

WESTBRIDGE RENEWABLE ENERGY CORP.
(Formerly Westbridge Energy Corporation)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian dollars)

FOR THE THREE AND SIX MONTHS ENDED MAY 31, 2023

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), released by the Canadian Securities Administrators, the Company discloses that its external auditor has not reviewed these interim condensed consolidated financial statements, notes to the interim condensed consolidated financial statements, or to the related Management's Discussion and Analysis.

The accompanying unaudited interim financial statements of the Company have been prepared by the Company's management and approved by the Board of Directors of the Company.

Vancouver, Canada

July 27, 2023

WESTBRIDGE RENEWABLE ENERGY CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited, prepared by management and expressed in Canadian Dollars)

	Note	May 31, 2023	November 30, 2022
ASSETS			
Current			
		\$	\$
Cash		2,250,135	1,645,324
Accounts receivable		150,094	1,349
Prepaid expenses		1,181,961	89,591
Taxes receivable		130,172	84,716
		<u>3,712,362</u>	<u>1,820,980</u>
Non-current			
Development projects	9	6,680,582	4,598,576
Prepaid expenses - development projects	10	5,676,249	760,668
Right of use assets	11	461,412	503,271
TOTAL ASSETS		<u>\$ 16,530,605</u>	<u>\$ 7,683,495</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
Liabilities			
Current			
		\$	\$
Accounts payable and accrued liabilities	8	1,621,416	653,738
Lease liabilities	12	81,366	79,834
Provisions		29,336	29,336
		<u>1,732,118</u>	<u>762,908</u>
Non-current			
Lease liabilities	12	347,850	373,074
Provisions		30,069	30,069
Debt	13	8,076,127	-
Total liabilities		<u>10,186,164</u>	<u>1,166,051</u>
Shareholders' equity			
Share capital	6	12,210,047	10,986,645
Contributed surplus	6	1,911,197	1,433,434
Currency translation adjustment		27,574	29,979
Deficit		(7,899,355)	(6,027,592)
Equity attributable to shareholders of the Company		<u>6,249,463</u>	<u>6,422,466</u>
Non-controlling interests		94,978	94,978
Total equity		<u>6,344,441</u>	<u>6,517,444</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>16,530,605</u>	<u>\$ 7,683,495</u>

Basis of operations and going concern (Note 2)

Approved on behalf of the Board:

"Stefano Romanin" Director

"Margaret McKenna" Director

See accompanying notes to the condensed consolidated interim financial statements.

WESTBRIDGE RENEWABLE ENERGY CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF OPERATIONS AND
COMPREHENSIVE LOSS

(Unaudited, prepared by management and expressed in Canadian Dollars)

	Note	For the three months ended		For the six months ended	
		May 31,		May 31,	
		2023	2022	2023	2022
Operating expenses					
Depreciation of right of use assets	11	\$ (20,930)	\$ (8,570)	\$ (41,860)	\$ (10,722)
Consultancy	5	\$ (61,523)	(123,975)	(103,677)	(273,878)
Investor relations		\$ (56,416)	(107,010)	(121,653)	(112,727)
Office and miscellaneous	5	\$ (102,776)	(127,589)	(286,177)	(309,626)
Professional fees		\$ (202,946)	(63,198)	(262,253)	(54,559)
Operating losses		\$ (444,591)	\$ (430,342)	\$ (815,620)	\$ (761,512)
Share based payment expense	5,6	\$ (996,807)	(299,679)	(1,003,164)	(702,767.00)
Foreign exchange loss		\$ (11,561)	(7,148)	(41,345)	(11,559)
Interest expense	12	\$ (9,300)	(2,101)	(11,634)	(2,122)
Loss and comprehensive loss		\$ (1,462,259)	\$ (739,270)	\$ (1,871,763)	\$ (1,477,960)
Attributable to:					
Owners of the Company		\$ (1,466,823)	\$ (738,928)	\$ (1,876,327)	\$ (1,477,600)
Non-controlling interests		4,564	(342)	4,564	(360)
Loss per share					
Loss per share – basic and diluted		\$ (0.01)	\$ (0.01)	(0.02)	(0.02)
Weighted average number of common shares outstanding		97,765,868	80,038,585	97,112,266	79,878,145

See accompanying notes to the condensed consolidated interim financial statements.

