

**BIOCURE TECHNOLOGY INC.**  
**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**FOR THE THREE AND SIX MONTHS ENDED**  
**JUNE 30, 2024 AND 2023**

**(Unaudited)**

**(Expressed in Canadian Dollars)**

# **BIOCURE TECHNOLOGY INC.**

## **NOTICE TO READER**

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

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company.

The Company's independent auditors have not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim statements by an entity's auditors.

**Biocure Technology Inc.**

Condensed Consolidated Interim Statements of Financial Position

As at June 30, 2024 and December 31, 2023

(Unaudited)

(Expressed in Canadian Dollars)

		<b>June 30, 2024</b>	December 31, 2023
	<b>Notes</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
		\$	\$
<b>ASSETS</b>			
<b>Current</b>			
Cash		28,991	4,235
Receivables	6	4,829	6,674
		<u>33,820</u>	<u>10,909</u>
<b>Non-current</b>			
Investments in KWULP and KWUC	5	1,965,527	1,965,527
<b>TOTAL ASSETS</b>		<b><u>1,999,347</u></b>	<b><u>1,976,436</u></b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current</b>			
Accounts payable and accrued liabilities	7,8	394,426	331,368
<b>Non-current</b>			
Loans payable	9	45,553	41,875
<b>TOTAL LIABILITIES</b>		<b><u>439,979</u></b>	<b><u>373,243</u></b>
<b>Shareholders' equity</b>			
Share capital	10	17,676,749	17,676,749
Reserve for stock options and warrants	10	7,497,458	7,497,458
Deficit		(23,614,839)	(23,571,014)
Total shareholders' equity		<u>1,559,368</u>	<u>1,603,193</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b><u>1,999,347</u></b>	<b><u>1,976,436</u></b>

Nature of operations and going concern (Note 1)

Approved on behalf of the Board on August 6, 2024:

"Konstantin Lichtenwald"

Director

"Collin Kim"

Director

The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.

**Biocure Technology Inc.**

Condensed Consolidated Interim Statements of Comprehensive Loss

For the three and six months ended June 30, 2024 and 2023

(Unaudited)

(Expressed in Canadian Dollars)

	Notes	Three months ended June 30, 2024	Three months ended June 30, 2023	Six months ended June 30, 2024	Six months ended June 30, 2023
		\$	\$	\$	\$
<b>EXPENSES</b>					
Accretion and interest		1,878	1,419	3,678	2,768
Consulting		7,500	8,000	17,625	16,250
Director and management fees	9	37,500	30,000	75,000	61,446
Filing fees		7,231	10,584	10,959	18,341
General and administrative		227	6,175	495	6,524
Insurance		2,500	7,868	9,255	15,576
Professional fees		8,324	37,861	16,898	63,248
		(65,160)	(101,907)	(133,910)	(184,153)
<b>OTHER ITEMS</b>					
Loss from equity accounted investment in BPK	6	-	(27,939)	-	(27,940)
Gain on retained investment	6	-	2,805,376	-	2,805,377
Other income		45,085		90,085	
		45,085	2,777,437	90,085	2,777,437
<b>NET GAIN (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS</b>					
		(20,075)	2,675,530	(43,825)	2,593,284
<b>NET LOSS FOR THE PERIOD FROM DISCONTINUED OPERATIONS</b>					
		-	(64,495)	-	(310,068)
<b>NET INCOME (LOSS) FOR THE PERIOD</b>					
		(20,075)	2,611,035	(43,825)	2,283,216
Income (loss) attributable to the shareholders of the Company		(20,075)	2,620,862	(43,825)	2,307,690
Loss attributable to non-controlling interest	12	-	(9,827)	-	(24,474)
		(20,075)	2,611,035	(43,825)	2,283,216
<b>OTHER COMPREHENSIVE INCOME (LOSS) (items that may be reclassified to profit or loss)</b>					
Foreign currency translation		-	30,074	-	159,278
Attributable to the shareholders of the Company		-	27,700	-	146,706
Attributable to non-controlling interest	12	-	2,374	-	12,572
		-	30,074	-	159,278
<b>COMPREHENSIVE INCOME (LOSS)</b>					
		(20,075)	2,641,109	(43,825)	2,442,495
Attributable to the shareholders of the Company		(20,075)	2,648,562	(43,825)	2,454,397
Attributable to non-controlling interest	12	-	(7,453)	-	(11,902)
		(20,075)	2,641,109	(43,825)	2,442,495
<b>BASIC AND DILUTED INCOME (LOSS) PER SHARE FROM CONTINUING OPERATIONS</b>					
		(0.00)	0.03	(0.00)	0.02
<b>BASIC AND DILUTED INCOME (LOSS) PER SHARE</b>					
		(0.00)	0.03	(0.00)	0.02
<b>WEIGHTED AVERAGE SHARES OUTSTANDING – BASIC AND DILUTED</b>					
		81,603,652	99,915,387	89,108,461	104,368,240

