GENCAN CAPITAL INC.

2020 ANNUAL REPORT

TO THE SHAREHOLDERS

Presented herein is your Company's Annual Report for the Fiscal Year ended September 30, 2020.

Revenues for the year were $3,850 compared to $6,259 in the comparable 2019 period. Net loss for the year was $82,642 compared to $105,401 in the comparable 2019 period. Loss per share for the year was $0.01 compared to $0.01 in the comparable 2019 period.

The Company has received notice from the CSE that it does not currently meet the CSE's Continued Listing Requirements and that if these requirements are not met by April 8, 2021, the CSE will either suspend the Company pending delisting 90 days thereafter, assign the Company a different industry classification, or designate the Company as inactive. Management continues to evaluate potential new prospects for the Company as the Board seeks opportunities in order to provide shareholders with the opportunity to maximize the value of their common shares and in order for the Company to meet the CSE requirements within the time period.

We thank our shareholders for their interest and support and invite all to attend the upcoming Annual Meeting. For shareholders who are unable to attend, a proxy has been enclosed which you should complete and return in the enclosed envelope.

On Behalf of the Board,

Signed "Mark I. Litwin"

Mark I. Litwin
President and Chief Executive Officer

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BDO Canada LLP
222 Bay Street
Suite 2200, P.O. Box 131
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Independent Auditor's Report

To the Shareholders of Gencan Capital Inc.

Opinion

We have audited the financial statements of Gencan Capital Inc. (the Entity), which comprise the statements of financial position as at September 30, 2020 and 2019, and the statements of loss and comprehensive loss , changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at September 30, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises:

- The information, other than the consolidated financial statements and our auditor's report thereon, included in the Annual report and
- The information included in the Management's Discussion and Analysis for the years ended September 30, 2020 and 2019.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management Discussion & Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Bradley Tagieff, CPA, CA.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

January 19, 2021
Toronto, Ontario

Gencan Capital Inc.

Statements of Financial Position
As at September 30, 2020 and 2019

	Notes	September 30 2020	September 30 2019
Assets			
Current assets			
Cash and cash equivalents		$ 484,493	$ 556,560
Accounts receivable		1,192	3,524
Prepaid expenses and deposits		374	517
Income taxes recoverable	6	29,794	38,093
Total assets		$ 515,853	$ 598,694
Liabilities and Shareholders' Equity			
Current liabilities			
Accounts payable and accrued liabilities		$ 18,191	$ 18,390
Shareholders' Equity			
Capital stock	5	10	10
Retained earnings		497,652	580,294
Total shareholders' equity		497,662	580,304
Total liabilities and shareholders' equity		$ 515,853	$ 598,694

Approved on behalf of the Board:

"Fred A. Litwin" Director   "Stan Abramowitz" Director

See accompanying notes to the financial statements

Gencan Capital Inc.

Statements of Loss and Comprehensive Loss
For the years ended September 30, 2020 and 2019

	Notes	Year Ended September 30 2020	2019
Revenue			
Interest income		$ 3,850	$ 6,259
Expenses			
Administrative and general	*10*	116,288	149,753
Loss before income taxes		(112,438)	(143,494)
Income taxes recovery			
Current	*6*	(29,796)	(38,093)
Loss for the period, also being comprehensive loss		$ (82,642)	$ (105,401)
Loss per share			
Basic and diluted	*7*	$ (0.01)	$ (0.01)
Weighted average number of common shares			
Basic and diluted	*7*	16,092,284	16,092,284

See accompanying notes to the financial statements

Gencan Capital Inc.

Statements of Changes in Equity
For the years ended September 30, 2020 and 2019

	Capital Stock						
	Common shares						
	Number of shares		Amount		Retained Earnings		Total Equity
Balance at September 30, 2018	16,092,284	$	10	$	685,695	$	685,705
Net Loss	-		-		(105,401)		(105,401)
Balance at September 30, 2019	16,092,284	$	10	$	580,294	$	580,304
Balance at September 30, 2019	16,092,284	$	10	$	580,294	$	580,304
Net loss	-		-		(82,642)		(82,642)
Balance at September 30, 2020	16,092,284	$	10	$	497,652	$	497,662

See accompanying notes to the financial statements

Gencan Capital Inc.
Statements of Cash Flows
For the years ended September 30, 2020 and 2019