WESTBRIDGE RENEWABLE ENERGY CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
(Unaudited, prepared by management and expressed in Canadian Dollars)

	For the six months ended May 31, 2023	For the six months ended May 31, 2022
Operating activities	\$	\$
Loss for the period	(1,871,763)	(1,477,960)
Items not affecting cash		
Share based payment expense	1,003,164	702,767
Depreciation	41,860	10,722
Interest expense	4,689	975
Changes in non-cash working capital items:		
Accounts receivable	(148,744)	791
Taxes receivable	(45,456)	(33,672)
Prepaid expenses	68,946	(323,506)
Accounts payable and accrued liabilities	544,325	247,124
Cash flows used in operating activities	(402,979)	(872,759)
Taxes paid	-	-
Net cash flows used in operating activities	(402,979)	(872,759)
Financing activities		
Proceeds from debt financing	6,565,687	-
Lease payments	(28,381)	(27,832)
Proceeds from exercise of share options and warrants	698,000	160,000
Cash flows provided by financing activities	7,235,306	132,167
Investing activities		
Development projects	(1,037,516)	(1,030,295)
Prepaid expenses - development projects	(5,190,000)	-
Cash flows (used in) / provided by investing activities	(6,227,516)	(1,030,295)
Change in cash	604,811	(1,770,886)
Cash, beginning	1,645,324	3,244,436
Effect of foreign exchange rate changes	-	(739)
Cash, ending	\$ 2,250,135	\$ 1,472,811

See accompanying notes to the condensed consolidated interim financial statements.

WESTBRIDGE RENEWABLE ENERGY CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (DEFICIENCY)
(Unaudited, prepared by management and expressed in Canadian Dollars)

	Number of Shares	Share Capital	Contributed Surplus	Currency Translation Adjustment	Deficit	Non-controlling Interests	Total
Balance at November 30, 2021	79,238,585	\$ 7,560,265	\$ 490,138	\$ 1,476	\$ (3,692,932)	\$ 100,567	\$ 4,459,514
Share options granted and vested	-	-	963,176	-	-	-	963,176
Share purchase warrants exercised	16,945,000	3,389,000	-	-	-	-	3,389,000
Share options exercised	175,000	37,380	(19,880)	-	-	-	17,500
Currency translation adjustment	-	-	-	28,503	-	-	28,503
Loss for the year	-	-	-	-	(2,334,660)	(5,589)	(2,340,249)
Balance at November 30, 2022	96,358,585	\$ 10,986,645	\$ 1,433,434.32	\$ 29,979	\$ (6,027,592)	\$ 94,978	\$ 6,517,444
Share options granted and vested	-	-	1,003,165	-	-	-	1,003,165
Share purchase warrants exercised	100,000	20,000	-	-	-	-	20,000
Share options exercised	2,260,000	1,203,403	(525,402)	-	-	-	678,000
Currency translation adjustment	-	-	-	(2,405)	-	-	(2,405)
Loss for the period	-	-	-	-	(1,871,763)	-	(1,871,763)
Balance at May 31, 2023	98,718,585	\$ 12,210,047	\$ 1,911,197	\$ 27,574	\$ (7,899,355)	\$ 94,978	\$ 6,344,441

See accompanying notes to the condensed consolidated interim financial statements.

WESTBRIDGE RENEWABLE ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited, prepared by management and expressed in Canadian Dollars)
For the three and six months ended May 31, 2023

1. CORPORATE INFORMATION

Westbridge Renewable Energy Corp (the “Company”) is incorporated under the laws of British Columbia and its principal business activity is the acquisition and development of solar photovoltaic projects. The Company was incorporated on February 9, 1956. The accompanying unaudited condensed consolidated interim financial statements have been prepared as at May 31, 2023.

On June 17, 2021, the Company was the subject of a reverse takeover (“RTO”) by Georgetown Solar Inc. (“Georgetown”), which included an oversubscribed private placement financing which raised gross proceeds of \$4,007,500. Following the RTO, the Company met the requirement to be listed as a TSX Venture Tier 2 Company. On June 21, 2021, the Company’s listing was transferred from the NEX board to the TSX Venture Exchange and the Company’s classification was changed from NEX to Tier 2 and trades under the trading symbol “WEB”.

On September 28, 2022, the Company announced that the name of the Company would be changed from Westbridge Energy Corporation to Westbridge Renewable Energy Corp.

On June 1, 2023 the Company announced that it had reached a definitive agreements to sell five of its Canadian projects, by way of share purchase transactions for each project SPV, to Metka-EGN Ltd., a subsidiary of MYTILINEOS Energy & Metals (“Metka”) Mytilineos Energy & Metals, for a total cash consideration of between \$217 million and \$346 million. Closing of the purchase and sale of each SPV is conditional upon, among other things: obtaining approval of the purchase and sale by Westbridge shareholders and the TSX Venture Exchange (“TSXV”), as applicable, and obtaining regulatory approvals from the Alberta Utilities Commission (“AUC”).

