

EXPRESS CAPITAL CORP.

Condensed Interim Financial Statements

Nine Months Ended April 30, 2020

Expressed in Canadian dollars - Unaudited

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the condensed interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these condensed interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of condensed interim financial statements by the entity's auditor.

EXPRESS CAPITAL CORP.Condensed Interim Statements of Financial Position
(Expressed in Canadian dollars)

	Note	April 30, 2020 (unaudited)	July 31, 2019
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Assets			
Current assets and total assets			
Cash		\$ 592	\$ 6,172
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Total current assets and total assets		\$ 592	\$ 6,172
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Liabilities and shareholders' equity			
Current liabilities			
Accounts payable		\$ 26,500	\$ 14,836
Due to related party		2,809	-
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		29,309	14,836
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Shareholders' equity (deficit)			
Share capital	3	121,000	121,000
Deficit		(149,717)	(129,664)
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Total shareholders' equity		(28,717)	(8,664)
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Total liabilities and shareholders' equity (deficit)		\$ 592	\$ 6,172
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Nature and continuance of operations (Note 1)

Approved on behalf of the Board:

"Lucas Birdsall"

Lucas Birdsall, Director

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

EXPRESS CAPITAL CORP.

Condensed Interim Statements of Comprehensive Income
(Expressed in Canadian dollars – Unaudited)

	Three months Ended April 30, 2020	Three months Ended April 30, 2019	Nine months Ended April 30, 2020	Nine months Ended April 30, 2019
Administrative expenses				
General and administrative	\$ 18	\$ 893	\$ 1,792	\$ 9,918
Consulting	-	-	2,625	12,500
Transfer agent and filing fees	1,757	1,537	4,655	7,908
Legal and accounting	4,226	1,313	10,981	6,609
Net and comprehensive income (loss)	\$ (6,001)	\$ (3,743)	\$ (20,053)	\$ (36,935)
Weighted average number of outstanding shares	5,010,549	5,010,549	5,010,549	5,010,549
Basic and diluted loss per share	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.01

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

EXPRESS CAPITAL CORP.

Condensed Interim Statements of Changes in Shareholders' Equity (Deficit)
(Expressed in Canadian dollars – Unaudited)

	Share capital			Total shareholders' equity
	Number	Amount	Deficit	
Balance, July 31, 2018	5,010,549	\$ 121,000	\$ (71,757)	\$ 49,243
Net income	-	-	(33,192)	(33,192)
Balance, April 30, 2019	5,010,549	\$ 121,000	\$ (104,949)	\$ 16,051
Balance, July 31, 2019	5,010,549	\$ 121,000	\$ (129,664)	\$ (8,664)
Net income	-	-	(20,053)	(20,053)
Balance, April 30, 2020	5,010,549	\$ 121,000	\$ (149,717)	\$ (28,717)

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

EXPRESS CAPITAL CORP.Condensed Interim Statements of Cash Flows
(Expressed in Canadian dollars – Unaudited)

	Nine months Ended April 30, 2020	Nine months Ended April 30, 2019
Cash provided by (used in):		
Operating activities		
Net income (loss)	\$ (20,053)	\$ (33,192)
Changes in non-cash working capital items		
Accounts payables	11,664	(59,136)
Cash used in operating activities	(8,389)	(92,328)
Financing activities		
Due to related party	2,809	-
Subscriptions received	-	40,680
Cash provided by financing activity	2,809	40,680
Increase (decrease) in cash	(5,580)	(51,648)
Cash, beginning	6,172	67,462
Cash, ending	\$ 592	\$ 15,814

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

EXPRESS CAPITAL CORP.

For the nine months ended April 30, 2020
(Expressed in Canadian dollars – Unaudited)

1. NATURE AND CONTINUANCE OF OPERATIONS

Express Capital Corp. (the “Company”) was incorporated as a wholly-owned subsidiary of reporting issuer Pharmalogix Investments Corp. (formerly UWO Consulting Ltd. (“UWO”)) on November 11, 2014 under the laws of British Columbia, Canada. Pursuant to a plan of arrangement between the Company and UWO, the Company’s shares were distributed to the shareholders of UWO on July 28, 2017. As a result of the plan of arrangement, the Company is a reporting issuer in British Columbia and Alberta. The Company is in the business of consulting on capital markets deal structuring, venture capital and corporate advisory.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company’s continuing operations, and its financial success may be dependent upon the extent to which it can successfully develop its business consulting on capital markets deal structuring, venture capital and corporate advisory.

The development of the Company’s business may take many years to be in successful and the amount of resulting income, if any, is difficult to determine with any certainty. On April 30, 2020, the Company had not yet achieved profitable operations, had a net loss of \$20,053 (2019: \$36,935) and a deficit of \$149,717 (July 31, 2019: \$129,664), and expects to incur losses in the development of its business, all of which casts significant doubt about the Company’s ability to continue as a going concern.