	Notes	Year Ended September 30 2020	2019
Operating activities			
Net loss		$ (82,642)	$ (105,401)
Adjustments to reconcile net loss to net cash flows:			
Current income taxes recovery	6	(29,796)	(38,093)
Income taxes recovered (paid)		38,095	(179,485)
		(74,343)	(322,979)
Changes in non-cash components of working capital:			
Accounts receivable		2,332	(1,517)
Prepaid expenses and deposits		143	85
Accounts payable and accrued liabilities		(199)	(13,029)
Net cash flows used in operating activities		(72,067)	(337,440)
Cash flows from financing activities		-	-
Cash flows from investing activities		-	-
Net decrease in cash		(72,067)	(337,440)
Cash and cash equivalents, beginning of period		556,560	894,000
Cash and cash equivalents, end of period		$ 484,493	$ 556,560

See accompanying notes to the financial statements

1. NATURE OF OPERATIONS

Nature of operations

Gencan Capital Inc. (“the Company”) is a Canadian company and up until July 4, 2018 was the holder of a Solar Energy Feed-In Tariff Program Contract with interests in solar energy generation equipment located in Ontario, Canada. The Company was incorporated on October 31, 2013, and has its registered office address at 106 Avenue Road, Toronto, Ontario, M5R 2H3.

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

The Company has received notice from the CSE that it does not currently meet the CSE’s Continued Listing Requirements and that if these requirements are not met within nine months effective July 8, 2020, the CSE will either suspend the Company pending delisting 90 days thereafter, assign the Company a different industry classification, or designate the Company as inactive. Management is evaluating potential alternatives in order for the Company to meet the CSE requirements within the time period.

2. BASIS OF PREPARATION

(a) Statement of compliance

The Company prepares financial statements in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). The policies applied in these financial statements are based on IFRS issued and effective as of September 30, 2020.

These financial statements were authorized for issue by the Board of Directors on January 19, 2021.

(b) Functional currency

These financial statements are presented in Canadian dollars, the Company’s functional currency.

(c) Basis of measurement

These financial statements are prepared on the historical cost basis.

(d) Critical judgements in the application of accounting policies

The following are the critical judgements that have been made in applying the Company’s accounting policies and that have the most significant effect on the amounts in the financial statements:

Deferred income taxes: The Company’s policy for deferred income taxes is described in note 3(g). In applying this policy, the Company makes judgements in determining whether the recoverability of deferred income tax assets is probable.

Impairment of financial assets: The Company’s policy for the recognition of an impairment of financial assets is described in note 3(c). In applying this policy, the Company makes judgements in determining whether an event has occurred to cause the value of the underlying asset to become impaired. The Company has determined that none of its financial assets are impaired.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise of cash at banks and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

(b) Foreign currencies

Foreign currency transactions are translated using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at period end rates are recognized in the statements of income and comprehensive income.

(c) Financial instruments

The Company's financial assets and liabilities include cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities.

Classification of financial instruments:

The Company's financial assets and liabilities can be classified into any of the following specified categories: i) financial assets at amortized cost, ii) financial assets at fair value through profit and loss (“FVTPL”), iii) financial assets at fair value through other comprehensive income (“FVOCI”), iv) financial liabilities at FVTPL and v) financial liabilities at amortized cost. The classification depends on the nature and purpose of the financial assets and liabilities and is determined at the time of initial recognition.

Amortized cost: The Company’s financial assets classified as amortized cost include cash and cash equivalents and accounts receivable.

(i) Cash and cash equivalents are initially recognized at the fair value that is directly attributable to the acquisition or issue. They are carried in the statements of financial position at amortized cost using the effective interest rate method. The Company does not hold any asset backed commercial paper.

(ii) Accounts receivable consist of interest receivable and sales taxes recoverable. These are non-derivative financial assets with fixed or determinable payments and are not quoted in an active market. They are initially recognized at the fair value that is directly attributable to their acquisition or issue and subsequently carried at amortized cost using the effective interest rate method. The effect of discounting on these financial instruments is not considered to be material. All other gains or losses are recognized when the instrument is removed from the statement of financial position.

The Company’s financial liabilities classified as amortized cost include accounts payable and accrued liabilities.

(i) Accounts payable and accrued liabilities consist primarily of trade payables. They are initially recognized at the fair value that is directly attributable to their acquisition or issue and subsequently carried at amortized cost using the effective interest rate method. The effect of discounting on these financial instruments is not considered to be material.

