

Coco Pool Corp.

Condensed Interim Financial Statements

For the three and six months ended February 29, 2024 and February 28, 2023

(Expressed in Canadian dollars)

(Unaudited)

NOTE TO READER

Under National Instrument 51-102, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a note indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements have been prepared by and are the responsibility of management. The Corporation's independent auditor has not performed a review of these condensed interim financial statements.

Coco Pool Corp.

Condensed Interim Statements of Financial Position
As at February 29, 2024 and August 31, 2023
(Expressed in Canadian dollars)
(Unaudited)

	Notes	February 29, 2024	August 31, 2023
ASSETS			
Current assets			
Cash and cash equivalents	7	\$ 282,912	\$ 79,498
Prepaid expenses		10,702	6,078
Deferred listing expense		-	57,593
Total assets		\$ 293,614	\$ 143,169
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	8	\$ 39,127	\$ 38,310
Total liabilities		39,127	38,310
SHAREHOLDERS' EQUITY			
Share capital	9	383,194	160,000
Equity reserves	10, 11	58,234	13,997
Accumulated deficit		(186,941)	(69,138)
Total shareholders' equity		254,487	104,859
Total liabilities and shareholders' equity		\$ 293,614	\$ 143,169

Approved and authorized for issue by the Board of Directors on April 29, 2024:

/s/ "**Sebastien Charles**"

Sebastien Charles, Director

/s/ "**Koby Smutylo**"

Koby Smutylo, Director

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

Coco Pool Corp.

Condensed Interim Statements of Loss and Comprehensive Loss

For the three and six months ended February 29, 2024 and February 28, 2023

(Expressed in Canadian dollars)

(Unaudited)

	Notes	Three months ended February 29, 2024	February 28, 2023	Six months ended February 29, 2024	February 28, 2023
		\$	\$	\$	\$
Operating Expenses					
General and administrative		260	249	513	490
Professional fees		30,336	3,619	36,074	9,458
Filing fees		10,500	-	10,500	-
Listing expense	9	42,701	-	42,701	-
Share-based payments	10, 11	28,023	-	28,023	13,997
		(111,820)	(3,868)	(117,811)	(23,945)
Other Income (Expenses)					
Unrealized fair value loss on treasury bill	7	(110)	-	(110)	-
Interest income		118	-	118	-
Net loss and comprehensive loss		(111,812)	(3,868)	(117,803)	(23,945)
Loss per share					
Basic and diluted		\$ (0.03)	\$ (0.00)	\$ (0.03)	\$ (0.01)
Weighted average shares outstanding –					
Basic and diluted		3,892,308	3,100,000	3,546,154	3,100,000

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

Coco Pool Corp.

Condensed Interim Statements of Changes in Shareholders' Equity

For the six months ended February 29, 2024 and February 28, 2023

(Expressed in Canadian dollars)

(Unaudited)

	Share Capital							
	Number of Common Shares		Amount		Equity reserves		Accumulated Deficit	Total Shareholders' Equity
Balance, August 31, 2022	3,100,000	\$	155,000	\$	-	\$	(9,077)	\$ 145,923
Share-based payments	-		-		13,997		-	13,997
Net loss for the period	-		-		-		(23,945)	(23,945)
Balance, February 28, 2023	3,100,000	\$	155,000	\$	13,997	\$	(33,022)	\$ 135,975
Balance, August 31, 2023	3,200,000	\$	160,000	\$	13,997	\$	(69,138)	\$ 104,859
Shares issued in IPO (Note 9)	3,000,000		300,000		-		-	300,000
Share issuance costs (Note 9)	-		(76,806)		16,214		-	(60,592)
Share-based payments (Note 10)	-		-		28,023		-	28,023
Net loss for the period	-		-		-		(117,803)	(117,803)
Balance, February 29, 2024	6,200,000	\$	383,194	\$	58,234	\$	(186,941)	\$ 254,487

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Coco Pool Corp.