The financial statements were approved by the Board of Directors on June 29, 2020.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) have been omitted or condensed, and therefore these condensed consolidated interim financial statements should be read in conjunction with the Company’s July 31, 2019 audited annual financial statements and the notes to such financial statements.

These condensed interim financial statements are based on the IFRS issued and effective as of March 30, 2020, the date these condensed consolidated interim financial statements were authorized for issuance by the Company’s Board of Directors, and follow the same accounting policies and methods of computation as the most recent annual financial statements, except for the impact of the changes in accounting policies disclosed below:

a) New accounting standard and interpretation

The Company adopted the following new accounting standard and interpretation:

IFRS 16, Leases (effective January 1, 2019) introduced new requirements for the classification and measurement of leases. Under IFRS 16, a lessee no longer classifies leases as operating or financing and records all leases on the condensed consolidated statement of financial position, unless the lease term is 12 months or less or the underlying asset has a low value. The Company has applied a modified retrospective transition approach. The Company does not have any leases, and as a result, this standard had no impact on the Company’s condensed consolidated interim financial statements on adoption.

IFRIC 23, Uncertainty over Income Tax Treatments (effective January 1, 2019) provides guidance when there is uncertainty over income tax treatments including, but not limited to, whether uncertain tax treatments should be considered separately; assumptions made about the examination of tax treatments by tax authorities; the determination of taxable profit, tax bases, unused tax losses, unused tax credits, and tax rates; and, the impact of changes in facts and circumstances. This interpretation did not have an impact on the Company’s condensed consolidated interim financial statements.

EXPRESS CAPITAL CORP.

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2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION (continued)

b) Accounting standards issued but not yet adopted

The Company has not applied the following amendment that has been issued but is not yet effective:

Amendments to IFRS 3, Business Combinations (effective January 1, 2020) assist in determining whether a transaction should be accounted for as a business combination or an asset acquisition. It amends the definition of a business to include an input and a substantive process that together significantly contribute to the ability to create goods and services provided to customers, generating investment and other income, and it excludes returns in the form of lower costs and other economic benefits. The Company has not elected to apply this amendment early.

3. SHARE CAPITAL

Common shares

The Company has authorized an unlimited number of Class A Common Shares without par value.

On September 14, 2017, the Plan of Arrangement between the Company and Pharmalogix Investments Corp. (formerly UWO Consulting Ltd.) completed, pursuant to which 1,010,549 shares of were issued to the Pharmalogix Investments Corp. (formerly UWO Consulting Ltd.) shareholders in exchange of \$1,000 transferred to the Company.

On April 10, 2018, the Company issued 4,000,000 common shares for proceeds of \$120,000. As at October 31, 2018, there is a balance of \$5,985 outstanding in relation to this financing.

Preferred shares

The Company has authorized an unlimited number of Class B Common Shares without par value.

4. CAPITAL DISCLOSURES

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders. The

Company considers the items included in shareholders' equity and cash as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the commercialization of the licensed proprietary asset. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through the equity or debt financing. The Company is not subject to any capital requirements imposed by a regulator.

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5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT

	Ref.	April 30, 2020	July 31, 2019
		\$	\$
Other financial assets	a	592	6,172
Other financial liabilities	b	(29,309)	(14,836)

a. Comprised of cash

b. Comprised of accounts payable and due to related party.

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies; however, considerable judgment is required to develop these estimates. The fair values of the Company's financial instruments are not materially different from their carrying values.

Management of Industry and Financial Risk

The Company is in the business of consulting on capital markets, deal structuring, venture capital and corporate advisory.

The Company's financial instruments are exposed to certain financial risks, which include the following:

Credit risk

Credit risk is the risk of loss due to the counterparty's inability to meet its obligations. The Company's exposure to credit risk is on its cash and other receivables. Risk associated with cash is managed through the use of major banks which are high credit quality financial institutions as determined by rating agencies. Other receivables comprise sales tax refunds from the Canadian federal government.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company ensures that there is sufficient capital in order to meet short-term operating requirements, after taking into account the Company's holdings of cash. The Company's cash are held in corporate bank accounts available on demand. Liquidity risk has been assessed as being high.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

Currency Risk

The Company is subject to normal market risks including fluctuations in foreign exchange rates and interest rate. While the Company manages its operations in order to minimize exposure to these risks, the Company has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure.

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.

EXPRESS CAPITAL CORP.

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5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (*continued*)

Price Risk

The Company is exposed to price risk with respect to equity prices. Price risk as it relates to the Company is defined as the potential adverse impact on the Company's ability to raise financing due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of components of shareholders' equity. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.