

Cult Food Science Corp.

(formerly Triangle Industries Ltd.)

Condensed Interim Financial Statements
Unaudited - Prepared by Management

(Expressed in Canadian dollars)

For the six months ended June 30, 2021 and 2020

Cult Food Science Corp. (formerly Triangle Industries Ltd.)

Condensed Interim Statements of Financial Position

(Unaudited - Expressed in Canadian dollars)

	Note	June 30, 2021 \$	December 31, 2020 (audited) \$
Assets			
Current assets			
Cash		1,407	1,727
Prepaid	2	5,250	-
		6,657	1,727
Non-current assets			
Equipment	3	12,788	15,016
Total assets		19,445	16,743
Liabilities and shareholders' deficiency			
Current liabilities			
Accounts payable and accrued liabilities	7	46,755	118,344
Loans payable	4, 7	47,711	21,210
Total liabilities		94,466	139,554
Shareholders' deficiency			
Share capital	5	8,262,830	8,162,830
Share-based payment reserve	5	110,056	110,056
Deficit		(8,447,907)	(8,395,697)
Total shareholders' deficiency		(75,021)	(122,811)
Total liabilities and shareholders' deficiency		19,445	16,743

Basis of Presentation and Summary of Significant Accounting Policies (Note 2)

Commitment (Note 8)

Subsequent Events (Note 9)

Approved on behalf of the Board of Directors by:

"Dorian Banks"

Director

"Francis Rowe"

Director

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

Cult Food Science Corp. (formerly Triangle Industries Ltd.)

Condensed Interim Statements of Loss and Comprehensive Loss

(Unaudited - Expressed in Canadian dollars)

	Note	Three months ended		Six months ended	
		June 30,		June 30,	
		2021	2020	2021	2020
		\$	\$	\$	\$
Expenses					
Depreciation	3	1,120	1,600	2,228	3,200
Management fees	8	9,450	9,450	18,900	18,900
Office and administration	4, 7	1,009	471	1,708	558
Professional fees		14,665	13,060	26,150	24,545
Transfer agent and filing fees		279	1,989	3,224	2,875
Loss from operating activities		(26,523)	(26,570)	(52,210)	(50,078)
Interest and other income		-	1,496	-	2,992
Loss and comprehensive loss for the period		(26,523)	(25,074)	(52,210)	(47,086)
Loss per share, basic and diluted		(0.01)	(0.01)	(0.02)	(0.02)
Basic and diluted weighted average number of common shares outstanding		8,741,028	5,224,544	6,992,500	5,224,544

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

Cult Food Science Corp. (formerly Triangle Industries Ltd.)Condensed Interim Statements of Changes in Shareholders' Equity (Deficiency)
(Unaudited - Expressed in Canadian dollars)

	<u>Share Capital</u>		Share-based		Total Shareholder's Equity (Deficiency)
	Number of Shares*	Amount	Payment Reserve	Deficit	
Balance, December 31, 2019	5,224,544	\$ 8,162,830	\$ 110,056	\$ (8,189,300)	\$ 83,586
Loss for the period	-	-	-	(47,086)	(47,086)
Balance, June 30, 2020	5,224,544	\$ 8,162,830	\$ 110,056	\$ (8,236,386)	\$ 36,500
Balance, December 31, 2020	5,224,544	\$ 8,162,830	\$ 110,056	\$ (8,395,697)	\$ (122,811)
Debt settlement	10,000,000	100,000	-	-	100,000
Loss for the period	-	-	-	(52,210)	(52,210)
Balance, June 30, 2021	15,224,544	\$ 8,262,830	\$ 110,056	\$ (8,447,907)	\$ (75,021)

*The number of shares have been adjusted to reflect a stock-split of the Company's share capital on a 1:2 basis.

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

Cult Food Science Corp. (formerly Triangle Industries Ltd.)

Condensed Interim Statements of Cash Flows

(Unaudited - Expressed in Canadian dollars)

		Six months ended June 30,	
	Note	2021	2020
		\$	\$
Cash flows from operating activities			
Loss for the period		(52,210)	(47,086)
Adjustments for:			
Depreciation		2,228	3,200
Interest income		-	(2,992)
Interest expense		1,501	-
Net change in non-cash working capital:			
Accounts payable and accrued liabilities		28,411	28,046
Prepaid		(5,250)	-
Total cash flows used in operating activities		(25,320)	(18,832)
Cash flows from financing activities			
Proceeds from loans payable		25,000	20,000
Total cash flows provided by financing activities		25,000	20,000
Change in cash during the period		(320)	1,168
Cash at beginning of period		1,727	672
Cash at end of period		1,407	1,840
Other supplemental information			
Interest paid	7	-	403

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

Cult Food Science Corp. (formerly Triangle Industries Ltd.)