Condensed Interim Statements of Cash Flows

For the six months ended February 29, 2024 and February 28, 2023

(Expressed in Canadian dollars)

(Unaudited)

	For the six months ended	
	February 29, 2024	February 28, 2023
Cash flows from operating activities		
Net loss	\$ (117,803)	\$ (23,945)
Non-cash transactions:		
Share-based payments	28,023	13,997
Changes in non-cash operating working capital:		
Prepaid expenses	(4,624)	9,400
Deferred listing expense	57,593	(17,378)
Accounts payable and accrued liabilities	817	9,458
Net cash used in operating activities	(35,994)	(8,468)
Cash flows from financing activities		
Proceeds from issuance of shares	300,000	-
Share issuance costs	(60,592)	-
Net cash provided by financing activities	239,408	-
Change in cash	203,414	(8,468)
Cash and cash equivalents, beginning	79,498	91,800
Cash and cash equivalents, ending	\$ 282,912	\$ 83,332
Supplemental Cash Flow Information		
Non-cash financing activities		
Issuance of agent warrants	\$ 16,214	-
Interest paid	-	-
Income tax paid	-	-

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

Coco Pool Corp.

Notes to the Condensed Interim Financial Statements

For the three and six months ended February 29, 2024 and February 28, 2023

(Expressed in Canadian dollars)

(Unaudited)

1. NATURE OF BUSINESS

Coco Pool Corp. (the "Corporation") was incorporated on September 15, 2021 as Coco Capital Corp. under the Business Corporations Act (Ontario). On May 16, 2022, the Corporation was approved to continue as a corporation in the Province of British Columbia and changed its name to Coco Pool Corp. from Coco Capital Corp. The Corporation's head office, principal address and records office is located at Suite 2000, 1111 West Georgia Street, Vancouver, British Columbia, Canada, V6E 4G2.

The Corporation was formed for the primary purpose of completing an Initial Public Offering ("IPO") on the TSX Venture Exchange ("Exchange") as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the Exchange. As a CPC, the Corporation's principal business is to identify, evaluate and acquire assets, properties or businesses which would constitute a qualifying transaction in accordance with Policy 2.4 of the Exchange ("Qualifying Transaction"). Such a transaction may be subject to shareholder approval and will be subject to regulatory approval. Until completion of the Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a potential Qualifying Transaction.

The Corporation completed its IPO on February 8, 2024, pursuant to the prospectus dated November 8, 2023 and filed on November 10, 2023 and listed on the Exchange under the symbol "CCPC.P". In connection with the IPO, the Corporation issued 3,000,000 common shares at a price of \$0.10 per common share for total gross proceeds of \$300,000 (Note 9).

2. GOING CONCERN

These condensed interim financial statements have been prepared on a going concern basis which assumes that the Corporation will continue in operation for the foreseeable future and will be able to realize its assets and discharge liabilities in its normal course of operations.

The proposed business of the Corporation, and the completion of a Qualifying Transaction, involves a high degree of risk. There is no assurance that the Corporation will identify an appropriate business asset or property for acquisition or investment, and even if so identified and warranted, the Corporation may not be able to finance such an acquisition or investment. Additional funds may be required to enable the Corporation to pursue such an initiative, and the Corporation may be unable to obtain such financing on terms which are satisfactory to it. Furthermore, there is no assurance that the Corporation will be profitable. These factors indicate the existence of a material uncertainty that may cast doubt about the Corporation's ability to continue as a going concern. Should the Corporation be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

The Company had a net loss of \$117,803 (February 28, 2023 - \$23,945) and had an accumulated deficit of \$186,941 (August 31, 2023 - \$69,138) and working capital surplus of \$254,487 (August 31, 2023 - \$104,859) as at February 29, 2024. These condensed interim financial statements do not reflect adjustments that would be necessary if the going concern assumption was not appropriate. If the going concern assumption was not appropriate for these condensed interim financial statements, adjustments would be necessary to the statement of financial position classifications used. Such adjustments could be material.

3. BASIS OF PRESENTATION

Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* using accounting policies consistent with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). They do not include all the information required for a complete set of financial statements prepared in accordance with International Financial Reporting Standards ("IFRS").

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As such, they must be read in conjunction with the annual audited financial statements for the twelve months ended August 31, 2023 and the notes thereto.

These condensed interim financial statements were authorized for issue by the directors of the Corporation on April 29, 2024.

Basis of presentation

These condensed interim 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 fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and presentation currency

These condensed interim financial statements are presented in Canadian dollars, which is the functional and reporting currency of the Corporation.

4. SIGNIFICANT ACCOUNTING POLICIES

The Corporation applies the same accounting policies and methods of computation in its condensed interim financial statements as those applied to the Corporation's audited financial statements for the year ended August 31, 2023.

5. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and income and expenses.

There have been no material revisions to the nature and amount of changes in estimates of amounts reported in the audited financial statements for the year ended August 31, 2023.

