Rigel Technologies Inc.

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022

(Expressed in Canadian dollars)

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 interim financial statements, they must be accompanied by a notice indicating that the condensed interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements have been prepared by and are the responsibility of the management of Rigel Technologies Inc.

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

Rigel Technologies Inc.
Unaudited Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)

	As at September 30, 2023	As at December 31, 2022
	$	$
Assets		
Cash	**2,550**	3
Total Assets	**2,550**	3
Liabilities		
Accounts payable and accrued liabilities (Notes 4 and 8)	**58,852**	170,500
Loans payable (Note 5)	**93,347**	48,500
Total Liabilities	**152,199**	219,000
Shareholders' Deficiency		
Share capital (Note 6)	1,536,917	1,488,645
Contributed surplus	357,699	357,699
Warrants reserve (Note 7)	5,979	5,979
Accumulated deficit	(2,050,244)	(2,071,320)
Total Shareholders' Deficiency	**(149,649)**	(218,997)
Total Liabilities and Shareholders' Deficiency	**2,550**	3

Nature of operations and going concern (Note 1).
Subsequent event (Note 11).

Signed on behalf of the Board of Directors:

/s/ "Jeremy Goldman"
Jeremy Goldman
Director

/s/ "Philip R. Small"
Philip R. Small
Director

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

Rigel Technologies Inc.

Unaudited Condensed Interim Statements of Cash Flows
For the Three and Nine Months ended September 30, 2023 and 2022
(Expressed in Canadian Dollars)

	Three months ended September 30,		Nine months ended September 30	
	2023	2022	**2023**	2022
	$	$	**$**	$
Expenses				
Consulting fees (Note 8)	**11,772**	11,300	**11,772**	45,200
Professional fees (Note 8)	**1,700**	4,825	**12,697**	15,945
Filing fees	**3,793**	948	**7,723**	6,463
Interest and bank charges	**649**	2,068	**1,732**	6,168
Total Expenses	**(17,914)**	(19,141)	**(33,924)**	(73,776)
Gain on write-off of accounts payable (Note 4)	**55,000**	-	**55,000**	-
Net Income (Loss) and Comprehensive Income (Loss)	**37,086**	(19,141)	**21,076**	**(73,776)**
Loss per share – basic and diluted	**0.003**	(0.002)	**0.001**	(0.008)
Weighted Average Number of Shares Outstanding	**14,069,441**	9,042,250	**18,896,632**	9,042,250

Rigel Technologies Inc.
Unaudited Condensed Interim Statements of Cash Flows
For the Three and Nine Months ended September 30, 2023 and 2022
(Expressed in Canadian Dollars)

	Three months ended September 30, 2023	Three months ended September 30, 2022	**Nine months ended September 30, 2023**	Nine months ended September 30, 2022
	$	$	**$**	$
Operating Activities				
Net income (loss) for the period	**37,086**	(19,141)	**21,076**	(73,776)
Adjustments for:				
Interest accrued on loans payable (Note 5)	**557**	1,976	**1,447**	5,861
	37,643	(17,165)	**22,523**	(67,915)
Net change in non-cash working capital items:				
Accounts payable & accrued liabilities (Note 4)	**(63,407)**	16,258	**(63,376)**	43,682
Cash Flows (used in) Operating Activities	**(25,764)**	(907)	**(40,853)**	(24,233)
Financing Activities				
Advances received from other parties (Note 5)	**25,000**	**-**	**25,000**	**20,000**
Proceeds received from promissory notes (Note 5)	**-**	-	**18,400**	-
Cash Flows provided by Financing Activities	**25,000**	**-**	**43,400**	**20,000**
(Decrease) increase in cash	**(764)**	(907)	**2,547**	(4,233)
Cash, beginning of period	**3,314**	1,511	**3**	4,837
Cash, end of period	**2,550**	604	**2,550**	604

Rigel Technologies Inc.
Unaudited Condensed Interim Statements of Changes in Shareholders' Deficiency
For the Nine Months ended September 30, 2023 and 2022
(Expressed in Canadian Dollars)