The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.

**Biocure Technology Inc.**

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

For the three and six months ended June 30, 2024 and 2023

(Unaudited)

(Expressed in Canadian Dollars)

	Number of Common Shares	Share Capital	Reserve For Stock Options and Warrants	Reserve For Treasury Shares	Accumulated Other Comprehensive Loss	Deficit	Non- controlling interest	Total
<b>December 31, 2022</b>	<b>108,921,158</b>	<b>\$ 18,446,908</b>	<b>\$ 7,497,458</b>	<b>\$ -</b>	<b>\$ (418,096)</b>	<b>\$ (27,504,715)</b>	<b>\$ (349,278)</b>	<b>\$ (2,327,723)</b>
Issuance of shares in subsidiary	-	-	-	-	-	210,769	80,050	<b>290,819</b>
Net income for the period	-	-	-	-	-	2,307,690	(24,474)	<b>2,283,217</b>
Other comprehensive loss	-	-	-	-	146,706	-	12,572	<b>159,278</b>
Treasury shares cancelled	(27,317,506)	(956,113)	-	2,697,646	-	-	-	<b>1,741,533</b>
Disposal of Subsidiary	-	-	-	-	271,390	-	281,130	<b>552,520</b>
<b>June 30, 2023</b>	<b>81,603,652</b>	<b>17,490,795</b>	<b>7,497,458</b>	<b>2,697,646</b>	<b>-</b>	<b>(24,986,256)</b>	<b>-</b>	<b>2,699,643</b>
<b>December 31, 2023</b>	<b>94,000,537</b>	<b>17,676,749</b>	<b>7,497,458</b>	<b>-</b>	<b>-</b>	<b>(23,571,014)</b>	<b>-</b>	<b>1,603,193</b>
Net loss for the period	-	-	-	-	-	(43,825)	-	(43,825)
<b>June 30, 2024</b>	<b>94,000,537</b>	<b>17,676,749</b>	<b>7,497,458</b>	<b>-</b>	<b>-</b>	<b>(23,614,839)</b>	<b>-</b>	<b>1,559,368</b>

The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.

**Biocure Technology Inc.**

Condensed Consolidated Interim Statements of Cash Flows

For the three and six months ended June 30, 2024 and 2023

(Unaudited)

(Expressed in Canadian Dollars)