Fair value of financial instruments:

Financial instruments that are recorded at fair value on the statements of financial position or disclosed at fair value in the notes to the financial statements are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 - valuation techniques based on inputs other than quoted prices included in 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 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company does not have any financial instruments which are measured at fair value. See Note 8(f) for fair value disclosures of financial instruments.

Impairment of financial assets:

The Company uses the expected credit loss ("ECL") model for determining impairment of financial assets. This applies to financial assets measured at amortized cost.

For an explanation of how the Company applies ECL, see Note 8(e).

(d) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(e) Revenue recognition

The Company currently does not earn any revenue other than interest income.

(f) Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable effective interest rate.

(g) Income taxes

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. This amount is measured using tax rates that have been enacted or substantively enacted at the end of the year.

The Company follows the asset and liability method of accounting for deferred income taxes. Under this method, deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statement carrying value and tax basis of assets and liabilities and the benefit of tax losses available to be carried forward for tax purposes.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which temporary differences are expected to be recovered or settled. Deferred income tax assets are recorded in the financial statements if realization is considered probable. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the year that the rate changes.

(h) Earnings per share

Basic earnings per common share is calculated by dividing the earnings attributed to common shareholders for the year by the weighted average number of common shares outstanding in the year. Diluted earnings per common share is calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all dilutive potential common shares. The Company does not have any potential common shares issuable.

(i) Segment reporting

A segment is a component of the Company that: i) engages in business activities from which it may earn revenue and incur expenses, ii) whose operating results are reviewed by the board of directors, and iii) for which discrete financial information is available. Management of the Company has identified one reportable industry segment, corporate matters, with all assets located in Ontario, Canada.

(j) New accounting standards adopted

IFRS 16, *Leases:* introduces a new standard replacing IAS 17 Leases, that results in bringing many leases on balance sheet that are considered operating leases under IAS 17. Lessor accounting remains largely unchanged. The adoption of IFRS 16 did not have any impact to the Company.

4. SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

(i) the recoverability of accounts receivable and prepayments totaling $1,566 (2019: $4,041); and

(ii) the provision for income taxes recovery of $29,796 (2019: $38,093 recovery).

5. CAPITAL STOCK AND EQUITY

Capital stock

Authorized
Unlimited Common shares, no par value

Issued and outstanding

	September 30	
	2020	**2019**
16,092,284 Common Shares (2019: 16,092,284)	$ 10	$ 10

6. INCOME TAXES

The income of the Company is subject to income tax at a combined federal and provincial rate of 26.5%. There is no difference between the Company's effective tax rate and the combined statutory tax rate.

	Year Ended September 30	
	2020	2019
Net loss before income taxes	$ (112,438)	$ (143,494)
Statutory combined income tax rates	26.50%	26.50%
Income tax recovery computed at statutory tax rates	(29,796)	(38,093)
Total income tax recovery	$ (29,796)	$ (38,093)

Deferred income tax is calculated using a tax rate of 26.5%. The Company does not have any tax effects of temporary differences that give rise to significant portions of deferred income tax assets or liabilities.

7. EARNINGS (LOSS) PER SHARE

(a) Basic earnings (loss) per share is calculated by dividing the net income (loss) attributable to common shareholders by the weighted average number of common shares in issue during the period.

	Year Ended September 30	
	2020	2019
Net loss for the year	$ (82,642)	$ (105,401)
Weighted average number of common shares (see Note 5)	16,092,284	16,092,284
Basic and diliuted loss per share	$ (0.01)	$ (0.01)

(b) Diluted loss per share is the same as basic loss per share as there are no potential common share issuances.

8. FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist primarily of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities. The Company is exposed to various risks as it relates to these financial instruments. The risks and processes for managing the risks are set out below:

(a) Liquidity risk

Liquidity risk arises from the Company's management of working capital and principal repayments on its debt obligations. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company's objective is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this goal the Company seeks to maintain cash balances to meet expected requirements for a period of twelve months. At the date of the statement of financial position, the Company expected to generate sufficient liquid resources to meet its obligations under all reasonable expected circumstances.

Accounts payable and accrued liabilities are due within one year.

The Company's does not have any major contractual obligations outstanding as of September 30, 2020.

(b) Foreign exchange risk

Currency risk is the risk that a variation in exchange rates between the Canadian dollar and foreign currencies will affect the Company's operating and financial results. Any currency gains or losses are included in the consolidated statements of income and comprehensive income.

