ENERGY PLUG TECHNOLOGIES CORP.

(CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Three Months Ended September 30, 2023

(Unaudited – Prepared by Management)

(EXPRESSED IN CANADIAN DOLLARS)

MANAGEMENT'S RESPONSIBILITY FOR INTERIM FINANCIAL REPORT

The accompanying unaudited condensed consolidated interim financial report of Energy Plug Technologies Corp. (the "Company") has been prepared by and is the responsibility of the Company's management.

ENERGY PLUG TECHNOLOGIES CORP.
INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(EXPRESSED IN CANADIAN DOLLARS)
(Unaudited – Prepared by Management)

	Note	September 30, 2023	June 30, 2023
ASSETS			
Current assets			
Cash		$ 371,278	$ 711,179
Receivables		30,443	22,283
Prepaid expenses		132,785	107,325
		534,506	840,787
Non-current assets			
Intangible asset	5	28,765	25,536
Total assets		$ 563,271	$ 866,323
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payables and accrued liabilities	6	$ 71,710	$ 101,813
Amounts due to related parties	7	-	1,285
Total liabilities		71,710	103,098
Equity			
Share capital	8	5,865,084	4,900,084
Reserves	9	2,251,213	890,000
Deficit		(7,624,736)	(5,026,859)
Total equity		491,561	763,225
Total liabilities and equity		$ 563,271	$ 866,323

Nature of operations and going concern (Note 1)

The financial statements were authorized for issue by the board of directors on November 28, 2023 and were signed on its behalf by:

"Fred Stearman" Director *"Paul Dickson"* Director

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

ENERGY PLUG TECHNOLOGIES CORP.
INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(EXPRESSED IN CANADIAN DOLLARS)
THREE MONTHS ENDED SEPTEMBER 30
(Unaudited – Prepared by Management)

	Note	2023	2022
EXPENSES			
Consulting fees	6	$ 67,032	$ 6,394
Depreciation	5	2,733	-
Legal fees		8,447	(2,127)
Management fees	6	49,000	39,000
Marketing and promotion		108,276	-
Media and news dissemination		6,250	3,416
Office and miscellaneous		6,220	1,283
Research and development	6	15,300	27,248
Share-based payments	9	470,380	-
Transfer agent and regulatory filing fees		9,439	5,079
Travel		2,623	-
		(745,700)	(80,293)
OTHER EXPENSE			
Loss on acquisition of assets	4	(1,852,177)	-
Loss and comprehensive loss for the period		$ (2,597,877)	$ (80,293)
Basic and diluted loss per common share	8	$ (0.05)	$ (0.00)

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

ENERGY PLUG TECHNOLOGIES CORP.
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(EXPRESSED IN CANADIAN DOLLARS)
(Unaudited – Prepared by Management)

	Note	Number of Shares		Share capital		Reserves		Deficit		Total equity
Balance, June 30, 2023		52,377,780	$	4,900,084	$	890,000	$	(5,026,859)	$	763,225
Shares issued for asset acquisition	4, 8	8,000,000		960,000		-		-		960,000
Warrants issued for asset acquisition	4, 8	-		-		890,833		-		890,833
Exercise of warrants	4, 8	50,000		5,000		-		-		5,000
Share-based payments	9	-		-		470,380		-		470,380
Loss for the period		-		-		-		(2,597,877)		(2,597,877)
Balance, September 30, 2023		60,427,780	$	5,865,084	$	2,251,213	$	(7,624,736)	$	491,561

	Note	Number of Shares		Share capital		Reserves		Deficit		Total equity
Balance, June 30, 2022		35,807,780	$	4,048,055	$	1,257,694	$	(4,795,509)	$	510,240
Adjustment on cancellation of stock options		-		-		(73,372)		73,372		-
Loss for the period		-		-		-		(80,293)		(80,293)
Balance, September 30, 2022		35,807,780	$	4,048,055	$	1,184,322	$	(4,802,430)	$	429,947

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

ENERGY PLUG TECHNOLOGIES CORP.
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(EXPRESSED IN CANADIAN DOLLARS)
THREE MONTHS ENDED SEPTEMBER 30
(Unaudited – Prepared by Management)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	$ (2,597,877)	$ (80,293)
Items not affecting cash:		
Depreciation	2,733	-
Loss on acquisition of assets	1,850,833	-
Share-based payments	470,380	-
Changes in non-cash working capital items:		
Receivables	(8,160)	6,484
Prepaid expenses	(25,460)	4,922
Accounts payables and accrued liabilities	(30,103)	(17,513)
Amounts due to related parties	(1,285)	6,750
Net cash used in operating activities	(338,939)	(79,650)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures on intangible	(5,962)	-
Net cash used in investing activities	(5,962)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from exercise of warrants	5,000	-
Net cash provided by financing activities	5,000	-
Change in cash during the period	(339,901)	(79,650)
Cash, beginning of the period	711,179	545,881
Cash, end of the period	$ 371,278	$ 466,231

There are no significant non-cash transactions during the three month periods ended September 30, 2023 and 2022.