	<b>2024</b>	<b>2023</b>
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Net income (loss) for the period	(43,825)	2,593,284
Non-cash items:		
Accretion expense	3,678	2,768
Loss from equity accounted investment in BPK	-	27,940
Gain on retained investment for disposed subsidiary	-	(2,805,377)
Changes in non-cash working capital items:		
Receivables	1,845	17,228
Prepaid expenses and deposits	-	(1,500)
Accounts payable and accrued liabilities	63,058	94,638
Net cash provided by (used in) operating activities – continuing operations	24,756	(71,019)
Net cash used in operating activities – discontinued operations	-	(189,612)
<b>Net cash provided by (used in) operating activities</b>	<b>24,756</b>	<b>(260,631)</b>
<b>INVESTING ACTIVITIES</b>		
Repayment of disposed subsidiary loan	-	45,000
Net cash provided by investing activities – continuing operations	-	45,000
Net cash used in investing activities – discontinued operations	-	(1,691)
<b>Net cash flow provided by investing activities</b>	<b>-</b>	<b>43,309</b>
<b>FINANCING ACTIVITIES</b>		
Net cash provided by financing activities – discontinued operations	-	190,381
<b>Net cash flow provided by financing activities</b>	<b>-</b>	<b>190,381</b>
<b>EFFECT OF FOREIGN CURRENCY TRANSLATION ON CASH</b>	<b>-</b>	<b>(50)</b>
<b>NET CHANGE IN CASH FROM CONTINUING OPERATIONS</b>	<b>24,756</b>	<b>(26,019)</b>
<b>NET CHANGE IN CASH FROM DISCONTINUED OPERATIONS</b>	<b>-</b>	<b>(972)</b>
<b>CASH, BEGINNING OF THE PERIOD</b>	<b>4,235</b>	<b>37,672</b>
<b>CASH, END OF THE PERIOD</b>	<b>28,991</b>	<b>11,653</b>

The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.

**Biocure Technology Inc.**

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2024 and 2023

(Unaudited)

(Expressed in Canadian Dollars)

**1. NATURE OF OPERATIONS AND GOING CONCERN**

Biocure Technology Inc. (the “Company”) was incorporated under the Business Corporation Act (British Columbia) on August 24, 2007. The Company is engaged in a mineral exploration property project through a limited partnership. The Company’s head office is located at Suite 300, 1055 West Hastings Street, Vancouver, BC, Canada and is trading on the Canadian Securities Exchange (“CSE”) under the symbol CURE. On June 18, 2019, the Company began trading on OTCQB under the symbol BICTF.

On September 8, 2023, the Company entered into an agreement to acquire Atriva Therapeutics GmbH (“Atriva”) through a reverse takeover transaction (“RTO”), whereby it will acquire all of the issued and outstanding securities of Atriva. The transaction will be a business combination completed by way of a share exchange, share purchase, amalgamation arrangement, takeover bid or other similar form of transaction. The transaction also entails that approximately 25% of Atriva’s securities will be held by Biocure while 75% will be held by Atriva’s security holders. It is anticipated that Biocure Technology Inc. will carry on the business of Atriva (the resulting issuer) upon successful completion of the RTO. Atriva had agreed to pay \$15,000 of exclusive fee per month until the completion of the Transaction. The planned acquisition of Atriva through the RTO was extended from March 31, 2024 to June 30, 2024 and, the Company’s shares remained halted pending completion of the transaction.

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at June 30, 2024, the Company has a working capital deficiency of \$360,606. The continuing operations of the Company are dependent upon its ability to raise additional capital during the next twelve months and beyond to support current operations and planned development. As at June 30, 2024, the Company has not earned significant revenue and has an accumulated deficit of \$23,614,839. The Company has material financial uncertainties that may cast significant doubt upon the Company’s ability to continue as a going concern. The condensed consolidated interim financial Statements do not include any adjustments relating to the recoverability and classification of recorded assets and liabilities that might be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

**2. BASIS OF PREPARATION**

The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company’s audited consolidated financial statements for the year ended December 31, 2023. In the opinion of management, all adjustments considered necessary for fair presentation of the Company’s financial position, results of operations and cash flows for the three months ended and as at June 30, 2024 and 2023 have been included. Operating results for the six-month period ended June 30, 2024 are not necessarily indicative of the results that may be expected for the year ending December 31, 2024.

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

*Statement of compliance*

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and as issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). The condensed consolidated interim financial statements have been prepared in conformity with IAS 34 Interim Financial Reporting and do not include all the information required for full annual consolidated financial statements in accordance with IFRS and should be read in conjunction with the audited consolidated financials for the year ended December 31, 2023.