Notes to the Condensed Interim Financial Statements

For the Six Months ended June 30, 2021 and 2020

(Unaudited - Expressed in Canadian Dollars)

1. Corporate Information

Cult Food Science Corp. (formerly Triangle Industries Ltd.) (the “Company”) was incorporated on November 16, 1983 under the British Columbia Companies Act and was in the business of providing freight, reloading and warehousing services, collectively called “transloading”. The Company wound up its transloading business and disposed of substantially all related assets in the year ended December 31, 2010. Management was of the opinion that Company resources could be better utilized under a new business plan designed to improve the Company's prospects and to recapture shareholder interest. The Company is focused on cultivated meat and cultured dairy, providing investment access and exposure to companies on the cutting edge of food science around the world. The Company has voluntarily delisted from the NEX but remains a reporting issuer in certain jurisdictions in Canada. Effective July 28, 2021, the Company changed its name to Cult Food Science Corp.

The Company's registered address is Suite 810 – 789 West Pender Street, Vancouver, British Columbia, Canada, V6C 1H2.

On August 12, 2021, the Company completed a share-split of the issued and outstanding share capital on the basis of two new shares for one old share. Accordingly, all current and comparative share capital amounts within these financial statements have been retroactively restated to adjust for the share consolidation.

These condensed interim financial statements are prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business and that management neither intends to liquidate the entity nor does it have no realistic alternative to do so. The Company incurred a net loss of \$52,210 (2020 - \$47,086) during the six-month period ended June 30, 2021 and as of the date of the financial statements the Company's accumulated deficit is \$8,447,907 (December 31, 2020 - \$8,395,697). These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The Company's ability to continue its operations is dependent upon its ability to restructure its debt and raise financing. Although the Company has been successful in obtaining the necessary financing to continue operations in the past, there can be no assurance that it will be able to continue to do so in the future and that such funds will be available on terms acceptable by the Company. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors and to restructure the Company's debt. These condensed interim financial statements do not give effect to any adjustments required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying condensed interim financial statements.

Since March 2020, several measures have been implemented in Canada and the rest of the world in response to the increased impact from novel coronavirus (COVID-19), which include the implementation of travel bans, self-imposed quarantine periods and social distancing. COVID-19 has caused material disruption to businesses globally resulting in an economic slowdown. These measures could adversely affect and harm the Company by limiting the ability to evaluate various opportunities by limiting in person meetings and potential travel to perform due diligence. The Company continues to operate its business at this time. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on business operations cannot be reasonably estimated at this time. It is difficult to reliably measure the potential impact of this uncertainty on the Company's future financial results.

These financial statements were authorized for issue by the Audit Committee and Board of Directors on August 30, 2021.

2. Basis of Presentation and Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these condensed interim financial statements are set out below.

1) Basis of preparation and Measurement

a) Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34, *Interim Financial Reporting* using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”). They do not include all the information required for annual financial statements, and therefore should be read in conjunction with the Company's annual financial statements for the years ended December 31, 2020 and 2019.

Cult Food Science Corp. (formerly Triangle Industries Ltd.)

Notes to the Condensed Interim Financial Statements

For the Six Months ended June 30, 2021 and 2020

(Unaudited - Expressed in Canadian Dollars)

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)**b) Basis of Measurement**

These condensed interim financial statements have been prepared on a historical cost basis except for certain financial instruments, which are measured at fair value as explained in the accounting policies set out in Note 2(II) of the annual financial statements for the years ended December 31, 2020 and 2019. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These condensed interim financial statements are presented in Canadian dollars, which is the Company's functional currency.

The preparation of condensed interim financial statements in compliance with IFRS requires management to make certain critical accounting estimates and exercise judgement in applying the Company's policies.

c) Comparative figures

Certain comparative figures have been reclassified to conform to the current year's presentation. Such reclassification is for presentation purpose only and has no effect on previously reported results.