6. BASIS OF FAIR VALUE

As at February 29, 2024, the Corporation's financial instruments consist of cash and cash equivalents and accounts payable and accrued liabilities. The fair value of the Corporation's accounts payable and accrued liabilities approximate the carrying value, which is the amount on the statements of financial position due to their short-term maturities or ability of prompt liquidation.

The Corporation's cash and cash equivalents are measured at fair value under the fair value hierarchy based on level 1 quoted prices in active markets for identical assets.

Financial instruments that are measured subsequent to initial recognition at fair value are categorized using the fair value hierarchy. This hierarchy groups financial instruments in Levels 1 to 3 based on the degree to which the fair value, for that instrument, is observable:

Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Coco Pool Corp.

Notes to the Condensed Interim Financial Statements

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7. CASH AND CASH EQUIVALENTS

	February 29, 2024	August 31, 2023
Cash	\$ 83,022	\$ 79,498
Cash equivalents	199,890	-
Total cash and cash equivalents	\$ 282,912	\$ 79,498

As of February 29, 2024, the Corporation held a three-month cashable treasury bill with a market value of \$199,890 (August 31, 2023 - \$Nil). The treasury bill matures on May 23, 2024. During the three and six months ended February 29, 2024, the Corporation incurred a fair market value loss of \$110 and \$110, respectively (February 28, 2023 - \$Nil and \$Nil) on the treasury bill.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	February 29, 2024	August 31, 2023
Accounts payable	\$ 29,377	\$ 36,564
Accrued liabilities	9,750	1,746
Total accounts payable and accrued liabilities	\$ 39,127	\$ 38,310

9. SHARE CAPITAL

Authorized

The Corporation has authorized an unlimited number of common shares with no par value.

Issued and outstanding

As at February 29, 2024, there were 6,200,000 (February 28, 2023 – 3,100,000) common shares issued and outstanding.

During the six months ended February 28, 2024, the Corporation completed its initial public offering ("IPO") through the issuance of 3,000,000 shares at \$0.10 per share, for gross proceeds of \$300,000, pursuant to the Corporation's prospectus dated November 8, 2023. The Corporation paid the Agent cash commissions of \$30,000, representing 10% of the gross proceeds and non-cash commission in the form of 300,000 Agents' Warrants representing 10% of the number of shares sold in the IPO. The Agent Warrants are exercisable for a period of 24 months following the closing date of the IPO, at \$0.10 per share. A value of \$16,214 was assigned to the Agents' Warrants using the Black-Scholes option pricing model with the following inputs: Stock price - \$0.10; Exercise price - \$0.10; Dividend yield - \$Nil; Expected volatility – 100%; Risk free interest rate – 4.19% and expected life of 2 years. In addition to the commission and Agent Warrants, the Corporation incurred \$30,592 in legal and corporate finance fees recorded as share issuance costs. The Corporation also incurred listing fees of \$42,701 relating to legal and corporate finance fees in connection with its IPO.

As the Corporation is a CPC, there are restrictions imposed on the use of the proceeds raised from the issuance of shares. These proceeds may only be used to identify and evaluate assets or businesses for future investment, with a view of completing a Qualifying Transaction, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Corporation. (see Note 12).

No shares were issued during the six months ended February 28, 2023.

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10. STOCK OPTIONS

On September 30, 2022, the Corporation adopted a stock option plan which was amended and restated on November 8, 2023 (the "Plan"). The Plan provides eligible directors, officers, and consultants of the Corporation with the opportunity to acquire an ownership interest in the Corporation (provided that while the Corporation is a CPC, the Corporation may not have employees). The Board of Directors is responsible for the general administration of the Plan. The number of common shares reserved for issuance under the Plan shall not exceed 10% of the total number of issued common shares of the Corporation at the time options are granted. The Board of Directors shall establish the exercise price of options granted under the Plan, subject to a number of conditions. Options granted under the Plan have a maximum term of ten years from the date the options are granted, and vesting periods are determined by the Board of Directors.

On February 8, 2024, the Corporation granted 310,000 stock options with an exercise price of \$0.10 and an expiry date of February 8, 2034, to directors of the Corporation. The stock options vested immediately.

On September 30, 2022, the Corporation granted 310,000 stock options with an exercise price of \$0.05 and an expiry date of September 30, 2032, to directors of the Corporation. The stock options vested immediately.