At September 30, 2020, the Company had a negligible amount of monetary asset or liabilities denominated in foreign currencies and had no outstanding foreign exchange commitments. The Company does not undertake currency hedging activities.

(c) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Company has not used derivative financial instruments to alter its exposure to interest rate risk.

As of September 30, 2020, the Company has not exposed itself to fluctuations in interest rates that are inherent in such a market.

(d) Other price risk

Other price risk is the risk that the market value or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The Company does not have any financial instruments subject to this risk.

(e) Concentration of credit risk

Financial instruments which potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents and accounts receivables. The Company does not have any significant amounts outstanding which are past due or impaired.

Cash is maintained at one financial institution. Deposits held with banks may exceed the amount of insurance provided on such deposits. Generally, these deposits may be redeemed upon demand and are maintained with financial institutions of reputable credit and therefore bear minimal credit risk. Any interest due is included with accounts receivable.

(f) Fair value of financial assets and liabilities

Fair Value Measurement

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

Fair Value Disclosures

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

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

9. CAPITAL RISK MANAGEMENT

The Company's primary objective when managing capital is to create and maximize shareholder value. Subsequent to the sale of its solar energy generation equipment in 2018, the Company continues to evaluate potential new business prospects.

The Company considers its total capitalization to consist of Common share capital and accumulated retained earnings. Management reviews its capital management approach on an ongoing basis.

As at September 30, 2020 the Company did not have any externally imposed capital requirements.

The following table provides a summary of certain information with respect to the Company's capital structure and financial position as at September 30, 2020 and 2019:

	September 30	
	2020	**2019**
Shareholders' equity	$ 497,662	$ 580,304

10. RELATED PARTY TRANSACTIONS

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

The Company entered into transactions and had outstanding balances with various companies related by virtue of common ownership and management. These transactions were in the normal course of operations and were measured at the amount of consideration established and agreed to by the related parties.

Significant related party transactions and balances not disclosed elsewhere in these financial statements are as follows:

The Company has entered into an administrative services agreement with GCI for $6,000 per annum. Under this agreement, administrative services fees of $6,000 (2019: $6,000) were charged by and paid to GCI.

Director's fees of $50,000 (2019: $50,000) were paid to independent directors.

The Company did not directly pay any remuneration to key management (other than to independent directors as noted above) for the years ended September 30, 2020 and 2019.

11. COVID-19 IMPACT

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus, the "COVID-19" outbreak. On March 11, 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. As the impacts of COVID-19 in Canada and on the global economy continue, there could be further challenges to management in finding a new business which would allow it to regain compliance with the CSE's continued listing requirements (see Note 1).

Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Company is not able to fully estimate the effects of the COVID-19 outbreak on its results of operations at this time.

MANAGEMENT'S DISCUSSION AND ANALYSIS
OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

The following Management's Discussion and Analysis ("MD&A") provides a review of the financial condition and results of operations of Gencan Capital Inc. ("GCC" or the "Company") for the fiscal year ended September 30, 2020. This MD&A should be read in conjunction with the Company's audited financial statements and notes thereto for the fiscal year ended September 30, 2020, included elsewhere herein.

In this document and in the Company's audited financial statements, unless otherwise noted, all financial data is prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts, unless specifically identified as otherwise, both in the audited financial statements and this MD&A, are expressed in Canadian dollars.

MD&A contains forward-looking statements, including statements concerning possible or assumed future results of operations of the Company. Forward-looking statements typically involve words or phrases such as "believes", "expects", "anticipates", "intends", "foresees", "estimates" or similar expressions. Forward-looking statements involve risks, uncertainties and assumptions, as described from time to time in the Company's reports and filed with securities commissions in Canada, which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. In addition, the Company expressly disclaims any obligation to publicly update or alter its previously issued forward-looking statements.

The discussion and analysis in this MD&A is based on information available to management as of January 19, 2021.

THE COMPANY

On October 30, 2015, pursuant to a Plan of Arrangement between the Company and Genterra Capital Inc. ("GCI"), the Company was spun-off as a public company and it shares were listed on the Canadian Securities Exchange ("CSE") under the symbol "GCA". GCI currently retains a 78% controlling interest in the Company.

The business objective of the Company is to create and maximize shareholder value through its business operations.