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Energy Plug Technologies Corp. (the "Company") was incorporated under the Business Corporations Act (*Ontario*) on September 13, 2010 and was continued under the laws of British Columbia on March 21, 2018. The Company's head office and registered office is located at Suite 400, 1681 Chestnut Street, Vancouver BC, V6J 4M6, Canada. The Company is a software company developing technology utilizing advanced algorithms and real-time data analysis to monitor Electric Vehicle charging stations as well as software development services and intelligent networking solutions for the Battery Energy Charging Systems sector. The Company also, through its wholly-owned subsidiary, investigates opportunities in both the science for the purpose of commercialization and the development of products and services addressing the growth in a wide range of long-term hydrogen businesses related to global energy policy objectives and targets. The Company's common shares are listed on the Canadian Securities Exchange (the "CSE") under the symbol "PLUG", on the OTCQB under the symbol "DVPNF", and on the Frankfurt Stock Exchange under the symbol "6GQ1".

Going concern of operations

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

The Company has incurred losses since inception in the amount of $7,624,736 and has not yet achieved profitable operations. The Company's ability to continue as a going concern is dependent on its ability to obtain adequate financing on reasonable terms from lenders, shareholders and other investors and/or to commence profitable operations in the future. While the Company has been successful in securing financing to date, there can be no assurances that it will be able to do so in the future. The aforementioned factors indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

These consolidated financial statements do not include adjustments that would be required if the going concern assumption is not an appropriate basis for preparation of the financial statements. These adjustments could be material.

There are many external factors that can adversely affect general workforces, economies and financial markets globally. Examples include, but are not limited to, the COVID-19 global pandemic from March 2020, and political conflict in other regions. It is not possible for the Company to predict the duration or magnitude of adverse results of such external factors and its effect on the Company's business or ability to raise capital.

2. BASIS OF PREPARATION

Statement of compliance

These condensed unaudited interim consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34 *Interim Financial Reporting*.

The condensed interim consolidated financial statements do not include all of the disclosures required for a complete set of annual financial statements and should be read in conjunction with the audited annual financial statements for the year ended June 30, 2023, which have been prepared in accordance with IFRS as issued by the IASB.

2. BASIS OF PREPARATION (cont'd…)

Basis of measurement

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

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Greentech Hydrogen Innovators Corp. ("Greentech") and True North Battery Storage Corp. ("True North"). All inter-company transactions, balances, income and expenses are eliminated on consolidation.

Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiaries.

Significant estimates and assumptions

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the period. Actual results could differ from these estimates. 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. Significant areas requiring the use of management estimates include:

i) The determination of the fair value of stock options and agent's warrants using option pricing models, require the input of highly subjective assumptions, including the expected price volatility. Changes in the subjective input assumptions could materially affect the fair value estimate.

ii) The determination of deferred income tax assets or liabilities requires subjective assumptions regarding future income tax rates and the likelihood of utilizing tax carry-forwards. Changes in these assumptions could materially affect the recorded amounts.

Significant judgments

The preparation of these consolidated financial statements requires management to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applied in the Company's financial statements include the assessment of the Company's ability to continue as a going concern, which involves judgment regarding future funding available for its operations and working capital requirements and whether there are events or conditions that may give rise to significant uncertainty.

(EXPRESSED IN CANADIAN DOLLARS)

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out in the Company's audited annual consolidated financial statements for the year ended June 30, 2023 were consistently applied to all the periods presented unless otherwise noted below.

New or revised accounting standards not yet adopted

There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company's consolidated financial statements.

4. ACQUISITION TRANSACTION

On September 14, 2023, the Company completed an acquisition of all of the issued and outstanding securities of True North Battery Storage Corp. ("True North"), a non-related Canadian based company. In consideration for all outstanding securities of True North, the Company issued 8,000,000 common shares and 8,000,000 share purchase warrants of the Company to the existing shareholders of True North. Each common share purchase warrant entitles the holder to purchase one common share of the Company at $0.10 for a period of 24 months from the date of issuance. The fair value of the common shares issued to the True North's shareholders was determined to be $960,000 based on the fair value of the consideration shares on the date of issuance. The fair value of the consideration warrants was determined to be $890,833 using the Black Scholes Option Pricing Model based on the following assumptions: Stock price volatility – 245.28%; Risk-free interest rate – 4.69%; Stock price of $0.12 and an expected life of 2 years.