2. Prepaid

	June 30, 2021	December 31, 2020
	\$	\$
Transfer agent and filing fees	5,250	-
	5,250	-

3. Equipment

	Office Furniture and Equipment
Cost	\$
Balance, December 31, 2020	39,231
Additions	-
Balance, June 30, 2021	39,231
Accumulated Amortization	
Balance, December 31, 2020	24,215
Amortization	2,228
Balance, June 30, 2021	26,443
Carrying value	
As at December 31, 2020	15,016
As at June 30, 2021	12,788

Cult Food Science Corp. (formerly Triangle Industries Ltd.)

Notes to the Condensed Interim Financial Statements

For the Six Months ended June 30, 2021 and 2020

(Unaudited - Expressed in Canadian Dollars)

4. Loans Payable

	June 30, 2021	December 31, 2020
	\$	\$
Balance, beginning of the year	21,210	-
Addition	25,000	20,000
Interest	1,501	1,210
Balance, end of period	47,711	21,210

During the year ended December 31, 2020, the Company obtained two promissory notes totalling \$20,000 from a company controlled by a director. The loans are unsecured and due upon demand. The promissory notes bear interest at 8% per annum (Note 7). As at June 30, 2021, the loan balance of \$20,000 remains outstanding with \$2,003 of interest payable accrued (December 31, 2020 - \$1,210).

During the six months ended June 30, 2021, the Company obtained a series of promissory notes totalling \$25,000 from an unrelated third-party. The loans are unsecured and due upon demand. The promissory notes bear interest at 8% per annum. As at June 30, 2021, the loan balance of \$25,000 remains outstanding with \$708 of interest payable accrued (December 31, 2020 - \$Nil).

5. Share Capital**Authorized share capital**

The authorized share capital of the Company is an unlimited number of common shares without par value.

Issued share capital

As at June 30, 2021, the Company had 15,224,544 (December 31, 2020 – 5,224,544) shares outstanding.

On May 29, 2021, the Company completed a debt settlement agreement and settled debt of \$100,000 and issued 10,000,000 Units. Each Unit consists of one common share and one share purchase warrant exercisable into a common share at \$0.10 for a 5 year period.

Stock Option Plan Details

The Company's Board of Directors, at its discretion may grant non-transferable options for the purchase of common shares to its directors, officers, employees, consultants, or service providers of the Company provided that the maximum number of options that may be reserved for issuance or issued is limited to 10% of the issued and outstanding securities. The Company's stock option plan allows for options to be granted for a maximum term of 5 years and vest at the discretion of the Board of Directors.

There were no stock options outstanding and exercisable at June 30, 2021 and December 31, 2020.

Warrants

A summary of warrant activity is as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, December 31, 2019 and 2020	-	\$ -
Warrants issued during the period	10,000,000	0.10
Balance, June 30, 2021	10,000,000	0.10

As at June 30, 2021, the Company has 10,000,000 outstanding and exercisable warrants with an exercise price of \$0.10 and expires on May 29, 2026.

Cult Food Science Corp. (formerly Triangle Industries Ltd.)

Notes to the Condensed Interim Financial Statements

For the Six Months ended June 30, 2021 ad 2020

(Unaudited - Expressed in Canadian Dollars)

6. Financial Instruments, Capital Management and Risk Management

I) Financial Instruments

The Company's financial instruments include cash, and accounts payable and accrued liabilities and loans payable.

Determination of Fair Value

The carrying value of cash, loan receivable, accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments. The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

	Fair Value Measurement Hierarchy	Financial assets at FVTPL	Financial liabilities at amortized cost
As at June 30, 2021:			
Cash	Level 1	\$ 1,407	\$ -
Accounts payable and accrued liabilities	Not applicable	-	(46,755)
Loans payable	Not applicable	-	(47,711)
As at December 31, 2020:			
Cash	Level 1	\$ 1,727	\$ -
Accounts payable and accrued liabilities	Not applicable	-	(118,344)
Loans payable	Not applicable	-	(21,210)

Fair Value Hierarchy

Financial instruments measured at fair value on the statement of financial position are summarized into the following fair value hierarchy levels:

Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

II) Capital Management

The Company's capital management objectives are to safeguard its ability to continue as a going concern and to seek new investment opportunities for the benefit of its shareholders. The Company includes shareholders' equity in the definition of capital.