The address of the Company’s corporate office and principal place of business is Suite 615 - 800 West Pender Street, Vancouver, British Columbia, V6C 2V6.

2. BASIS OF OPERATIONS AND GOING CONCERN

(a) Statement of Compliance

These condensed consolidated interim financial statements of the Company for the three and six months ended May 31, 2023, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, “Interim Financial Reporting” (“IAS 34”). Accordingly, these condensed consolidated interim financial statements follow the same accounting principles and methods of application as the annual consolidated financial statements for the year ended November 30, 2021, but may condense or omit certain disclosures that otherwise would be present in annual financial statements prepared in accordance with IFRS. These financial statements should therefore be read in conjunction with the November 30, 2021, audited financial statements. Results for the periods ended May 31, 2023, are not necessarily indicative of future results.

These condensed consolidated interim financial statements approved by the Board of Directors on July 27, 2023.

WESTBRIDGE RENEWABLE ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited, prepared by management and expressed in Canadian Dollars)
For the three and six months ended May 31, 2023

2. BASIS OF OPERATIONS AND GOING CONCERN (cont'd...)

(b) Basis of Presentation and Measurement

These condensed consolidated interim financial statements are presented in Canadian dollars.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

(c) Going Concern

These condensed consolidated interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its current obligations and continue its operations over the next year.

At May 31, 2023, the Company had not yet achieved profitable operations and expects to incur further losses in the development of its business, but had working capital of \$1,980,244. During the three months ended May 31, 2023, the Company received debt financing totalling \$6,565,687 to fund its operations. Subsequent to the period end the Company announced that it had reached a definitive agreement to sell five of its Canadian projects to Metka, for a total cash consideration of between \$217 million and \$346 million. Accordingly, directors are of the opinion that the Company has the requisite financial resources to continue its operations for the next twelve months.

Since March 2020, there has been a global outbreak of COVID-19. The actual and threatened spread of the virus globally has had a material adverse effect on the regional economies in which the Company operates and could continue to result in negative impacts on the stock market, including trading prices of the Company's shares, and the ability to raise capital and could impact the Company's operations.

WESTBRIDGE RENEWABLE ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited, prepared by management and expressed in Canadian Dollars)
For the three and six months ended May 31, 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Principles of consolidation

These condensed consolidated interim financial statements have been prepared as at May 31, 2023 after giving effect to the reverse takeover of the Company by Georgetown which was completed on June 17, 2021. As a result of the RTO, the former shareholders of Georgetown acquired control of Westbridge and the transaction has been accounted for as a share-based payment in accordance with IFRS 2, by which Georgetown acquired the net assets and listing status of Westbridge.

The condensed consolidated interim financial statements include the accounts of the Company and its subsidiaries:

- Westbridge Renewable Energy Holdco Corp., a company incorporated in Alberta, Canada
- Georgetown Solar Inc., a company incorporated in Alberta, Canada;
- Westbridge Energy (U.S.) Corp, a company incorporated in the USA;
- Accalia Point Solar LLC, a company incorporated in the USA;
- Sunnynook Solar Energy Inc., a company incorporated in Alberta, Canada;
- Dolcy Solar Inc., a company incorporated in Alberta, Canada
- Eastervale Solar Inc., a company incorporated in Alberta, Canada;
- Red Willow Solar Inc., a company incorporated in Alberta, Canada;
- Westbridge Energy UK Limited, a company incorporated in England and Wales; and
- Fiskerton BESS Limited, a company incorporated in England and Wales.

Subsidiaries are included from the date control was acquired in each. Control exists when the Company possesses power over an investee, has exposure to variable returns from the investee and has the ability to use its power over the investee to affect its returns. All significant intercompany transactions and balances have been eliminated on consolidation.

(b) Impairment of long-lived assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

WESTBRIDGE RENEWABLE ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited, prepared by management and expressed in Canadian Dollars)
For the three and six months ended May 31, 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(c) Income taxes

Income tax expense comprises of current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting not taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

WESTBRIDGE RENEWABLE ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited, prepared by management and expressed in Canadian Dollars)

For the three and six months ended May 31, 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

(d) Share-based compensation

The Company uses the fair value-based method for share-based compensation and therefore all awards to employees will be recorded at fair value on the date of the grant and expensed over the period of vesting. The Company uses the Black-Scholes option pricing model to estimate the fair value of each share option at the date of grant. Any consideration paid by the option holders to purchase shares is credited to share capital.