**Biocure Technology Inc.**

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2024 and 2023

(Unaudited)

(Expressed in Canadian Dollars)

**2. BASIS OF PREPARATION (continued)****APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS**

The condensed consolidated interim financial statements of the Company for the six months ended June 30, 2024 were approved and authorized for issue by the Board of Directors on August 6, 2024.

*Functional and presentation currency*

The Financial Statements of the Company are presented in Canadian dollars.

The individual financial statements of each entity of the Company are presented in the currency of the primary economic environment in which the entity operates. The functional currency of the Company is the Canadian dollar. The functional currency of the disposed subsidiary is South Korea Won.

**Basis of consolidation**

The condensed consolidated interim financial statements comprise of the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee
- is exposed or has right to variable returns from its involvements with the investee; and
- has the ability to use its power to affect its returns.

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to the three elements of control listed above.

The following subsidiary was classified as held for sale – discontinued operations on December 16, 2022 pursuant to an executed agreement (Note 4) and accordingly have been presented separately since December 31, 2022. The operating results of the subsidiary are included in discontinued operations in these condensed consolidated interim financial statements:

<b>Name of Subsidiary</b>	<b>Country of Incorporation</b>	<b>Ownership</b>	<b>Principle Activities</b>
Biocurepharm Corporation (“BP Korea”)	Korea	92.11%	Biopharmaceutical

All intercompany transactions, balances, income and expense are eliminated upon consolidation.

Subsidiaries are fully consolidated from the date on which control is obtained by the Company and are deconsolidated from the date that control ceases. As a result of sale of common shares of BP Korea held by the Company, the Company no longer maintains control of BP Korea, and it deconsolidated the operations upon the loss of control on May 31, 2023, subsequently the Company accounted for BP Korea using the equity method.

**Discontinued Operations**

Effective December 16, 2022, the Company entered into an agreement with Dr. Lee, former President and CEO, whereby Dr. Lee will acquire 1,773,879 common shares and 57,954 preferred shares of BP Korea. BP Korea meets the criteria for discontinued operation under IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations.



**Biocure Technology Inc.**

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2024 and 2023

(Unaudited)

(Expressed in Canadian Dollars)

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**2. BASIS OF PREPARATION (continued)****Significant estimates and assumptions**

The preparation of condensed consolidated interim financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability of investments in Korea Waterbury Uranium Limited Partnership ("KWULP"), Korea Waterbury Uranium Corporation ("KWUC"), and BPK, recoverability of receivables, fair value measurement and the timing of future cash flows of financial instruments, and the measurement of deferred tax assets and liabilities.

The preparation of condensed consolidated interim financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applied in these condensed consolidated interim financial statements are:

- In BPK, the Company owns 45% of the shareholding. Based on the above factor, management has assessed that the Company has significant influence, but not control of BPK.

Other significant judgments applied in the Company's condensed consolidated interim financial statement relate to the assessment of the Company's ability to continue as a going concern (Note 1), and the classification of its financial instruments.

**3. MATERIAL ACCOUNTING POLICIES**

The accounting policies followed in these condensed interim consolidated financial statements are the same as those applied in the Company's most recent audited consolidated financial statements for the years ended December 31, 2023 and 2022. Accounting standards and amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

**Biocure Technology Inc.**

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2024 and 2023

(Unaudited)

(Expressed in Canadian Dollars)

**4. DISCONTINUED OPERATIONS**

On May 31, 2023, the Company completed the previously announced sale of 1,773,879 common shares and 57,954 preferred shares of BP Korea held by the Company, representing 46% for the outstanding shares of BP Korea (the “Transaction”) to Sang Mok Lee (former President and CEO “Dr. Lee”).

The Company received an aggregate of 27,317,506 common shares of Biocure held by Dr. Lee for cancellation and returned to treasury, which were recorded at their fair value of \$956,113 based on the market price of the shares on the date of the transaction. (Note 11).