The Company sets the amount of capital required in proportion to its operating requirements and perceived risk of loss. 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. The Company has historically relied on the equity markets to fund its activities and is open to new sources of financing to manage its expenditures in the interest of sustaining long-term viability. The Company's capital management objectives, policies and processes have not changed over the years presented.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to any externally imposed capital requirements.

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Notes to the Condensed Interim Financial Statements

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6. Financial Instruments, Capital Management and Risk Management (continued)

III) Risk Management

The Company's risk exposures and the impact on the Company's financial instruments are summarized below.

a) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations and arises principally from the Company's cash and loan receivable. The Company's credit exposure is limited to the carrying amount of its financial assets.

The Company's cash is held with a high-credit-rated financial institution and, as such, the Company does not believe there to be a significant credit risk in respect to cash.

b) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of four types of risk: foreign currency risk, interest rate risk, commodity price risk and equity price risk.

(i) Foreign currency risk

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and a foreign currency will affect the Company's operations and financial results. The Company does not have significant exposure to foreign exchange rate fluctuations.

(ii) Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company is exposed to promissory notes with outstanding balance of \$45,000 carrying interest at 8% per annum (Note 4). Its interest rate risk is limited to potential decreases on the interest rate offered for cash held with chartered Canadian financial institutions. The Company considers the risk to be immaterial.

(iii) Commodity price risk

Commodity risk is the exposure to fluctuations in the market price of commodities. The Company does not have any commodity exposure.

(iv) Equity price risk

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The Company does not have any equity investments.

c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due or can only do so at excessive cost. The key success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases.

The Company's policy is to ensure that it will have sufficient cash to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following table sets out the contractual maturities (representing undiscounted contractual cash flows) of financial liabilities:

	Up to 3 months	3 to 12 months	1 to 2 years	Over 2 years	Total
Accounts payable and other liabilities:					
June 30, 2021	\$ 46,755	\$ 47,711	\$ -	\$ -	\$ 94,466
December 31, 2020	\$ 118,344	\$ 21,210	\$ -	\$ -	\$ 139,554

Cult Food Science Corp. (formerly Triangle Industries Ltd.)

Notes to the Condensed Interim Financial Statements

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(Unaudited - Expressed in Canadian Dollars)

7. Related Party Transactions

	Six-month period ended	
	June 30, 2021	June 30, 2020
	\$	\$
Interest accrued	793	403
	793	403

As at June 30, 2021, the balance due to related parties was \$3,043 (December 31, 2020 - \$3,043) which is included in accounts payable and accrued liabilities.

On March 17, 2020 and April 14, 2020, the Company obtained two promissory notes totalling \$20,000 from a company controlled by a director. The loans are unsecured and due upon demand. The promissory notes bear interest at 8% per annum. During the six months ended June 30, 2021, interest expense of \$793 (2020 - \$403) was accrued for the promissory notes (Note 4).

8. Commitment

The Company entered into a corporate management agreement with Partum Advisory Services Corp. ("PASC"). The agreement is for twelve months and automatically renews for a further twelve months unless the Company or PASC give ninety days notice. As at June 30, 2021, total commitment under the agreement was \$56,700.

9. Subsequent Event

On August 3, 2021, the Company completed a private placement of up to 25,000,000 units (the "Units") at a price of \$0.01 per Unit for gross proceeds of \$250,000. Each Unit will be comprised of one common share in the capital of the Company and one share purchase warrant. Each warrant will entitle the holder thereof to acquire one common share at a price of \$0.05 for a period of five years from the date of issuance. The Units will be subject to a four-month and one day hold period from the date of issuance.

On August 12, 2021, the Company completed a share-split of the issued and outstanding share capital on the basis of two new share for one old share. Accordingly, all current and comparative share capital amounts within these financial statements have been retroactively restated to adjust for the share consolidation.

On August 23, 2021, the Company completed a private placement of up to 77,375,000 units (the "Units") at a price of \$0.02 per Unit for gross proceeds of \$1,547,500. Each Unit will be comprised of one common share in the capital of the Company and one share purchase warrant. Each warrant will entitle the holder thereof to acquire one common share at a price of \$0.10 for a period of five years from the date of issuance. The Units will be subject to a four-month and one day hold period from the date of issuance.