Share-based compensation arrangements in which the Company receives goods or services as consideration for its own equity instruments, or when share options are granted to non-employees, are accounted for as equity settled share-based payment transactions and measured at the fair value of goods or services received. If the fair value of the goods or services received cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted.

(e) Share capital

Proceeds from the exercise of share options and warrants are recorded as share capital at the amount for which the share option and warrant enabled the holder to purchase shares of the Company. Share capital issued for non-monetary consideration is recorded at fair value based on the quoted market price on the date of issuance. Share issue costs, which include commissions and professional and regulatory fees are charged directly to share capital.

(f) Basic and diluted earnings (loss) per share

The Company computes the dilutive effect of options, warrants and similar instruments. The dilutive effect on earnings (loss) per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the year.

Basic earnings (loss) per share is calculated using the weighted-average number of common shares outstanding during the year.

WESTBRIDGE RENEWABLE ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited, prepared by management and expressed in Canadian Dollars)
For the three and six months ended May 31, 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

(g) Foreign currency translation

The functional currencies of the Company and its subsidiaries are as follows:

Company	Currency
Westbridge Renewable Energy Corp.	Canadian Dollar
Westbridge Renewable Energy Holdco Corp.	Canadian Dollar
Georgetown Solar Inc.	Canadian Dollar
Westbridge Energy (U.S.)	US Dollar
Accalia Point Solar LLC	US Dollar
Sunnynook Solar Energy Inc.	Canadian Dollar
Dolcy Solar Inc.	Canadian Dollar
Eastervale Solar Inc.	Canadian Dollar
Red Willow Solar Inc.	Canadian Dollar
Westbridge Energy UK Limited	British Pound
Fiskerton BESS Limited	British Pound

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate in effect at the date of the statement of financial position. Non-monetary assets and liabilities, expenses and other income arising from foreign currency transactions are translated at the exchange rate in effect at the date of the transaction. Exchange gains or losses in the parent company arising from the translation are included in profit or loss for the year.

(h) Financial instruments

i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

Financial assets/liabilities	Classification
Cash	FVTPL
Receivables	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Provisions	Amortized cost
Debt	Amortized cost

WESTBRIDGE RENEWABLE ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited, prepared by management and expressed in Canadian Dollars)
For the three and six months ended May 31, 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

(h) Financial instruments (cont'd...)

ii) Measurement

Financial assets and liabilities at amortized cost.

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss in the period in which they arise.

iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

iv) Derecognition

Financial assets

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 the consolidated statements of loss.

WESTBRIDGE RENEWABLE ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited, prepared by management and expressed in Canadian Dollars)
For the three and six months ended May 31, 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

(i) Property, plant and equipment – Development projects

An asset arising from the development of a project is recognized if, and only if, all of the following conditions have been demonstrated:

- It is probable that future economic benefits associated with the item will flow to the Company; and
- The cost of the item can be measured reliably.

The amount initially recognized for development project assets is the sum of the expenditure incurred from the date when the development project first meets the recognition criteria listed above. Where no asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

Development assets are depreciated over the useful lives of the resulting asset, from the date of first export of electricity.

Expenditure on research for new development projects is recognized as an expense in the period in which it is incurred.

(j) Leases

The Company assesses whether a contract is or contains a lease at the inception of the contract. The Company recognises a right of use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For the leases, the Company recognises the lease payments on a straight-line bases over the term of the lease, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

WESTBRIDGE RENEWABLE ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited, prepared by management and expressed in Canadian Dollars)

For the three and six months ended May 31, 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

(j) Leases (cont'd...)

The lease liability is presented as a separate line in the consolidated statement of financial position.

Right of use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right of use asset reflects that the Company expects to exercise a purchase option, the related right of use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right of use assets are presented as a separate line in the consolidated statement of financial position.

The company applies IAS 36 – Impairment of Assets to determine whether a right of use asset is impaired and accounts for any identified impairment loss as described in note 3(b).

(k) New accounting policies

Accounting standards issued but not yet effective

There are no new standards, interpretations and amendments to existing standards that have been issued by the IASB or IFRIC not yet effective that would be expected to have a material impact on the Company.

WESTBRIDGE RENEWABLE ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited, prepared by management and expressed in Canadian Dollars)
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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The effect of a change in an accounting estimate is recognized prospectively by including it in profit or loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements are discussed below:

(a) Property, plant and equipment – Development projects

Development expenditure encompasses investment in new solar projects for costs including but not limited to:

- Consulting and planning services for regulatory and permitting activities;
- Design works;
- Environmental studies;
- Interconnection engineering services;
- Grid connection costs; and
- Planning fees.