	Share Capital		Warrants				
	Number of Shares	Amount	Number of warrants	Warrant Reserve	Contributed Surplus ($)	Accumulated Deficit ($)	Total ($)
Balance at December 31, 2021	**9,042,250**	**1,478,645**	**500,000**	**5,979**	**357,699**	**(2,184,943)**	**(342,620)**
Net income (loss) and comprehensive income (loss) for the period	-	-	-	-	-	(73,776)	(73,776)
Balance at September 30, 2022	**9,042,250**	**1,478,645**	**500,000**	**5,979**	**357,699**	**(2,258,719)**	**(416,396)**
Shares issued on debt settlement	200,000	10,000	-	-	-	-	10,000
Net income (loss) and comprehensive income (loss) for the period	-	-	-	-	-	187,399	187,399
Balance at December 31, 2022	**9,242,250**	**1,488,645**	**500,000**	**5,979**	**357,699**	**(2,071,320)**	**(218,997)**
Shares issued on debt settlement (Note 6)	9,654,382	48,272	-	-	-	-	48,272
Net income (loss) and comprehensive income (loss) for the period	-	-	-	-	-	21,076	21,076
Balance at September 30, 2023	**18,896,632**	**1,536,917**	**500,000**	**5,979**	**357,699**	**(2,050,244)**	**(149,649)**

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

1. Nature of Operations and Going Concern

Rigel Technologies Inc. ("**Rigel**" or the "**Company**") was incorporated on October 23, 1997 by Articles of Incorporation under the laws of the Province of Ontario, Canada and continued on January 18, 2002, by Articles of Amalgamation with Name Brand Sales Inc. Effective March 13, 2018, the Company filed Articles of Amendment, and changed its name to Rigel Technologies Inc. The address of the Company's registered office is 77 King Street West, Suite 2905, Toronto, Ontario, M5K 1H1, Canada.

The Company is a start-up stage company that that is focused on identifying and evaluating corporations, businesses or assets for acquisition aiming to negotiate an acquisition or participation with the plan to consummate a transaction, while complying with the requirement of operating as a public company. There is no assurance or guarantee that any acquisition and/or listing on any recognized stock exchange will occur or be completed, and future financings by Rigel will be required to complete these transactions. The Company on its key principals, including the board and management to identify potential acquisitions. The Company has not selected a business sector or industry in which to pursue an acquisition as of the date hereof. The Company will consider acquisitions of businesses operated or located both inside and outside of Canada. The Company is in the startup stage of operations, and does not yet have any revenue-generating activity.

As at September 30, 2023, the Company had a working capital deficiency of $149,649 (December 31, 2022 – working capital deficiency of $218,997), had no operations and had an accumulated deficit of $2,050,244 (December 31, 2022 – $2,071,320) and during the nine months ended September 30, 2023, it earned a net income of $21,076 (2022 – net loss of $73,776 and expects to incur further losses in the foreseeable future.

These unaudited condensed interim financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes the realization of assets and the settlement of liabilities in the normal course of business. The appropriateness of using the going concern basis is dependent upon, among other things, future profitable operations, the ability of the Company to obtain necessary financing, and to identify and evaluate an acquisition of businesses. It is not possible to predict whether future financing efforts will be successful or if the Company will attain profitable levels of operations. These uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

These unaudited condensed interim financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements. Such adjustments could be material.

2. Basis of Presentation

2.1 Statement of Compliance

The Company's unaudited condensed interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board. These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standards ("**IAS**") 34 – Interim Financial Reporting.

These unaudited condensed interim financial statements were reviewed, approved and authorized for issuance by the Board of Directors (the "**Board**") of the Company on November 27, 2023.

2.2 Basis of Measurement and Functional Currency

These unaudited condensed interim financial statements have been prepared on the historical cost basis, and are presented in Canadian dollars, which is the functional currency of the Company, unless otherwise noted. The functional currency is the currency of the primary economic environment in which the Company operates.