The Company is a Canadian Company operating in Canada, and up to July 4, 2018, held a significant interest in solar energy generation equipment located in Cambridge, Ontario, Canada.

OUTLOOK

The Board and senior management regularly assess the Company's operating performance and opportunities with a view to providing shareholders with the opportunity to maximize the value of their common shares. The Board concluded that in order to increase shareholder value, it would explore potential change of business opportunities for the Company. To that end, in 2018 the Company completed the shareholder approved sale of the Company's solar energy generation equipment. Subsequent to the sale management has continued to evaluate potential new prospects for the Company. The Company has received notice from the CSE that it does not currently meet the CSE's Continued Listing Requirements and that if these requirements are not met within nine months effective July 8, 2020, the CSE will either suspend the Company pending delisting 90 days thereafter, assign the Company a different industry classification, or designate the Company as inactive. Management is evaluating potential alternatives in order for the Company to meet the CSE requirements within the time period.

RESULTS OF OPERATIONS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

Summary of Quarterly Results

	2020				2019			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenue	**$ 357**	**$ 267**	**$ 1,467**	**$ 1,759**	**$ 1,733**	**$ 1,533**	**$ 1,408**	**$ 1,585**
Net loss	**(19,242)**	**(19,598)**	**(24,840)**	**(18,962)**	**(26,963)**	**(30,182)**	**(28,701)**	**(19,555)**
Loss per share	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)

"Q1" refers to the three months ended December 31; "Q2" refers to the three months ended March 31; "Q3" refers to the three months ended June 30; "Q4" refers to the three months ended September 30; "2020" and "2019" refer to the twelve month fiscal years ending September 30, 2020 and 2019.

Selected Annual Information

	Fiscal Years Ended September 30	
	2020	2019
Revenue	$ 3,850	$ 6,259
Net loss	(82,642)	(105,401)
Distributions per share:		
Common shares	$ -	$ -
	September 30 2020	September 30 2019
Assets	$ 515,853	$ 598,694
Non-current financial liabilities	-	-

RESULTS FOR THE THREE MONTHS AND FISCAL YEARS ENDED SEPTEMBER 30, 2020 AND SEPTEMBER 30, 2019

	Three Months Ended September 30			**Year Ended September 30**		
	2020	**2019**	**Change**	**2020**	**2019**	**Change**
Revenue						
Interest income	$ 357	$ 1,733	$ -1,376	$ 3,850	$ 6,259	$ -2,409
	357	1,733	-1,376	3,850	6,259	-2,409
Expenses						
Administrative and general	26,537	38,440	-11,903	116,288	149,753	-33,465
Loss before income taxes	(26,180)	(36,707)	+10,527	(112,438)	(143,494)	+31,056
Income tax recovery	(6,938)	(9,744)	+2,806	(29,796)	(38,093)	+8,297
Net loss	$ (19,242)	$ (26,963)	$ +7,721	$ (82,642)	$ (105,401)	$ +22,759

Review of Results for the Three Months and Fiscal Years ended September 30, 2020 and 2019

Interest Income

Interest income represents interest earned on the Company's cash balances. As interest rates have declined, interest income has also declined.

	Three Months Ended September 30			Year Ended September 30		
	2020	**2019**	**Change**	**2020**	**2019**	**Change**
Interest income	$ 357	$ 1,733	$ -1,376	$ 3,850	$ 6,259	$ -2,409

Administrative and General Expenses

Administrative and general expenses include audit fees, legal fees, liability insurance, director's fees and shareholder related costs such as transfer agent fees, listing fees, printing and meeting costs.

The decrease in administrative and general expenses during the three and twelve month periods ended September 30, 2020 compared to 2019 was mainly due to a reduction in liability insurance, legal fees, audit fees, shareholder costs and 2019 costs related to exploring new potential business opportunities offset by an increase in tax consulting fees.

	Three Months Ended September 30			Year Ended September 30		
	2020	**2019**	**Change**	**2020**	**2019**	**Change**
Administrative and general	$ 26,537	$ 38,440	$ -11,903	$ 116,288	$ 149,753	$ -33,465

Income Tax Provision

There is no difference between the Company's statutory tax rate of 26.5% and its effective tax rate for the three and twelve month periods ended September 30, 2020 compared to 2019.