The Company retained 45% outstanding shares of BP Korea and recorded the fair value of retained investment in associate of \$918,618 which was determined based on the value implied by the exchange of the 46% outstanding shares of BP Korea for consideration of \$956,113.

The restructuring Transaction is designed to enable BP Korea, under the leadership of its CEO, to separately market, finance and develop its product portfolio while maintaining a minority investment in BP Korea, which was a private subsidiary of the Company.

Following completion of the restructuring Transaction, Dr. Lee resigned from the board of the Company and as its CEO.

	<b>May 31, 2023</b>
	\$
Fair Market Value of treasury shares received	956,113
Fair value of retained investment in associate	918,618
<b>Net proceeds</b>	<b>1,874,731</b>
Less net assets (liabilities) of discontinued operations	
Cash	258
Receivables	7,028
Deposits	42,274
Intangible asset	984
Equipment	1,525
Other investment	422
Accounts payable and accrued liabilities	(380,415)
Loan payable	(2,021,172)
Deferred revenue	(27,158)
Severance liability	(279,851)
Convertible debenture	(1,560,626)
Non-controlling interest	283,965
Carrying value of the net liabilities	(3,932,766)
Recognition of foreign currency translation loss previously recorded in AOCI	270,843
<b>Gain on disposal of BP Korea – recognized in equity</b>	<b>5,536,654</b>

**Biocure Technology Inc.**

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2024 and 2023

(Unaudited)

(Expressed in Canadian Dollars)

**4. DISCONTINUED OPERATIONS (continued)**

The activities of BP Korea up to the date of loss of control met the criteria of a discontinued operation under IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations.

	<b>June 30, 2024</b>	<b>June 30, 2023</b>
	\$	\$
<b>EXPENSES</b>		
Amortization and depreciation	-	279
Director and management fees	-	52,200
General and administrative	-	256,860
Research and Development	-	99,129
Other (income) and expenses	-	(35,733)
<b>Net loss from discontinued operations</b>	<b>-</b>	<b>(372,735)</b>
<b>BASIC AND DILUTED LOSS PER SHARE FROM DISCONTINUED OPERATIONS</b>	<b>(0.00)</b>	<b>(0.00)</b>

**Convertible Debenture**

During the year ended December 31, 2019, the Company issued \$1,222,760 (KRW 1,100,000,000) in convertible debentures. The convertible debenture bears a three per cent interest rate, has a term of ten years, and is convertible into common shares of the Company's subsidiary BP Korea at \$12.25 (KRW 11,000) per share three years after the issuance of the convertible debenture. If any common shares of the company are issued or sold for a price less than \$12.25 (KRW 11,000) per common share the conversion price will be adjusted downward to the price of such issuance. The adjustment to the conversion price is considered a derivative as it changes in relation to the share price of the company and does not meet the fixed-for-fixed criteria. The company has elected to measure the instrument at FVTPL. On inception, the fair value of the instrument was determined to be the transaction amount.

Management assessed the fair value of the debt at May 31, 2023 and adjusted the fair value, based on the market conditions, interest rates and operations of BP Korea. The Company records the fair value of the convertible debenture with an embedded derivative as one liability and revalues the convertible debenture every quarter with a derivative valuation technique. The following significant inputs and assumptions were used in the model during the period ended May 31, 2023: Discount rate of 17%, Volatility of 100%, Risk-free interest rate of 3.52%.

Management assessed the fair value of the debt at December 31, 2022 and adjusted the fair value, based on the market conditions, interest rates and operations of BP Korea. The Company records the fair value of the convertible debenture with an embedded derivative as one liability and revalues the convertible debenture every quarter with a derivative valuation technique. The following significant inputs and assumptions were used in the model during the year ended December 31, 2022: Discount rate of 17%, Volatility of 100%, Risk-free interest rate of 3.8%.

During the period ended May 31, 2023, BPK issued 67,500 shares for KRW 4,000. The Company recorded \$9,894 adjustment to the fair value based on the change in fair value of BPK's shares and change in market interest rate. There was no impact on the fair value of the debt.