Research and site selection costs are expensed as incurred. The costs of the development are capitalized as assets, where the investment they represent has demonstrable value and the technical and commercial feasibility is assured. Costs eligible for capitalization must be incremental, clearly identified and directly attributable to a particular project. The resulting assets are depreciated over their estimated useful lives. Impairment reviews are carried out at least annually where indicators of impairment are identified. Judgment is required in the assessment of the potential value of a development project, the identification of costs eligible for capitalization and the selection of appropriate asset lives.

WESTBRIDGE RENEWABLE ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements
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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (cont'd...)

(b) Income Taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters. However, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority and the same taxable entity against which the unused tax losses can be utilized. However, utilization of tax losses also depends on the ability of the Company to satisfy certain tests at the time the losses are recouped.

(c) Share Based Payment Transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The Company determines fair value for share-based payment transactions using the Black-Scholes model. This model requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of the Black-Scholes model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

WESTBRIDGE RENEWABLE ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements
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For the three and six months ended May 31, 2023

5. RELATED PARTY TRANSACTIONS

The following amount due to related parties are included in accounts payable, and accrued liabilities:

	May 31, 2023	November 30, 2022
Officers, directors or companies controlled by directors of the Company	\$ 20,634	\$ 48,933

Amounts owed to related parties are non-interest bearing, unsecured and have no specific terms of repayment.

The Company incurred the following transactions with key management personnel comprised of officers, directors or companies controlled by directors:

	For the six months ended May 31,	
	2023	2022
Office and miscellaneous	\$ 163,466	\$ 130,957
Consulting	-	2,500
Share based payment expense	409,750	518,571
	\$ 573,216	\$ 652,028

On November 2, 2021, the Company granted 5,950,000 share options with a weighted average exercise price of \$0.30 for a period of 5 years. 4,250,000 of these share options were issued to Directors and Officers of the Company, for which a total share based payment charge of \$691,616 was recorded in the period to November 30, 2022 (2021: \$425,233), after which the options were fully vested.

On March 21, 2023, the Company granted 3,335,000 share options with a weighted average exercise price of \$0.75 for a period of 5 years. 1,680,000 of these share options were issued to Directors and Officers of the Company, for which a total share based payment charge of \$409,750 was recorded in the period to May 31, 2023.

On March 21, 2023, the Company granted 525,000 restricted share units to Directors and Officers of the Company, which vest over twelve months. In the three month period to May 31, 2023, a share based payment charge of \$151,835 was recorded.

Amounts due to related parties are non-interest bearing, unsecured and have no specific terms of repayment. Related party transactions are in the normal course of operations, occurring on terms and conditions that are similar to those of transactions with unrelated parties and, therefore, are measured at the exchange amount.

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6. SHARE CAPITAL AND CONTRIBUTED SURPLUS

- (a) Authorized: Unlimited number of common shares without par value.
- (b) Private placements

During the year ended November 30, 2021, the Company completed the RTO that included an oversubscribed private placement financing which raised aggregate gross proceeds of \$4,007,500 and issued 32,060,000 units at \$0.125 per unit. Each unit consisted of one share and one half share purchase warrant, with an expiry date 2 years after the RTO, and an exercise price of \$0.20. Concurrently with this, 1,200,000 finders shares at a fair value of \$150,000 were issued in respect of the private placement. The Company reclassified \$47,288 of previously paid issuance costs against share capital upon completion of this financing.

- (c) Share options

Prior to the RTO, Westbridge had a share option plan whereby, from time to time, at the discretion of the Board of Directors, share options could be granted to directors, officers and certain consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. Westbridge's share option plan was not compliant with the requirements of the TSXV for a Tier 2 issuer and as such following the RTO the share option plan was converted into a fixed plan under which an aggregate total of 8,628,859 shares may be issued (inclusive of the 6,150,000 options outstanding at November 30, 2022 as described below).

The exercise price of each option is based on the market price of the Company's common shares at the date of the grant less an applicable discount. The options can be granted for a maximum term of 10 years and vest at the discretion of the Board of Directors.

During the year ended November 30, 2021, the Company granted 1,250,000 share options with a weighted average exercise price of \$0.10 per share for a period of 4.5 years. These share options were issued to replace options outstanding in Westbridge prior to the RTO. The fair value of the share-based compensation expense totaling \$142,000 or \$0.11 per option was estimated using the Black-Scholes option pricing method assuming a weighted average risk-free rate of 0.36%, a weighted average expected volatility of 145%, an expected dividend and forfeiture rate of nil, and an expected life of 4.5 years.