	Three Months Ended September 30			Year Ended September 30		
	2020	**2019**	**Change**	**2020**	**2019**	**Change**
Loss before income taxes	$ (26,180)	$ (36,707)	$ +10,527	$ (112,438)	$ (143,494)	$ +31,056
Income tax recovery	(6,938)	(9,744)	+2,806	(29,796)	(38,093)	+8,297
Effective tax rate	26.5%	26.5%		26.5%	26.5%	

Net Loss

Net loss for the three months ended September 30, 2020 was $19,242 compared to $26,963 for the three months ended September 30, 2019. Net loss for the twelve months ended September 30, 2020 was $82,642 compared to $105,401 for the twelve months ended September 30, 2019.

	Three Months Ended September 30			Year Ended September 30		
	2020	2019	Change	2020	2019	Change
Net loss	$ (19,242)	$ (26,963)	$ +7,721	$ (82,642)	$ (105,401)	$ +22,759

Inflation

Inflation has not had a material impact on the results of the Company's operations in its last quarter or fiscal period and is not anticipated to materially impact on the Company's operations during its next fiscal year.

LIQUIDITY AND CAPITAL RESOURCES

The Company's principal sources of liquidity are cash and cash equivalents on hand and cash flow from operations.

	September 30 2020	September 30 2019	Change
Working Capital			
Current assets	$ 515,853	$ 598,694	$ -82,841
Current liabilities	18,191	18,390	-199
	497,662	580,304	-82,642
Ratio of current assets to current liabilities	28.4	32.6	
Cash and cash equivalents	$ 484,493	$ 556,560	$ -72,067

Working capital is primarily represented by cash and cash equivalents, accounts receivable and income taxes recoverable offset by outstanding accounts payable.

The Company's working capital decreased by $82,642 to $497,662 as at September 30, 2020 compared to $580,304 as at September 30, 2019 due to a decrease in cash and cash equivalents and a decrease in income taxes recoverable.

During the twelve months ended September 30, 2020 the Company's cash and cash equivalents position decreased by $72,067 to $484,493 from $556,560 as at September 30, 2019. The net decrease was due to the following:

- Operating Activities decreased cash by $72,067. This was a result of $74,343 of cash used in operations and an increase of $2,276 from changes in non-cash components of working capital;
- Financing Activities did not impact cash;
- Investing Activities did not impact cash.

The Company anticipates that it will require approximately $120,000 in order to meet its ongoing expected costs for the next twelve months. These costs include insurance, audit fees, director's fees, and shareholder related costs. The Company expects to utilize cash and cash equivalents on hand in order to service these expenditures.

RELATED PARTY TRANSACTIONS

The Company entered into transactions and had outstanding balances with various companies related by common ownership and management.

The transactions with related parties are in the normal course of business.

Related party transactions for the fiscal year ended September 30, 2020 are summarized as follows:

The Company has an administrative services agreement with GCI for $6,000 per annum. Under this agreement, administrative services fees of $6,000 were charged by and paid to GCI.

Director's fees of $50,000 were paid to independent directors.

SHARE DATA

The following table sets forth the Outstanding Share Data for the Company as at January 19, 2021:

	Authorized	Issued
Common Shares	Unlimited	16,092,284

RISKS AND UNCERTAINTIES

The Company is subject to a number of broad risks and uncertainties including general economic conditions. In addition to these broad business risks, the Company has specific risks that it faces, the most significant of which are outlined below. **The risks and uncertainties discussed herein highlight the more important factors that could significantly affect the Company's operations and profitability. They do not represent an exhaustive list of all potential issues that could affect the financial results of the Company and are not presented in any particular order of relevance.**

Cash Deposits Held At Banks May Exceed The Amounts Of Insurance Provided On Such Deposits And Any Loss Arising Therefrom Could Have A Material Adverse Effect On The Company's Financial Condition And Results Of Operations

Deposits held with banks may exceed the amount of insurance provided on such deposits. If the Company were to suffer a loss as a result of a failure of one of these Banks and the insurance provided thereon was insufficient to cover the amount of the deposit, results of operations may suffer. This could adversely affect financial condition and cash flow.

The Need To Maintain Liquidity And The Company's Financial Condition Could Be Adversely Affected By Market And Economic Conditions

A liquidity risk arises from the Company's management of working capital and principal repayments on its debt obligations to avoid difficulty in meeting its financial obligations as they become due. Liquidity is essential to the Company and may be impaired by circumstances that management may be unable to control, such as general market disruption or an operational problem which in turn could affect the Company's financial condition and ability to satisfy debt service obligations.

