITAL

a) **Authorized**

Unlimited number of common shares without par value.

b) **Issued and outstanding**

As at September 30, 2023, the issued share capital comprised of 4,000,000 common shares (December 31, 2022 – 2,000,000).

Period ended September 30, 2023

On July 27, 2023, the Company completed its IPO of 2,000,000 common shares at $0.10 per common share for gross proceeds of $200,000. In connection with the IPO, the Company incurred share issuance costs including commission, corporate finance fee, legal fees, and any other reasonable costs and expenses of $47,464. Additionally, the Company issued 200,000 agent's warrants (each an "Agent's Warrant") to Leede Jones Gable Inc. (the "Agent") whereby each Agent's Warrant entitles the Agent to purchase one (1) additional common share from the Company at an exercise price of $0.10 per share for a period of 24 months from the date of the closing of the IPO.

Fiscal 2022

Since incorporation, the Company issued 2,000,000 seed common shares of the Company at a price of $0.05 per share for total proceeds of $100,000. All of these shares were issued to related parties and the Company recorded a subscription receivable as at December 31, 2022 and the funds were received in full in January 2023.

7. SHARE CAPITAL *(continued)*

c) Stock options

During the period ended September 30, 2023, the Company adopted an incentive stock option plan (the "Plan") whereby the Company may issue stock options up to 10% of the issued and outstanding common shares, not to exceed 400,000 while the Company remains a CPC, of the Company to eligible directors, officers, employees or consultants. These options may be granted for a maximum term of ten years from the date of grant and vest as determined by the board of directors. The exercise price will be set by the directors at the time of grant and cannot be less than the discounted market price of the Company's common shares, subject to a minimum exercise price of $0.05.

Any common shares acquired pursuant to the exercise of options under the Plan prior to completion of the Qualifying Transaction must be deposited in escrow and will be subject to escrow until the final exchange bulletin is issued.

There is no stock option issued and outstanding as of September 30, 2023.

8. BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted loss per share for the period ended September 30, 2023 was based on the loss attributable to common shareholders of $79,733 and the weighted average number of common shares outstanding of 2,476,190.

9. MANAGEMENT OF CAPITAL

Capital is composed of the Company's shareholders' equity and any debt that it may issue. As at September 30, 2023, the Company's shareholders' equity was $155,175 and it had current liabilities of $4,603. The Company's objectives when managing capital are to maintain financial viability and to protect its ability to meet its ongoing liabilities, to continue as a going concern, to maintain credit worthiness, and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements, and internally determined capital guidelines and calculated risk management levels.

The Company's current capital was received from the issuance of common shares. The net proceeds raised to date will only be sufficient to identify and evaluate a limited number of assets and businesses for the purpose of identifying and completing a Qualifying Transaction.

The Company is not subject to any externally imposed capital requirements other than the expenditure restrictions applicable under TSX-V Policy 2.4, which apply on completion of the IPO. These expenditure restrictions limit the aggregate amount that the Company is permitted to spend on reasonable general and administrative costs of the Company not exceeding in aggregate of $3,000 per month, and reasonable expenses incurred related to a Qualifying Transaction.

10. FINANCIAL INSTRUMENTS

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. The type of risk exposure and the way in which such exposure is managed is provided as follows:

10. FINANCIAL INSTRUMENTS *(continued)*

Fair Value Measurements

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 date.

The fair value of cash is determined based on Level 1 inputs, which consist of quoted prices in active markets for identical assets.

Financial Risk Management

The Company's financial instruments carried at amortized cost, consist of subscription receivables and accounts payables and accrued liabilities which approximate fair value due to the relatively short-term maturity of the instruments. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Credit Risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations. The Company's exposure to credit risk is limited to cash and cash equivalents. As of September 30, 2023, the Company is not exposed to significant risk as the Company does not have any cash on hand. The Company will limit its exposure to credit risk by holding its cash in deposits with high quality Canadian financial institutions.

Currency Risk

Currency risk refers to the risk that the value of a financial commitment, recognized asset or liability will fluctuate due to changes in foreign currency rates. The Company is not exposed to currency risk as all of the Company's transactions are denominated in Canadian dollars. The Company will assess the need to create a formalized policy to manage currency risk when the need arises.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. As at September 30, 2023, the Company was not exposed to significant interest rate risk.