

Atlantic Horizon Capital Corp.
(A Capital Pool Company)
Interim Financial Statements
For the three month period ended July 31, 2025

Atlantic Horizon Capital Corp.

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For the three month period ended July 31, 2025

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Atlantic Horizon Capital Corp.
Statements of Financial Position
(Unaudited - in Canadian Dollars)

As at	July 31, 2025	April 30, 2025
Assets		
Current		
Cash (note 2)	\$ 210,787	\$ 256,334
Deferred financing costs (note 6)	24,125	24,125
Sales tax receivable	8,913	2,748
Total Assets	\$ 243,825	\$ 283,207
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 14,330	\$ 23,677
Total Liabilities	\$ 14,330	\$ 23,677
Shareholders' Equity		
Share capital (note 3)	300,000	300,000
Contributed surplus	22,627	22,627
Deficit	(93,132)	(63,097)
Total Shareholders' Equity	\$ 229,495	\$ 259,530
Total Liabilities and Shareholders' Equity	\$ 243,825	\$ 283,207

Nature of organization (note 1)
Subsequent events (note 6)

Approved on behalf of the Board

[signed] "Sebastien Boudreau, CPA"
Chief Executive Officer and Director

[signed] "Jeffrey B. Savoie, CPA"
Chief Financial Officer and Director

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

Atlantic Horizon Capital Corp.
Statement of Loss and Comprehensive Loss
For the three month period ended July 31, 2025
(Unaudited - in Canadian Dollars)

Expenses	
Professional fees	\$ 19,493
Filing fees	10,542
Total Expenses	\$ 30,035
Net Loss and Comprehensive Loss	\$ (30,035)
Net loss per share – basic and diluted	\$ (0.01)
Weighted average number of common shares outstanding <i>(note 3)</i>	6,000,000

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

Atlantic Horizon Capital Corp.
Statement of Changes in Shareholders' Equity
For the three month period ended July 31, 2025
(Unaudited - in Canadian Dollars)

	Number of shares	Share capital (\$)	Contributed Surplus (\$)	Accumulated deficit (\$)	Total
Balance at May 1, 2025	6,000,000	\$ 300,000	\$ 22,627	\$ (63,097)	\$ 259,530
Net loss for the period	-	-	-	(30,035)	(30,035)
Balance, July 31, 2025	6,000,000	\$ 300,000	\$ 22,627	\$ (93,132)	\$ 229,495

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

Atlantic Horizon Capital Corp.
Statement of Cash Flows
For the three month period ended July 31, 2025
(Unaudited - in Canadian Dollars)

Operating activities	
Net loss for the period	\$ (30,035)
Changes in working capital accounts	
Sales tax receivable	(6,165)
Accounts payable and accrued liabilities	(9,347)
Cash used in operating activities	\$(45,547)
Net change in cash	(45,547)
Cash, beginning of period	256,334
Cash, end of period	\$ 210,787

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

1. Nature of Organization

Atlantic Horizon Capital Corp. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on December 11, 2024. The Company plans to seek a listing as a Capital Pool Company ("CPC"), as defined in the policies (the "Policies") of the TSX Venture Exchange (the "Exchange"). The Company is domiciled in Canada. The principal business of the Company is the identification and evaluation of assets or businesses with a view to completing a "Qualifying Transaction" as defined in the Policies, and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company as defined under the policies of the Exchange Policy 2.4.

The registered office of the Company is located at 51 Highfield Street, Suite 300, Moncton, New Brunswick E1C 5N2, Canada.

On September 26, 2025, the Board of Directors approved the interim financial statements for issuance for the three month period ended July 31, 2025.

2. Material Accounting Policies

Statement of Compliance

These interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with IFRS® Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and IFRIC® Interpretations of the IFRS Interpretations Committee.

Basis of Presentation

These interim financial statements are stated in Canadian dollars which is the Company's functional currency and were prepared on a going concern basis, under the historical cost convention.

Use of Estimates and Judgements

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

Share-based compensation

The Company uses the Black-Scholes option-pricing model to determine the grant date fair value of share-based compensation. The following assumptions are used in the model: expected volatility; expected option life; risk-free interest rate and fair value of a common share. The Company has a stock option plan for employees (including officers), consultants and directors from which options to purchase common shares of the Company are issued. Share-based compensation costs are accounted for on a fair value basis, as measured at the grant date.

2. Material Accounting Policies *(continued)*

All share-based remuneration is ultimately recognized as an expense in profit or loss with a corresponding credit to contributed surplus. If vesting periods or other vesting conditions apply, the expense is recognized over the vesting period, based on the best available estimate of the number of stock options expected to vest. Any adjustment to cumulative share-based compensation resulting from a modification or forfeiture is recognized in the current period. The number of vested options ultimately exercised by holders does not impact the expense recorded in any period. Upon exercise of stock options, the proceeds received, net of any attributable transaction costs, are allocated to share capital.

Cash

Cash consists of the proceeds from the issuance of common shares, which is being held in the Company's trust account. Cash is held in trust with the Company's lawyers and is available on demand by the Company.