It May Be Difficult To Sell Shares Of The Company Due To Limited Trading Volume

The securities of the Company were listed on the Canadian Securities Exchange on October 30, 2015 and have since experienced very limited trading volume. As a result there may be less coverage by security analysts, the trading price may be lower, and it may be more difficult for shareholders to dispose of the Company's securities.

The COVID-19 Global Pandemic Could Adversely Affect the Company's Future Financial Condition and Results of Operations

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus, the "COVID-19" outbreak. On March 11, 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The duration of the COVID-19 global pandemic is unknown to the Company at this time and given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Company is not able to fully estimate the effects of the COVID-19 outbreak on its results operations at this time.

The Company Does Not Currently Meet the Canadian Securities Exchange Continued Listing Requirements Which Could Make It Difficult To Sell Shares Of The Company If It Is Delisted

The Company received notice from the CSE on July 8, 2020 that it does not currently meet the CSE's Continued Listing Requirements and that if these requirements are not met within nine months the CSE will either suspend the Company pending delisting 90 days thereafter, assign the Company a different industry classification or designate the Company as inactive. While management is evaluating potential alternatives, there is no guarantee that this will be completed within the deadline which could make it difficult for shareholders to dispose of the Company's securities. As the impacts of COVID-19 in Canada and on the global economy continue, there could be further challenges to management in finding a new business which would allow it to regain compliance with the CSE's Continued Listing Requirements.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Company's discussion and analysis of its results of operations and financial condition are based upon its financial statements that have been prepared in accordance with IFRS. The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. Estimates and assumptions are evaluated on an ongoing basis and are based on historical and other factors believed to be reasonable under the circumstances. The results of these estimates may form the basis of the carrying value of certain assets and liabilities and may not be readily apparent from other sources. Actual results, under conditions and circumstances different from those assumed, may differ from estimates.

Notes 2, 3 and 4 of the Company's audited financial statements for the year ended September 30, 2020 provide a detailed discussion of the Company's significant accounting policies and application of critical accounting estimates and judgements.

FINANCIAL INSTRUMENTS, FINANCIAL RISK MANAGEMENT AND OTHER INSTRUMENTS

The Company does not utilize financial instruments such as hedging instruments to manage financial risks.

For cash and cash equivalents, accounts receivable, trade and other payables and loans and borrowings with a maturity of less than one year, fair value is not materially different from the carrying amount due to the effect of the time value of money. See Note 8 of the Company's audited financial statements for the year ended September 30, 2020 for a more detailed discussion and additional fair value disclosures.

Proposed Transactions

Management periodically enters into informal discussions with prospective business partners in the normal course of operations. However, management does not believe that any of these discussions constitute a proposed transaction for the purpose of this report.

Off-Balance Sheet Arrangements

The Company had no off balance sheet arrangements as of September 30, 2020 and 2019.

NEW ACCOUNTING STANDARDS AND ACCOUNTING PRONOUNCEMENTS

New Accounting Standards Adopted

Leases

IFRS 16, *Leases:* introduces a new standard replacing IAS 17 Leases, that results in bringing many leases on balance sheet that are considered operating leases under IAS 17. Lessor accounting remains largely unchanged. The adoption of IFRS 16 did not have any impact to the Company.

ADDITIONAL INFORMATION

Additional information relating to the Company, including the Company's annual report, audited year-end financial results and unaudited quarterly financial results, can be accessed on SEDAR (www.sedar.com). For further information shareholders may also contact the Company by email at ivy@forumfinancialcorp.com.

DIRECTORS

Fred A. Litwin
Stan Abramowitz
Mark E. Dawber
Alan Kornblum
Sol D. Nayman

OFFICERS

Mark I. Litwin – President and Chief Executive Officer
Stan Abramowitz – Secretary

AUDITORS

BDO CANADA LLP, Chartered Professional Accountants
Toronto, Canada

REGISTRAR & TRANSFER AGENT

COMPUTERSHARE INVESTOR SERVICES INC.
Toronto, Canada

BANKERS

ROYAL BANK OF CANADA
Toronto, Canada

HEAD OFFICE

106 Avenue Road
Toronto, Canada
M5R 2H3

LISTED SECURITIES

CANADIAN SECURITIES EXCHANGE
Symbol: GCA – Common

GENCAN CAPITAL INC.
106 Avenue Road
Toronto, Ontario
M5R 2H3