(Expressed in Canadian Dollars)

2. Basis of Presentation (continued)

2.3 Significant Accounting Judgments and Estimates

The preparation of these financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue and expenses. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. These estimates are reviewed periodically, and adjustments are made as appropriate in the period they become known.

The significant accounting judgments and estimates applied by the Company in these unaudited condensed interim financial statements are the same as those noted in the Company's audited financial statements for the year ended December 31, 2022.

3. Summary of Significant Accounting Policies

The accounting policies applied by the Company in these unaudited condensed interim financial statements are the same as those noted in the Company's audited financial statements for the year ended December 31, 2022, unless otherwise noted.

4. Accounts Payable and Accrued Liabilities

Accounts payable of the Company are principally comprised of amounts outstanding for trade purchases relating to regular business activities and amounts payable for financing activities.

	September 30, 2023	December 31, 2022
	$	$
Trade payables (i), (ii)	**48,297**	159,788
Accrued liabilities (ii)	**10,554**	10,712
	58,852	170,500

(i) On August 15, 2023, FMICA agreed to forgive certain past fees totaling $55,000 incurred by the Company in connection with the financial advisory agreement between the Company and FMICA dated July 1, 2020. (see Note 8). The amount was recognized as a gain on the Company's income statement.

(ii) Included in the trade payables and accrued liabilities are the following amounts owing to certain non-arm's length parties (see Note 8 for additional detail):

	September 30, 2023	December 31, 2022
	$	$
Branson Corporate Services Ltd.	**-**	5,650
FMI Capital Advisory Inc.	**16,250**	141,250
Jeremy Goldman	**1,033**	-
Jeremy Rozen	**1,033**	-
Northern Star Capital Inc.	**3,528**	-
Philip Small	**1,000**	-
Total:	**22,844**	146,900

(Expressed in Canadian Dollars)

5. Loans Payable

	September 30, 2023	December 31, 2022
	$	$
Due to related parties	52,168	48,500
Due to other parties	41,179	
Promissory notes payable	**-**	-
	93,347	48,500

Due to related parties

a) During the nine months ended September 30, 2022, FMI Capital Advisory Inc. ("**FMICA**"), a control person of the Company advanced an amount of $20,000 to the Company for general capital purposes. The amount is non-interest bearing, unsecured and has no fixed terms of repayment. As at September 30, 2023, aggregate outstanding loan balance owing to FMICA is $48,500. FMICA owns a control position in the Company (see Notes 6 and hereto).

b) During the nine months ended September 30, 2023, $3,400 advanced by Adam Szweras, Chairman of FMICA. The loan bears an interest rate of 12% per annum and is due on demand. As at September 30, 2023, aggregate outstanding loan balance due to Adam Szweras, including the interest thereto is $3,668.

Due to other parties

a) During the nine months ended September 30, 2023, $15,000 advanced by an arm's length party. The loan bears an interest rate of 12% per annum and is due on demand. As at September 30, 2023, aggregate outstanding loan balance due to this party, including the interest thereto is $16,179.

b) During the nine months ended September 30, 2023, an arm's length party advanced an amount of $25,000 to the Company for general capital purposes. The amount is non-interest bearing, unsecured and is due on demand. As at September 30, 2023, aggregate outstanding loan balance owing to this arm's length party is $25,000.

Promissory notes payable

The Company previously issued two promissory notes to an arm’s length party on December 11, 2007, which bore interest at 10%, are unsecured and due on demand. In 2022, the Company determined that an amount of $194,941 comprised of $78,357 in principal balance and $116,584 in accumulated interest, was not recoverable due to having exceeded the statute barred limitations for collection. As a result, the entire balance was written off. During the nine months ended September 30, 2022, interest of $5,861 was recorded on these promissory notes.

6. Share Capital

The Company is authorized to issue:

(i) An unlimited number of Class "A" non-voting, preference shares entitled to a cumulative dividend at the rate of 8% per annum.
(ii) An unlimited number of common shares without par value.