On November 2, 2021, the Company granted 5,950,000 share options with a weighted average exercise price of \$0.30 for a period of 5 years, all of which had vested by the year ended November 30, 2022. The fair value of the share-based compensation expense was estimated using the Black-Scholes option pricing method assuming a weighted average risk-free rate of 0.36%, a weighted average expected volatility of 110%, an expected dividend and forfeiture rate of nil, and an expected life of 5 years.

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6. SHARE CAPITAL AND CONTRIBUTED SURPLUS (cont'd...)

(c) Share options (cont'd...)

On May 1, 2022, the Company granted 200,000 share options with a weighted average exercise price of \$0.30 for a period of 5 years, of which 50,000 vested in the three months to May 31, 2023. The fair value of the share-based compensation expense was estimated using the Black-Scholes option pricing method assuming a weighted average risk-free rate of 0.36%, a weighted average expected volatility of 110%, an expected dividend and forfeiture rate of nil, and an expected life of 5 years.

On March 21, 2023, the Company granted 3,335,000 share options with a weighted average exercise price of \$0.75 for a period of 5 years, of which 1,111,667 vested in the three months to May 31, 2023. The fair value of the share-based compensation expense totalling \$1,890,000 or \$0.57 per option over the vesting period was estimated using the Black-Scholes option pricing method assuming a weighted average risk-free rate of 0.36%, a weighted average expected volatility of 99.71%, an expected dividend and forfeiture rate of nil, and an expected life of 5 years.

As a result of the above share option grants, the Company recognized \$816,051 (2022: \$299,679) in share based payment expense for options granted and vested during the three months ended May 31, 2023.

Share option transactions are summarized as follows:

	Number	Weighted Average Exercise Price
Outstanding, November 30, 2021	6,125,000	\$ 0.29
Issued	200,000	0.30
Exercised	(175,000)	0.10
Outstanding, November 30, 2022	6,150,000	\$ 0.30
Issued	3,335,000	0.75
Exercised	(2,260,000)	0.30
Outstanding, May 31, 2023	7,225,000	\$ 0.51
Number currently exercisable	5,001,667	\$ 0.40

Share options outstanding at May 31, 2023 are:

Number	Exercise Price	Expiry Date
3,890,000	\$ 0.30	November 2, 2026
3,335,000	\$ 0.75	March 21, 2028
7,225,000		

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6. SHARE CAPITAL AND CONTRIBUTED SURPLUS (cont'd...)

(d) Share purchase warrants

Following the RTO, the Company agreed to replace 2,786,431 outstanding Westbridge warrants with warrants in the Company post RTO. The fair value of share-based compensation expense totaling \$203,000 or \$0.07 per warrant was estimated using the Black-Scholes option pricing method assuming a weighted average risk-free rate of 0.36%, a weighted average expected volatility of 145%, an expected dividend and forfeiture rate of nil, and an expected life of 6 months. Share purchase warrant transactions are summarized as follows:

	Number	Weighted Average Exercise Price
Outstanding, November 30, 2021	17,045,000	\$ 0.20
Exercised	(16,945,000)	0.20
Outstanding, November 30, 2022	100,000	0.20
Exercised	(100,000)	0.20
Outstanding, May 31, 2023	-	\$ -

No share purchase warrants were outstanding at May 31, 2023.

(e) Restricted Share Units ("RSUs")

On March 21, 2023, the Company granted 625,000 RSUs with a grant price of \$0.75 which vest over twelve months. A share based payment charge of \$468,750 will be recorded over the vesting period, of which \$180,755 was recorded in the three months to May 31, 2023.

7. FINANCIAL INSTRUMENTS, MANAGEMENT OF CAPITAL AND FINANCIAL RISK

The Company's financial instruments consist of cash, receivables, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The carrying value of receivables and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

The Company discloses the inputs used in making fair value measurements, including their classification within a hierarchy that prioritizes their significance. The three levels of inputs 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 the asset or liability either directly or indirectly; and Level 3 – inputs that are not based on observable market data.

Financial instruments measured at fair value on the statement of financial position are summarized in levels of fair value hierarchy as follows:

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7. FINANCIAL INSTRUMENTS, MANAGEMENT OF CAPITAL AND FINANCIAL RISK

(cont'd...)

Assets	Level 1	Level 2	Level 3	Total
Cash	\$2,250,135	-	-	\$2,250,135

The Company has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk. Management, the Board of Directors and the Audit Committee monitor risk management activities and review the adequacy of such activities.

(a) Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash is primarily held in large Canadian financial institutions. The Company does not have any asset-backed commercial paper. The Company's receivables consist of government sales tax receivable due from the Federal Government of Canada. Management believes that the credit risk concentration with respect to financial instruments included in receivables is minimal.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. The Company is exposed to liquidity risk but considers that at this time the going concern assumption remains appropriate (Note 2).