**Biocure Technology Inc.**

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2024 and 2023

(Unaudited)

(Expressed in Canadian Dollars)

**4. DISCONTINUED OPERATIONS (continued)**

As at May 31, 2023, the convertible debenture is recorded in the Company's discontinued operations segment with the following amount:

	<b>Debtenture</b>
	<b>\$</b>
<b>Balance at December 31, 2021</b>	<b>1,219,574</b>
Change in fair value of convertible debenture	369,348
Effect of FX	38,987
<b>Balance at December 31, 2022</b>	<b>1,627,909</b>
Change in fair value of convertible debenture	9,894
Effect of FX	(77,177)
<b>Balance at May 31, 2023</b>	<b>1,560,626</b>

**5. INVESTMENTS IN KWULP AND KWUC**

The Company has a 10% interest in Korea Waterbury Uranium Limited Partnership ("KWULP"), a limited partnership registered under the Limited Partnerships Act (British Columbia), and a 10% interest in the Korea Waterbury Uranium Corporation ("KWUC"), KWULP's general partner.

The Company's investment in KWULP is classified as a fair value through other comprehensive loss ("FVTOCI") financial asset. Because the investment is an unquoted investment in a private entity and the primary asset is an exploration stage resource property, the fair value is highly subjective. Management has reviewed its investment for indicators of impairment and concluded that no such indicators exist as at June 30, 2024. Management has determined fair value based on the cost basis of the investment.

**6. RECEIVABLES**

The Company's receivables are comprised of GST receivable. As of June 30, 2024, the Company had \$4,829 (December 31, 2023 - \$6,674) in receivables.

**7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>June 30, 2024</b>	<b>December 31, 2023</b>
	<b>\$</b>	<b>\$</b>
Accounts payable	394,426	331,368
	394,426	331,368

**8. RELATED PARTIES****Key management compensation**

Key management personnel include those people who have authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and the Officers. The remuneration of directors and key management personnel for the three and six months ended June 30, 2024 and 2023 were as follows:

**Biocure Technology Inc.**

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2024 and 2023

(Unaudited)

(Expressed in Canadian Dollars)

**8. RELATED PARTIES (continued)**

	Three months ended June 30, 2024	Three months ended June 30, 2023	Six months ended June 30, 2024	Six months ended June 30, 2023
	\$	\$	\$	\$
Director and management fees	37,500	60,540	75,000	143,623
Total	37,500	60,540	75,000	143,623

**Accounts payable balances outstanding to related parties**

As at June 30, 2024, there was \$291,678 (December 31, 2023 - \$223,178) of due to directors and officers included in accounts payable.

As at June 30, 2024, there was \$1,446 (December 31, 2023 - \$1,446) due to a former director included in accounts payable (Note 7).

**9. LOANS PAYABLE**

The following table summarizes the principal and interest amount in loans payable:

	June 30, 2024	December 31, 2023
	\$	\$
<b>Balance, beginning</b>	41,875	34,189
Additions – CEBA	-	(18,125)
Additions – forego grant amount	-	20,000
Accretion – CEBA	2,326	5,811
Accrued interest - CEBA	1,352	-
<b>Balance, ending</b>	<b>45,553</b>	<b>41,875</b>

During the year ended December 31, 2020, the Company entered into a Canada Emergency Business Account “CEBA” loan with the Government of Canada. The loan is an interest free loan of \$60,000 from the Government of Canada. If the loan is repaid by December 31, 2022, 33% being \$20,000 will be forgiven. If the Company is not able to repay the amount, the loan will convert into a regular loan with a three-year term at 5% per annum. The loan was recorded at a fair value of \$29,222 using an effective rate of 17%, considering the grant, the interest-free loan and the forgivable portion. On January 12, 2022, the government announced the repayment date will be extended to December 31, 2023. The Company recognized an additional \$4,994 of income from government assistance in other income in connection to the extension announcement. As at December 31, 2023, the Company had not paid back any balance and the full amount of the loan has now been converted to a three-year term loan with a 5% fixed interest rate, due by December 31, 2026. The loan was revalued at fair value using an effective interest rate of 17% and recorded a fair value of \$43,675. During the six months ended June 30, 2024, the Company recorded accretion and interest of \$3,678 (June 30, 2023 - \$2,768).

