

GENCAN CAPITAL INC.

Condensed Interim Financial Statements

Nine Months Ended June 30, 2023 and 2022

(Unaudited)

(Expressed in Canadian Dollars)

Notice of no auditor review

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the 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 interim 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 condensed interim financial statements (in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor).

Gencan Capital Inc.
Condensed Interim Statements of Financial Position
As at June 30, 2023 and September 30, 2022
(Unaudited)

	June 30 2023	September 30 2022
Assets		
Current assets		
Cash and cash equivalents	\$ 12,522	\$ 110,194
Receivables	29,876	23,920
Due from shareholders	34,977	34,977
Income taxes recoverable	30,081	30,081
Total assets	\$ 107,456	\$ 199,172
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	\$ 3	\$ 57,273
Shareholders' Equity		
Capital stock	10	10
Retained earnings	107,442	141,889
Total shareholders' equity	107,452	141,899
Total liabilities and shareholders' equity	\$ 107,456	\$ 199,172

See accompanying notes to the condensed interim financial statements

Gencan Capital Inc.

Condensed Interim Statements of Loss and Comprehensive Loss

For the three and nine months ended June 30, 2023 and 2022

(Unaudited)

	Three Months Ended		Nine Months Ended	
	2023	2022	2023	2022
Revenue				
Interest income	\$ -	\$ -	\$ -	\$ 144
Expenses				
Administrative and general	10,288	79,732	34,447	274,890
Loss before income taxes	(10,288)	(79,732)	(34,447)	(274,746)
Income taxes recovery				
Current	-	-	-	-
Loss for the period, also being comprehensive loss	\$ (10,288)	\$ (79,732)	\$ (34,447)	\$ (274,746)
Loss per share				
Basic and diluted	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.02)
Weighted average number of common shares				
Basic and diluted	16,092,284	16,092,284	16,092,284	16,092,284

See accompanying notes to the condensed interim financial statements

Gencan Capital Inc.
Condensed Interim Statements of Changes in Equity
For the nine months ended June 30, 2023 and 2022
(Unaudited)

	Capital Stock		Retained Earnings	Total Equity
	Common shares			
	Number of shares	Amount		
Balance at September 30, 2021	16,092,284	\$ 10	\$ 375,607	\$ 375,617
Net loss	-	-	(274,746)	(274,746)
Balance at June 30, 2022	16,092,284	\$ 10	\$ 100,861	\$ 100,871
Balance at September 30, 2022	16,092,284	\$ 10	\$ 141,889	\$ 141,899
Net loss	-	-	(34,447)	(34,447)
Balance at June 30, 2023	16,092,284	\$ 10	\$ 107,442	\$ 107,452

See accompanying notes to the condensed interim financial statements

Gencan Capital Inc.
Condensed Interim Statements of Cash Flows
For the nine months ended June 30, 2023 and 2022
(Unaudited)

	Nine Months	
	2023	2022
Operating activities		
Net loss	\$ (34,447)	\$ (274,746)
Adjustments to reconcile net loss to net cash flows:		
Current income taxes recovery	-	-
Income taxes recoverale	-	-
	(34,447)	(274,746)
Changes in non-cash components of working capital:		
Accounts receivable	(5,956)	1,142
Prepaid expenses and deposits	-	(4,273)
Receivable	-	(25,880)
Accounts payable and accrued liabilities	(57,270)	27,070
Net cash flows used in operating activities	(97,672)	(276,688)
Cash flows from financing activities	-	-
Cash flows from investing activities	-	-
Net decrease in cash	(97,672)	(276,688)
Cash and cash equivalents, beginning of period	110,194	399,999
Cash and cash equivalents, end of period	\$ 12,522	\$ 123,311

See accompanying notes to condensed interim financial statements

Gencan Capital Inc.

Notes to the Condensed Interim Financial Statements

For the nine months ended June 30, 2023 and 2022

(Unaudited)

1. NATURE OF OPERATIONS

Nature of operations

Gencan Capital Inc. (“the Company”) is a Canadian company and up until July 4, 2018 was the holder of a Solar Energy Feed-In Tariff Program Contract with an interest in solar energy generation equipment located in Ontario, Canada. The Company was incorporated on October 31, 2013 and has its registered office address at 87 Scollard Street, Suite 100, Toronto, Ontario, M5R 1G4.

On October 30, 2015, pursuant to a Plan of Arrangement between the Company and Genterra Capital Inc. (“GCI”), the Company was spun-off as a public company and its shares were listed on the Canadian Securities Exchange under the symbol “GCA”. GCI retained a 78% controlling interest in the Company. On November 30, 2021, GCI sold its controlling interest in the Company to un-related third parties.

On December 1, 2021, the CSE determined that the Company does not meet the continued listing requirements of the exchange. As a result, the Company was deemed to be an inactive issuer and its CSE trading symbol was changed to GCA.X.

Going Concern

These financial statements are prepared in accordance with IFRS applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due, for the foreseeable future.

For period ended June 30, 2023, the Company had a loss and comprehensive loss of \$34,447 (2022 - \$274,746) and negative net cash flows of \$97,672 (2022 - \$276,688). In addition, the Company does not currently earn any revenue other than interest income. These circumstances indicate that there is a material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

Management plans to secure funding from its shareholders while pursuing other financing alternatives to fund the Company's operations so it can continue as a going concern. Nevertheless, there can be no assurance that such actions will be sufficient or successful.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities, reported revenues and expenses, and balance sheet classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

(a) Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standards 34, Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”). These statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's annual audited financial statements for the fiscal year ended September 30, 2022, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB.

These condensed interim financial statements were authorized for issue by the Board of Directors on August 29, 2023.

The policies applied in these condensed interim financial statements are based on IFRS issued and outstanding as of the date of authorization.

Gencan Capital Inc.

Notes to the Condensed Interim Financial Statements

For the nine months ended June 30, 2023 and 2022

(Unaudited)

(b) Basis of preparation

These condensed interim financial statements are presented in Canadian dollars. The financial statements are prepared on the historical cost basis.

These condensed interim financial statements follow the same significant accounting policies and critical judgments in the application of those policies as described in the Company's audited financial statements for the fiscal year ended September 30, 2022 and have been applied consistently in the preparation of these condensed interim financial statements.

3. SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of these condensed interim 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 reporting period. Actual outcomes could differ from these estimates. The condensed interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed interim financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

4. FAIR VALUE MEASUREMENTS AND DISCLOSURES

Fair Value Measurement

The Company does not have any financial assets or liabilities measured at fair value.

Fair Value Disclosures

Fair value represents management's estimates of the market value at a given point in time, which may not reflect fair value in the future. These calculations are subjective in nature, involve uncertainties and are a matter of judgement and therefore cannot be determined with precision.

The carrying values of the cash and cash equivalents, accounts receivable, income taxes recoverable, accounts payable and accrued liabilities approximate their respective fair values due to the short-term nature of these instruments.

5. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, Officers of the Company, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

The Company did not enter into transactions and had no outstanding balances with companies related by virtue of common ownership and management.

The Company did not pay any remuneration to key management for the nine months ended June 30, 2023 or 2022.

Included in due from shareholders are expenses paid for by the Company on behalf of the shareholders related to the acquisition of the Company (Note 1).