As at September 30, 2023, 18,896,632 common shares in the capital of the Company ("**Shares**") were issued and outstanding (December 31, 2022 – 9,242,250).

Share capital transactions for the nine months ended September 30, 2023

On August 15, 2023 the Company settled an aggregate of $48,271.91 of indebtedness owed to certain non-arms-length creditors through the issuance of an aggregate of 9,654,382 Shares at a price of $0.005 per Share (the "**Debt Settlement**"). The Debt Settlement comprised of issuance of 186,966 Shares to each of Philip Small and Jeremy Goldman, directors of the Company, to settle amount due of $934.83 to each of Mr. Small and Mr. Goldman, and 280,450 Shares to Jeremy Rozen, President, CEO and Director of the Company to settle an obligation of $1,402.25 to Mr. Rozen.

(Expressed in Canadian Dollars)

6. Share Capital (continued)

Pursuant to the Debt Settlement, FMICA, agreed to settle $45,000 of indebtedness in exchange for an issuance of 9,000,000 Shares at a price of $0.005 per Share and has filed an early warning report pursuant to applicable securities legislation available on the Company's profile on www.sedarplus.ca. Prior to the Debt Settlement, FMICA held 1,911,325 Shares, which represented approximately 20.68% of the issued and outstanding Shares. Following the completion of the Debt Settlement, FMICA held 10,911,325 Shares, representing approximately 57.74% of the issued and outstanding Shares.

There were no share capital transactions during the nine months ended September 30, 2022.

7. Reserve for Warrants

The following table summarizes information of warrants outstanding as at September 30, 2023:

Date of expiry	**Number of warrants outstanding**	**Exercise price**	**Weighted average remaining contractual life**
	#	**$**	**Years**
October 14, 2023	500,000	0.05	0.04
	500,000	**0.05**	**0.04**

There were no warrants activities during the nine months ended September 30, 2023 and 2022.

8. Related Party Transactions

Consulting and Professional Fees

In accordance with IAS 24 – Related Party Disclosures, key management personnel, including companies controlled by them, are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The following is a summary of the key management compensation and fees paid to certain related parties for the nine months ended September 30, 2023 and 2022:

	Nine months ended September 30,	
	2023	**2022**
	$	**$**
Branson Corporate Services Ltd. (i)	5,650	8,475
FMI Capital Advisory Inc. (ii), (iii)	5,000	45,200
Jeremy Goldman (iii)	2,402	-
Jeremy Rozen (iii)	2,435	-
Philip Small (iii)	1,935	-
	17,422	53,675

(i) During the nine months ended September 30, 2023, Branson Corporate Services Ltd. ("**Branson**"), where Ketih Li, the Company's Chief Financial Officer ("**CFO**") was employed, charged fees of $5,650 (2022 – $8,475), for CFO services provided to the Company, as well as other accounting and administrative services, which are included in professional fees.

(ii) During the nine months ended September 30, 2023, FMICA, where Alex Storcheus, the Company's Chief Financial Officer ("**CFO**") is a director, officer and 30% indirect equity owner, charged fees of $5,000 (2022 – $45,200) for financial advisory services provided to the Company.

(iii) During the nine months ended September 30, 2023, FMICA, the Company completed the Debt Settlement (see Note 6), whereby an aggregate of 9,654,382 Shares was issued to FMICA, Jeremy Rozen, Jeremy Goldman and Philip Small at a price of $0.005 per Share.

8. Related Party Transactions (continued)

Other Transactions and Developments

Branson terminated its services agreement with an effective date of July 31, 2023 and Mr. Keith Li subsequently resigned as the Company's CFO and Mr. Alex Storcheus was appointed Interim CFO effective September 29, 2023. Mr. Storcheus is an officer and director of FMICA and owns an indirect 30% interest in FMICA, an entity which owns approximately 57.74% of issued and outstanding Shares (see Note 6).