Deferred financing costs

Financing costs related to proposed financings are recorded as deferred financing costs. These costs will be deferred until the related financing is completed, at which time the costs will be charged against the proceeds received. If the financing does not close, the costs will be charged to profit or loss.

Loss per share

The Company presents basic loss per share for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings or loss per share is calculated by adjusting the number of common shares for the effects of dilutive options and other dilutive potential units. Diluted loss per share does not adjust the loss attributable to common shareholders on the weighted average number of common shares outstanding when the effect is antidilutive. The impact of stock options on diluted loss per share is anti-dilutive (there were no stock options issued this period).

Financial instruments

Recognition

The Company recognizes a financial asset or financial liability on the statement of financial position when it becomes party to the contractual provisions of the financial instrument.

Classification and measurement of financial instruments

The Company measures its financial assets and financial liabilities at fair value on initial recognition, which is typically the transaction price unless a financial instrument contains a significant financing component. Subsequent measurement is dependent on the financial instrument's classification which in the case of financial assets, is determined by the context of the Company's business model and the contractual cash flow characteristics of the financial asset. Financial assets are classified into the following categories: (1) measured at amortized cost and (2) fair value through profit and loss ("FVTPL") and (3) fair value through other comprehensive income ("FVTOCI"). Financial liabilities are subsequently measured at amortized cost, other than financial liabilities that are measured at FVTPL or designated as FVTPL where any change in fair value resulting from an entity's own credit risk is recorded as other comprehensive income ("OCI"). The Company does not employ hedge accounting for its risk management contracts currently in place. The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

2. Material Accounting Policies *(continued)*

The Company classifies its cash and accounts payable and accrued liabilities as measured at amortized cost. The contractual cash flows received from the financial assets are solely payments of principal and interest and are held within a business model whose objective is to collect contractual cash flows.

Transaction costs

Transaction costs associated with financial instruments carried at FVTPL are expensed as incurred, while transaction costs associated with all other financial instruments are included in the initial carrying amount of the asset or the liability.

Derecognition

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss.

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non cash assets transferred or liabilities assumed, is recognized in profit or loss.

Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. The Company's common shares are classified as equity instruments. Incremental costs directly attributable to the issuance of shares are recognized as a deduction from equity.

Share-based compensation

Equity-settled share-based payments for directors, officers, employees, and consultants are measured at fair value at the date of grant and recorded as a compensation expense in the statement of loss and comprehensive loss. Stock options are measured at the fair value of each tranche on the grant date and are recognized in their respective vesting period using the Corporation's expected forfeiture rate. Any consideration paid by directors, officers, employees and consultants on exercise of equity-settled share-based payments is credited to share capital. Shares are issued from treasury upon the exercise of equity-settled share-based instruments.

Income taxes

Tax expense comprises current and deferred tax. Tax is recognized in the statement of loss and comprehensive loss except to the extent it relates to items recognized in other comprehensive income or directly in equity. The determination of current and deferred taxes requires interpretations of tax legislation, estimates of expected timing of reversal of deferred tax assets and liabilities, and estimates of future earnings.

Current tax expense is based on the results for the period as adjusted for items that are not taxable or not deductible. Current tax is calculated using tax rates and laws that were enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Atlantic Horizon Capital Corp.
Notes to Interim Financial Statements
For the three month period ended July 31, 2025
(Unaudited - in Canadian Dollars)

2. Material Accounting Policies *(continued)*

Deferred taxes are the taxes expected to be payable or recoverable on differences between the carrying amounts of assets in the statement of financial position and their corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences between the carrying amounts of assets and their corresponding tax bases. Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets in a transaction that affects neither the taxable profit nor the accounting profit.

3. Share Capital

a) Authorized and Issued

The Company is authorized to issue an unlimited number of common shares.

Issued and outstanding common shares	Number	Amount (\$)
Balance, December 11, 2024	-	\$ -
Issuance of common share – December 11, 2024	1*	1*
Issuance of common shares – April 14, 2025	6,000,000	300,000
Balance, April 30, 2025 and July 31, 2025	6,000,000	\$ 300,000

* *purchased for cancellation on April 14, 2025*

b) Share Issuance Detail

On December 11, 2024, the Company issued 1 common share on incorporation for total proceeds of \$1.00.

On April 14, 2025, the Company purchased the above-referenced 1 share for \$1.00 and issued 6,000,000 shares at a price of \$0.05 per share for total net proceeds of \$300,000.

c) Escrowed Shares

The initial 6,000,000 common shares issued by the Company prior to the offering described in Note 6, which were issued (i) at a price below \$0.10 per common share, or (ii) to a Non Arm's Length Party of the Company, as defined in the Policies of the Exchange, and all common shares that may be acquired by Non Arm's Length Parties of the Company either under the offering or otherwise prior to completion of the Qualifying Transaction will be deposited with the Escrow Agent under an escrow agreement (the "Escrow Agreement"). The Escrow Agreement was signed on September 2, 2025.