**10. SHARE CAPITAL****Common shares**

*Authorized:*

Unlimited number of common shares without par value.

**Biocure Technology Inc.**

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2024 and 2023

(Unaudited)

(Expressed in Canadian Dollars)

**10. SHARE CAPITAL (continued)***Issued:*

There were no transactions affecting share capital during the three and six months ended June 30, 2024 and 2023.

During the year ended December 31, 2023, 12,396,885 shares with a deemed price of \$0.05 per shares were issued to settle \$619,844 of accounts payable. The Company recorded a gain on debt settlement of \$433,891.

**Warrants**

During the three and six months ended June 30, 2024 and 2023, no warrants were granted and exercised.

On July 14, 2023, 534,022 warrants with an exercise price of \$0.21 expired.

On July 5, 2023, the Company amended the terms of 6,706,525 share purchase warrants originally issued on July 14, 2021 with an expiry date on July 14, 2023. The Company extended the warrant terms to July 14, 2026, and reduced the exercise price of warrants from \$0.21 to \$0.05. The amendment will require the incorporation of an accelerated expiry provision such that the remaining exercise period of the warrants will be reduced to 30 days if, for any 10 consecutive trading days during the unexpired term of such of the warrants, the closing price of the corporation's common shares exceeds the amended exercise price by 25% or more (which would be a trading price of \$0.625 per common share or higher), with the 30-day expiry period commencing on the day the corporation disseminates a press release advising of the commencement of the exercise period.

The following table summarizes the information about share purchase warrants as at June 30, 2024:

<b>Expiry date</b>	<b>Warrants outstanding</b>	<b>Exercise Price</b>	<b>Weighted average remaining contractual life, in years</b>
		\$	
July 14, 2026	6,706,525	0.05	2.04
	6,706,525	0.05	2.04

**Stock options**

The Company has established a stock option plan under which common share purchase options may be granted to directors, officers, employees and consultants. The maximum number of shares available for options issuable under the stock option plan is 10% of the Company's common shares outstanding. Options granted have an exercise price of the Company's prior day closing price quoted on the Exchange for the common shares of the Company.

A summary of stock options activities are as follows:

	<b>June 30, 2024</b>		<b>December 31, 2023</b>	
	<b>Number of options</b>	<b>Weighted average exercise price</b>	<b>Number of options</b>	<b>Weighted average exercise price</b>
		\$		\$
Balance, beginning	7,270,000	0.30	7,570,000	0.30
Expired/Cancelled	(6,020,000)	-	-	-
Balance, ending	1,250,000	0.30	7,270,000	0.30

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**10. SHARE CAPITAL (continued)**

During the six months ended June 30, 2024, 6,020,000 options with an exercise price of \$0.30 expired on February 16, 2024.

The Company recognized stock-based compensation expense of \$Nil for the six months ended June 30, 2024 (2023 - \$Nil).

The following summarizes information about stock options outstanding and exercisable at June 30, 2024:

Expiry date	Options outstanding	Options exercisable	Exercise Price	Weighted average remaining contractual life, in years
			\$	
July 21, 2024	1,250,000	1,250,000	0.30	0.06
	1,250,000	1,250,000	0.30	0.06

**11. NON-CONTROLLING INTERESTS**

All of the non-controlling interest of the Company is related to the discontinued operations.

At June 30, 2024, the Company had Nil interest in its Korean investment BiocurePharm, and all non-controlling interest and accumulated other comprehensive loss had been deconsolidated.