(c) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as foreign exchange rates, interest rates, and commodity and equity prices.

- (i) Cash held in foreign currencies other than the Canadian dollar is subject to currency risk. The Company is exposed to currency risk by incurring certain expenditures in currencies other than the Canadian dollar and through holding debt denominated in US Dollars. A theoretical 10% change in all exchange rates versus the Canadian Dollar would result in a \$200,847 change in net assets.

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7. FINANCIAL INSTRUMENTS, MANAGEMENT OF CAPITAL AND FINANCIAL RISK
(cont'd...)

(c) Market risk (cont'd...)

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest-bearing financial instruments are comprised of cash which bears interest at variable rates. The Company considers its interest rate risk as minimal and insignificant.

Capital Management

The Company's objectives when managing capital are:

- to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- to provide an adequate return to shareholders by pricing products commensurately with the level of risk.

The Company considers the items included in 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. In order to maintain or adjust the capital structure, the Company may issue new shares through public and/or private placements, sell assets to reduce debt or return capital to shareholders. The Company is not subject to externally imposed capital requirements. There have been no changes to the Company's approach to capital management for the periods presented.

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8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		May 31, 2023		November 30, 2022
Accounts payable	\$	1,612,257	\$	538,293
Accrued liabilities		9,159		115,445
Total	\$	1,621,416	\$	653,738

9. DEVELOPMENT PROJECTS

	Georgetown	Accalia	Sunnynook	Dolcy	Eastervale	Red Willow	Fiskerton BESS	Total
Cost and net book value:								
At November 30, 2021	\$ 243,985	\$ 782,995	\$ 544,184	\$ -	\$ -	\$ -	\$ -	\$ 1,571,164
Acquisitions (Note 14)	-	728,166	402,291	-	-	-	-	1,130,457
Additions	310,883	70,169	232,103	153,584	219,539	188,345	227,462	1,402,085
FX	-	54,163	-	-	-	-	-	54,163
At November 30, 2022	798,852	1,690,323	1,320,471	153,584	219,539	188,345	227,462	4,598,576
Additions	686,035	640,100	279,399	157,714	131,443	119,995	23,446	2,038,133
FX	-	37,698	-	-	-	-	6,175	43,873
At May 31, 2023	\$ 1,484,887	\$ 2,368,121	\$ 1,599,870	\$ 311,298	\$ 350,983	\$ 308,340	\$ 257,083	6,680,582

Development project assets relate to costs incurred in the development of the solar photovoltaic plants, which meet the recognition criteria following the RTO and acquisition of the projects.

Development projects are depreciated over the useful life of the resulting asset, from the date of first export of electricity.

Contingent consideration arrangements exist for the Accalia and Sunnynook projects which require specific milestones to be met in respect of the development of the projects. Payment of any contingent consideration is at the sole discretion of the Company and in the period to May 31, 2023, additional contingent consideration of \$300,328 and \$85,000 for Accalia and Sunnynook respectively, was recognised as additions to Development projects.

10. PREPAID EXPENSES – DEVELOPMENT PROJECTS

	Georgetown	Sunnynook	Dolcy	Eastervale	Total
At November 30, 2021	\$ -	\$ -	\$ -	\$ -	\$ -
Additions	350,000	385,660	110,000	110,000	955,660
Transfer to Development Projects	(100,371)	(300)	(31,746)	(62,575)	(194,992)
At November 30, 2022	249,629	385,360	78,254	47,425	760,668
Additions	4,830,000	-	40,000	320,000	5,190,000
Transfer to Development Projects	(127,091)	(1,368)	(88,827)	(57,133)	(274,418)
At May 31, 2023	\$ 4,952,538	\$ 383,992	\$ 29,427	\$ 310,292	\$ 5,676,249

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11. RIGHT OF USE ASSETS

	Right of Use
Cost:	
At December 1, 2021	\$ 34,429
Additions (Note 12)	525,784
At November 30, 2022	560,213
Additions	-
At May 31, 2023	\$ 560,213
Depreciation:	
At December 1, 2021	\$ 10,042
Charge for the year	46,900
At November 30, 2022	56,942
Charge for the year	41,860
At May 31, 2023	\$ 98,801
Net book value:	
At November 30, 2022	\$ 503,271
At May 31, 2023	\$ 461,412

12. LEASE LIABILITIES

Development Project	Number of leases	Initial (development) term	Annual lease payments range	Renewal options	Operational lease payments range (after renewal)
Georgetown	1	4 years	\$17,750	One additional year of development, thirty year operational term, two additional ten year renewals	\$568,000
Dolcy	4	7 years	\$1,600 - \$16,000	Forty year operation term, one additional ten year renewal	\$64,000 - \$640,000
Eastervale	6	7 years	\$2,326 - \$4,830	Forty year operation term, one additional ten year renewal	\$116,295 - \$241,500
Red Willow	3	7 years	\$6,400 - \$19,200	Forty year operation term, one additional ten year renewal	\$200,000 - \$600,000

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12. LEASE LIABILITIES (cont'd...)