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding at August 31, 2023	310,000	\$ 0.05
Granted	310,000	0.10
Outstanding at February 29, 2024	620,000	\$ 0.08

As at February 29, 2024, the following stock options were outstanding and exercisable:

Outstanding and Exercisable	Exercise Price	Remaining Life (Years)	Fair Value	Expiry Date
310,000	\$0.05	8.59	\$0.05	September 30, 2032
310,000	\$0.10	9.95	\$0.09	February 8, 2034
620,000				

During the three and six months ended February 29, 2024, the Corporation recorded share-based payments of \$28,023 and \$28,023 (February 28, 2023 - \$Nil and \$13,997), respectively, related to the fair value of options vested during the period.

Fair Value Determination

Fair values were estimated using the Black-Scholes Option Pricing Model with the following assumptions:

	For the six months ended February 29, 2024	For the six months ended February 28, 2023
Risk-free interest rate	3.35%	3.16%
Expected life (years)	10	10
Annualized volatility	100%	100%
Dividend yield	0%	0%

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11. RELATED PARTY TRANSACTIONS

The Corporation considers its related parties to be its key management. Key management consists of the officers and directors who are responsible for planning, directing, and controlling the activities of the Corporation. As at February 29, 2024, there were no balances owing to or from related parties.

Remuneration attributed to key management personnel is summarized in the table below.

	For the three months ended February 29 and February 28,		For the six months ended February 29 and February 28,	
	2024	2023	2024	2023
Share-based payments:				
Directors	\$ 13,500	\$ -	13,500	\$ 6,524
Chief Executive Officer ("CEO")	4,841	-	4,841	2,491
Chief Financial Officer ("CFO")	4,841	-	4,841	2,491
Corporate Secretary	4,841	-	4,841	2,491
	\$ 28,023	\$ -	28,023	\$ 13,997

During the three and six months ended February 29, 2024, the Corporation granted 310,000 and 310,000 (February 28, 2023 – Nil and 310,000) stock options, respectively, to the directors and recorded \$28,023 (February 28, 2023 – \$Nil and \$13,997) in share-based payments.

12. CAPITAL MANAGEMENT

The Corporation's objectives when managing capital are to safeguard its ability to continue as a going concern and to identify, evaluate and complete a Qualifying Transaction and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk by monitoring its net debt position. In the management of capital, the Corporation considers capital to be the components of shareholders' equity.

The Corporation manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Corporation may issue debt or equity. The Corporation is highly dependent on capital markets as its source of operating capital.

As a CPC, the Corporation is subject to externally imposed restrictions over its capital. Until completion of the Qualifying Transaction, the Corporation cannot carry on any business other than the identification and evaluation of businesses or assets with a view to complete a potential Qualifying Transaction.

As a CPC, the proceeds raised by the Corporation from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Corporation. These restrictions apply until the completion of a Qualifying Transaction by the Corporation as defined under the policies of the Exchange.

In accordance with Policy 2.5 of the Exchange, the Corporation is required to maintain adequate working capital of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of six months.

Other than noted above, the Corporation is not subject to any externally imposed capital requirements. There has been no change in the Corporation's approach to capital management during the six months ended February 29, 2024.

Coco Pool Corp.

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13. FINANCIAL RISK MANAGEMENT

The Corporation's financial instruments are exposed to the following risks:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Corporation's cash and cash equivalents are exposed to credit risk. The Corporation reduces its credit risk on cash and cash equivalents by placing these instruments in institutions of high credit worthiness.

Liquidity risk

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting obligations associated with financial liabilities. The Corporation manages liquidity risk by maintaining a sufficient cash balance to enable settlement of transactions on the due date. The Corporation addresses its liquidity through equity financing obtained through sale and issue of common shares. While the Corporation has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future.

As at February 29, 2024, the Company had a cash balance of \$282,912 (August 31, 2023 - \$79,498) to settle current liabilities of \$39,127 (August 31, 2023 - \$38,310). The Company's accounts payable and accrued liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms.

Other risks

Based on management's knowledge and experience pertaining to the Corporation and its operational environment, management does not believe that the Corporation is exposed to significant foreign exchange, interest rate, price, or other risk. The Corporation does not consider any of its financial assets to be impaired.

14. SUBSEQUENT EVENTS

On March 28, 2024, 10,000 stock options with an exercise price of \$0.05 and 10,000 stock options with an exercise price of \$0.10 were surrendered and cancelled.

On March 28, 2024, 20,000 stock options with an exercise price of \$0.075 were granted to a director and officer of the Corporation. The options vested fully on grant and expire on March 28, 2034.