On July 31, 2023 Branson assigned $12,995 of the amounts payable to Branson by the Company to certain directors and officers of FMICA ("**A/R Assignment**"). Included in the A/R assignment, $3,118.80 was assigned by Branson to Northern Star Capital Inc. ("**NSCI**"), a private corporation controlled by Alex Storcheus, Interim CFO of the Company. As the result of the A/R Assignment, as at September 30, 2023, an amount of $Nil (December 31, 2022 – $10,170) is owing to Branson was included in accounts payable and accrued liabilities. During the nine months ended September 30, 2023, NSCI covered certain filing fees on behalf of the Company totaling $410 (2022 – Nil). The amount outstanding is unsecured, non-interest bearing and due on demand. As of September 30, 2023, an amount of $3,528.30 (December 31, 2022 – $Nil) is owing to NSCI, including its pro-rata amount of A/R Assignment was included in accounts payable and accrued liabilities.

On August 15, 2023, FMICA agreed to forgive certain past fees totaling $55,000 incurred by the Company in connection with the financial advisory agreement between the Company and FMICA dated July 1, 2020 ("**FMICA Agreement**"). On the same date, the Company made a payment of $25,000 to FMICA in cash, which was applied to the aggregate balance owing to FMICA.

On August 15, 2023, the Company and FMICA entered into an agreement to amend the FMICA Agreement to provide for certain success fees in connection with potential transactions contemplated by the Company. No additional fees were charged pursuant to the FMICA Agreement for the nine months ended September 30, 2023 and 2022.

9. Capital Management

The Company’s primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund ongoing operations and finance the identification and evaluation of potential investments. To secure the additional capital necessary to pursue these investments, the Company may attempt to raise additional funds through the issuance of equity and warrants or by securing strategic partners.

The Company considers share capital, contributed surplus, warrants reserve and accumulated deficit in the shareholders' deficiency amount of $149,649 as at September 30, 2023 (December 31, 2022 – deficit of $218,997) to represent capital.

The Company’s capital management objectives, policies and processes have remained unchanged since the last financial reporting period, and it is not subject to any capital requirements imposed by a lending institution or regulatory body.

10. Financial Instruments

The Company’s financial instruments consist primarily of cash, accounts payable and loans payable. The Company is exposed to various risks as it relates to these financial instruments. Management, in conjunction with the Board, mitigates these risks by assessing, monitoring and approving the Company’s risk management process. There have not been any changes in the nature of these risks or the process of managing these risks from the previous reporting periods.

Fair value

The carrying amounts for cash, accounts payable and loans payable on the statements of financial position approximate their fair value due to the relative short maturity of these financial instruments.

Credit risk

Credit risk is the risk of loss associated with a counterparty’s inability to fulfill its payment obligations. The Company’s credit risk is primarily attributable to cash balances and other receivables. The carrying amount of cash represents the maximum credit exposure.

10. Financial Instruments (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company is exposed to liquidity risk primarily as a result of its trade accounts payable and its loans payable. As at September 30, 2023, the Company had a cash balance of $2,550 (December 31, 2022 – $3) to settle current liabilities of $152,199 (December 31, 2022 – $219,000).

The Company manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring forecasts and actual cash flows for a rolling period of 12 months to identify financial requirements. Where insufficient liquidity may exist, the Company may pursue various debt and equity instruments for short or long-term financing of its operations.

While the Company had written off certain loans payable balance in 2022 and raised new funds through issuance of promissory notes during the nine three months of 2023, to improve its solvency and liquidity position, management understands that the Company will need to raise additional funds by way of financing for the 12-month period ending September 30, 2024, in order to continue funding its operations.

Interest rate risk

Interest rate risk reflects the sensitivity of the Company's financial condition to movements in interest rates. The Company has exposure to interest rate price risk since it is party to several promissory notes that bear interest at fixed rates.

11. Subsequent Events

On October 14, 2023, 500,000 Share purchase warrants of Rigel expired unexercised.