At the date of acquisition, The Company determined that True North did not constitute a business as defined under IFRS 3, Business Combinations, and the acquisition was accounted for as an asset acquisition. There were no intangible assets identified that met the recognition criteria under IFRS; therefore, the excess of the consideration paid over the fair value of the monetary assets and liabilities assumed was expensed.

The following table summarizes the allocation of the purchase price to the fair value of the assets acquired and liabilities assumed at the date of acquisition

Total consideration		
8,000,000 common shares measured at a fair value of $0.12 per share	$	960,000
8,000,000 share purchase warrants		890,833
	$	1,850,833
Net identifiable liabilities assumed		
Due to related party	$	(1,344)
Loss on acquisition of assets	$	1,852,177

5. INTANGIBLE ASSET

	September 30, 2023			June 30, 2023		
	Cost	Accumulated depreciation	Net book value	Cost	Accumulated depreciation	Net book value
Patent	$ 36,319	$ 7,554	$ 28,765	$ 30,357	$ 4,821	$ 25,536

(EXPRESSED IN CANADIAN DOLLARS)

6. ACCOUNTS PAYABLES AND ACCRUED LIABILITIES

	September 30, 2023	June 30, 2023
Trade payables	$ 51,510	$ 75,693
Accrued liabilities	20,000	26,120
	$ 71,710	$ 101,813

Trade payables of the Company are principally comprised of amounts outstanding for trade purchases relating to inventory purchases and general operating activities. The usual credit period taken for trade purchases is between 30 to 90 days.

7. RELATED PARTY TRANSACTIONS

Amounts due to related parties consisted of the following:

	September 30, 2023	June 30, 2023
A company controlled by the CEO of the Company	$ -	$ 1,285

The amounts due to related parties have no specific terms of repayment, are unsecured, and non-interest bearing.

Key management personnel include directors (executive and non-executive) and officers of the Company. The compensation paid or payable to key management personnel during the three month periods ended September 30 is as follows:

	2023	2022
Management fees	$ 49,000	$ 39,000
Consulting fees	11,767	6,394
Research and development	-	25,500
Share-based payments	227,350	-
Total	$ 288,117	$ 70,894

8. SHARE CAPITAL

Authorized share capital

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

Issued share capital

At September 30, 2023, the Company had 60,427,780 common shares outstanding (June 30, 2023 - 52,377,780).

Share issuance

During the three months ended September 30, 2023, the Company:

i) Issued 8,000,000 common shares of the Company with a fair value of $960,000 pursuant to the True North acquisition transaction (Note 4).

ii) Issued 50,000 common shares at $0.10 per share from the exercise of warrants for gross proceeds of $5,000.

During the year ended June 30, 2023, the Company

a) Completed a non-brokered private placement of 15,900,000 units at a price of $0.05 per unit for gross proceeds of $795,000. Each unit is comprised of one common share and one share purchase warrant; each warrant entitles the holder to acquire one additional common share for a period of 12 months at an exercise price of $0.075. No proceeds was allocated to the warrants based on the residual method. The Company incurred filing and other expenses of $9,971 in connection with the private placement. Related Parties subscribed to 600,000 units for proceeds of $30,000.

b) Issued 670,000 common shares at $0.10 per share from the exercise of warrants for gross proceeds of $67,000.

Basic and diluted loss per share

The calculation of basic and diluted loss per share for the three months ended September 30, 2023 was based on the loss attributable to common shareholders of $2,597,877 (2022 - $80,293) and a weighted average number of common shares outstanding of 53,773,976 (2022 - 35,807,780).

At September 30, 2023, 3,400,000 stock options (2022 - 1,925,000) and 48,598,860 warrants (2022 - 26,642,860) were excluded from the diluted weighted average number of common shares calculation as their effect would have been anti-dilutive.

9. SHARE-BASED PAYMENTS

Stock options

The Company has a rolling stock option plan (the “Plan”) in place under which it is authorized to grant options to executive officers and directors, employees and consultants. Pursuant to the Plan, the Company may issue aggregate stock options totaling up to 10% of the issued and outstanding common stock of the Company. Further, the Plan calls for the exercise price of each option to be equal to the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of 10 years and vest at the discretion of the Board of Directors at the time of grant.