	May 31, 2023	November 30, 2022
Balance, opening	\$ 452,908	\$ 6,935
Lease liability addition (Note 11)	-	525,784
Lease payments	(28,381)	(84,608)
Interest accretion	4,690	4,797
Balance, ending	\$ 429,216	\$ 452,908
Current portion	\$ 81,366	\$ 79,834
Long term	347,850	373,074
Balance, ending	\$ 429,216	\$ 452,908

Amounts payable under leases:

	May 31, 2023	November 30, 2022
	Present value	Present value
Within one year	\$ 81,366	\$ 79,834
Within two to five years	282,030	307,254
In over 5 years	65,820	65,820
Total	\$ 429,216	\$ 452,908

Undiscounted commitments under leases:

	May 31, 2023	November 30, 2022
Within one year	\$ 86,314	\$ 85,684
Within two to five years	342,452	339,789
In over 5 years	56,146	87,887
Total	\$ 484,912	\$ 513,360

During the six months ended May 31, 2023, the Company incurred \$10,801 (2022: \$8,668) in respect of short-term leases, recognised as an expense in the consolidated statement of operations and comprehensive loss.

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13. DEBT

	May 31, 2023	November 30, 2022
Debt	8,076,127	-
Total	\$ 8,076,127	\$ -

On December 5, 2022, Georgetown Solar Inc. (“Georgetown”) entered into a loan agreement with LRC Westbridge Investco, LLC, a lending entity established by Leyline Renewable Capital. Under this loan agreement, Georgetown may borrow up to a maximum of the US Dollar equivalent of \$4,830,000. The loan was fully drawn on the execution date. The loan is secured by a first priority security interest against the assets of Georgetown, bears interest at 12% per annum, is subject to a 2% origination fee, and matures 12 months from the date of the loan agreement.

Effective May 23, 2023, Westbridge Renewable Energy Holdco Corp (“WEBH”) entered into a loan agreement with LRC Westbridge II Investco, LLC, a lending entity established by its manager Leyline Renewable Capital, LLC. Under this loan agreement, WEBH may borrow up to a maximum of USD 23,000,000. At May 31, 2023, this loan was undrawn save as to costs incurred and capitalized. The loan is secured by a first priority security interest against the shares held in Sunnynook Solar Energy Inc. (“Sunnynook”), Dolcy Solar Inc. (“Dolcy”), Eastervale Solar Inc. (“Eastervale”) and Red Willow Solar Inc. (“Red Willow”). The loan bears interest at 12% per annum, is subject to a 2% origination fee and matures 18 months from the date of the loan agreement.

Effective May 23, 2023, the Company entered into a loan agreement with LRC Westbridge III Investco, LLC, a lending entity established by its manager Leyline Renewable Capital, LLC. Under this loan agreement, WEBH may borrow up to a maximum of USD 4,900,000. At May 31, 2023, the Company had drawn \$1,388,590 against this loan. The loan is secured by a first priority security interest against the shares held in Westbridge Energy (U.S.) Corp, and a second priority security interest against the shares held in Sunnynook, Dolcy, Eastervale and Red Willow. The loan bears interest at 12% per annum, is subject to a 2% origination fee and matures 18 months from the date of the loan agreement.

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14. SUBSEQUENT EVENTS

The Company evaluated subsequent events through to July 27, 2023, the date these condensed consolidated interim financial statements were issued.

On June 1, 2023 the Company announced that it had entered into definitive agreements to sell five of its Canadian projects to Metka, for a total cash consideration of between \$217 million and \$346 million. The transactions are to be completed by way of a share purchase by Metka of all of the issued and outstanding shares of the following subsidiaries of Westbridge: Georgetown, Sunnynook, Dolcy, Eastervale, and Red Willow (collectively, the "SPVs").

Closing of the purchase and sale of each SPV is conditional upon, among other things: obtaining approval of the purchase and sale by Westbridge shareholders and the TSXV, as applicable, and obtaining regulatory approvals from the AUC.

On July 21, 2023, 20,000 share options were exercised with a weighted average exercise price of \$0.75 for which cash consideration of \$15,000 was received.