Set out below is summarized financial information for the subsidiary before any inter-company eliminations:

Summarized statement of comprehensive income	BiocurePharm Incorp. June 30, 2024	June 30, 2023
	\$	\$
Amortization and depreciation	-	(279)
Director and management fees	-	(52,200)
General and administrative	-	(256,860)
Research and Development	-	(99,129)
Other income and expenses	-	35,733
Net income (loss) for the period	-	(372,735)
Other comprehensive income (loss)	-	159,278
Total comprehensive income (loss)	-	(213,457)
Comprehensive loss allocated to NCI	-	(11,902)

**Biocure Technology Inc.**

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**12. FINANCIAL INSTRUMENTS AND RISKS***Classification of financial instruments*

Financial assets included in the statement of financial position are as follows:

	<b>June 30, 2024</b>	<b>December 31, 2023</b>
	\$	\$
Fair value through profit or loss		
Cash	28,991	4,235
Fair value through other comprehensive income		
Investments in KWULP and KWUC	1,965,527	1,965,527
	1,994,518	1,969,762

Financial liabilities included in the statement of financial position are as follows:

	<b>June 30, 2024</b>	<b>December 31, 2023</b>
	\$	\$
Financial liabilities at amortized cost:		
Accounts payable and accrued liabilities	394,426	331,368
Loans payable	45,553	41,875
	439,979	373,243

*Fair value*

The Company has applied a three-level hierarchy to reflect the significance of the inputs used in making fair value measurements. The three levels of 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 assets or liabilities, neither directly or indirectly; and
- Level 3 – Inputs for assets or liabilities that are not based on observable market data.

The Company's financial instruments consist of cash, investment in KWULP and KWUC, receivables, payable and accrued liabilities, and loans payable. The fair value of these financial instruments, other than cash, approximates their carrying value due to the short-term nature of these instruments. Cash is measured at fair value using level 1 input.

The Company is exposed to a variety of financial risks by virtue of its activities including currency, credit, interest rate and liquidity risk.

a) Credit risk

Credit risk is risk of financial loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash is held in large Canadian financial institutions and is not exposed to significant credit risk. As of June 30, 2024, there is an amount of \$717,300 (2023 - \$Nil) for allowance for doubtful account in connection to BP Korea. The Company recognized the amount as bad debt expense in the consolidated statements of comprehensive loss in 2023.



**Biocure Technology Inc.**

Notes to the Condensed Consolidated Interim Financial Statements

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**12. FINANCIAL INSTRUMENTS AND RISKS (continued)**b) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to limited interest rate risk.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the directors are actively involved in the review, planning, and approval of significant expenditures and commitments.

d) Foreign currency risk

The Company's disposed subsidiary and current investment in associate's functional currency is the South Korean Won and major transactions are in South Korean Won. The Company is not exposed to significant foreign exchange risk arising from transactions dominated in a foreign currency.

**13. CAPITAL MANAGEMENT**

The capital managed by the Company includes the components of shareholders' equity as described in the consolidated statements of shareholders' equity. The Company is not subject to externally imposed capital requirements.

The Company's objectives of capital management are to create long-term value and economic returns for its shareholders. It does this by seeking to maximize its resources to fund the growth and development of its business, and to support the working capital required to maintain its ability to continue as a going concern. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its assets by seeking to limit shareholder dilution and optimize its cost of capital while maintaining an acceptable level of risk. In order to maintain or adjust its capital structure, the Company considers all sources of financing reasonably available to it, including but not limited to the issuance of new capital, the issuance of new debt and the sale of assets in whole or in part. There were no changes in the Company's approach to capital management during the period.

**14. SUBSEQUENT EVENTS****Termination of transaction with Atriva Therapeutics**

On July 3, 2024, the Company announced the termination of its RTO transaction with Atriva Therapeutics. There was no penalty or termination fee payable by either the Company or Atriva in connection with ending the agreement as the termination was mutually agreed by both parties. Following the termination, trading of the company's shares is expected to resume on the CSE once approved by the CSE.