(EXPRESSED IN CANADIAN DOLLARS)

9. SHARE-BASED PAYMENTS (cont'd…)

Stock options (cont'd…)

Stock option transactions are summarized as follows:

	Number of options		Weighted Average Exercise Price
Balance, June 30, 2022	2,500,000	$	0.17
Granted	150,000		0.15
Cancelled	(2,250,000)		0.18
Balance, June 30, 2023	400,000	$	0.10
Granted	3,000,000		0.17
Balance, September 30, 2023	3,400,000	$	0.16
Exercisable at September 30, 2023	3,400,000	$	0.16
Weighted average fair value of options granted during the period	$	0.16	(2022 - $nil)

The fair value calculated for stock options granted during the three months ended September 30, 2023 was $470,380 (2022 - $nil) using the Black-Scholes option pricing model. The following weighted average assumptions were used for the Black-Scholes valuation of stock options granted:

	2023	2022
Risk-free interest rate	4.91%	-
Expected life of options	2 Years	-
Annualized volatility	246.31%	-
Dividend rate	Nil	-

As at September 30, 2023, the following stock options were outstanding:

Number of Options		Exercise Price	Expiry Date
150,000	$	0.150	December 6, 2024
250,000	$	0.075	February 3, 2025
3,000,000	$	0.170	September 19, 2025
3,400,000			

(EXPRESSED IN CANADIAN DOLLARS)

9. SHARE-BASED PAYMENTS (cont'd…)

Warrants

Warrants are issued as private placement incentives and measured using the residual method. Agents' warrants are measured at fair value on the date of the grant as determined using the Black-Scholes Option Pricing Model.

	Number of Warrants		Weighted Average Exercise Price
Balance, June 30, 2022	26,642,860	$	0.10
Granted	15,900,000		0.08
Exercised	(670,000)		0.10
Expired	(1,224,000)		0.10
Balance, June 30, 2023	40,648,860	$	0.09
Granted	8,000,000		0.10
Exercised	(50,000)		0.10
Balance, September 30, 2023	48,598,860	$	0.09

As at September 30, 2023, the following warrants were outstanding:

Number of Warrants		Exercise Price	Expiry Date
24,698,860	$	0.10	February 22, 2024
15,900,000	$	0.075	May 16, 2024
8,000,000	$	0.100	September 14, 2025
48,598,860			

10. SEGMENTED INFORMATION

Operating segments

The Company operates in a single reportable segment being the development of application technology in one geographic region being Canada.

11. FINANCIAL INSTRUMENTS

The carrying amount of cash, receivables, accounts payable and amounts due to related parties carried at amortized cost is a reasonable approximation of fair value due to the relatively short period to maturity of these financial instruments and/or the rate of interest being charged.

Financial risk management

The Company's financial risks arising from its financial instruments are credit risk, liquidity risk, foreign currency exchange risk, and interest rate risk. The Company's exposures to these risks and the policies on how to mitigate these risks are set out below. Management monitors and manages these exposures to ensure appropriate measures are implemented on a timely basis and in an effective manner.

Credit risk

Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. The credit risk of the Company is associated with cash. The credit risk with respect to its cash is minimal as they are held with high-credit quality financial institutions. Management does not expect these counterparties to fail to meet their obligations.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its obligations associated with its financial liabilities as they fall due. As at September 30, 2023, the Company has current assets of $534,506 and current liabilities of $71,710. The Company's financial liabilities include accrued expenses and trade and other payables and accrued fees due to related parties which have contractual maturities of 30 days or are due on demand.

At present, the Company's operations do not generate positive cash flows. The Company's primary source of funding has been the issuance of equity securities through private placements. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings. Liquidity risk is assessed as high.

Foreign currency exchange risk

Foreign currency exchange risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company funds certain international purchases and operations expenses in the United States and by using US dollars converted from its Canadian bank accounts. Management does not believe the Company is exposed to material foreign currency risk. The Company does not hedge its foreign exchange risk.

Interest rate risk

The Company is exposed to interest rate risk arising from cash held in Canadian financial institutions. The interest rate risk on cash is not considered significant due to its short-term nature and maturity. The Company has not used any financial instrument to hedge potential fluctuations in interest rates.

12. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data or other means. Level 3 inputs are unobservable (supported by little or no market activity). The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

13. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to pursue its business goals and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company considers the components of shareholders' equity as capital.

The Company manages the 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 the capital structure, the Company may attempt to issue additional shares, issue new debt, acquire or dispose of assets or adjust the amount of cash.

There were no changes in the Company's approach to capital management during the period. The Company is not subject to any externally imposed capital requirements.