All common shares acquired on exercise of stock options granted to directors and officers of the Company prior to completion of the Qualifying Transaction must also be deposited in escrow until the Final Exchange Bulletin (as defined in the Policies of the Exchange) (the "Initial Release") is issued.

In addition, all common shares issued on or after the date of completion of a Qualifying Transaction pursuant to the exercise of stock options granted prior to the offering with an exercise price that is less than \$0.10 will also be subject to escrow under the Escrow Agreement.

Atlantic Horizon Capital Corp.
Notes to Interim Financial Statements
For the three month period ended July 31, 2025
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3. Share Capital *(continued)*

d) Stock Option Plan

On April 30, 2025, the Company adopted an incentive stock option plan in accordance with the Policies of the Exchange (the "Stock Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company non transferable options to purchase common shares, provided that the number of common shares reserved for issuance under the Stock Option Plan shall not exceed ten percent (10%) of the issued and outstanding common shares. The Stock Option Plan provides that options shall be exercisable for the duration set out in the individual option agreements, which in no event shall exceed ten (10) years from the date such options are granted. In addition, the number of common shares reserved for issuance to any one person shall not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to any one consultant will not exceed two percent (2%) of the issued and outstanding common shares. The Board of Directors determines the price per common share and the number of common shares which may be allocated to each director, officer, employee and consultant and all other terms and conditions of the option, subject to the rules of Exchange.

A summary of the Company's stock option activity is as follows:

	Number of Director Options	Options Weighted Average Exercise price
Balance, December 11, 2024	-	-
Granted – April 30, 2025	600,000	\$ 0.05
Balance outstanding and exercisable, April 30, 2025 and July 31, 2025	600,000	\$ 0.05

During the period from December 11, 2024 (date of incorporation) to April 30, 2025, the fair value of the options granted was determined to be \$22,627 using the Black-Scholes option-pricing model under the following assumptions: Share price and exercise price of \$0.05, Risk-free interest rate 2.75%, expected life – 5 years; forfeiture rate 0%; expected volatility 100% and expected dividends – nil.

All options granted vested immediately and share-based compensation expense of \$22,627 was recognized in the statement of loss and comprehensive loss for the period ended April 30, 2025. There were no stock options granted during the three month period ended July 31, 2025

4. Related Party Transactions

Key management personnel consist of officers and directors of the Company. No compensation was paid to key management personnel during the three month period ended July 31, 2025.

5. Financial Risk Management Objectives and Policies

Capital Management

The Company's capital consists of share capital. The Company's objective for managing capital is to maintain sufficient capital to identify, evaluate and complete an acquisition or other transaction as disclosed in Note 1. The Company sets the amount of capital in relation to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets.

The Company's objectives when managing capital are:

- I. to maintain a flexible capital structure, which optimizes the cost of capital at acceptable risk; and,
- II. to maintain investor, creditor and market confidence in order to sustain the future development of the business.

The Company expects its current capital resources will be sufficient to carry its operations. The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used to cover prescribed costs of issuing common shares or administrative and general expenses of the Company. These restrictions may apply until completion of a Qualifying Transaction by the Company as defined under the Policies of the Exchange.

Financial Instruments and Risk Management

The Company, as part of its operations, carries financial instruments consisting of cash and accounts payable and accrued liabilities. It is management's opinion that the Company is not exposed to significant credit, interest, or currency risks arising from these financial instruments except as otherwise disclosed.

Fair values

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. The Company classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

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

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

The carrying amounts of cash and accounts payable and accrued liabilities approximate their fair values due to the short-term maturities of these items.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. The Company's financial asset is cash. The Company's maximum exposure to credit risk, as at period end, is the carrying value of its financial assets. The Company manages credit risk by dealing with creditworthy financial institutions and professionals.

5. Financial Risk Management Objectives and Policies *(continued)*

Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at July 31, 2025, the Company has cash of \$210,787 to satisfy obligations of \$14,330 as they come due, as such, is not exposed to significant liquidity risk.

Market risk

Market risk is the risk of loss that results from changes in market prices, market risk is comprised of foreign currency risk, interest rate risk and other price risks.

i) Currency risk

The Company does not have assets or liabilities in foreign currency and therefore is not exposed to foreign currency risk.

ii) Interest rate risk

The Company's cash balance is non-interest bearing and not exposed to interest rate risk.

6. Subsequent Events

a) Filing of the Prospectus

The Company intends to file a prospectus to offer a minimum offering of 5,000,000 common shares and a maximum offering of 7,500,000 common shares (the "Offering") at a price of \$0.10 per common share (the "Offering Price") for minimum gross proceeds of \$500,000 in the case of the minimum offering and maximum gross proceeds of \$750,000 in the case of the maximum offering.

6. Subsequent Events *(continued)*

b) Incentive Stock Options

The Company intends to grant incentive stock options to its directors and officers to purchase an aggregate of up to 10% of the issued and outstanding common shares after giving effect of the offering, exercisable at a price of \$0.10 per common share for a period of five years from the date of grant.