

**VINZA CAPITAL MANAGEMENT INC.**

**FINANCIAL STATEMENTS**  
**(Expressed in Canadian Dollars)**

**NOVEMBER 30, 2020**

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of  
Vinza Capital Management Inc.

### *Opinion*

We have audited the accompanying financial statements of Vinza Capital Management Inc. (the "Company"), which comprise the statements of financial position as at November 30, 2020 and 2019, and the statements of 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, these financial statements present fairly, in all material respects, the financial position of the Company as at November 30, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

### *Basis for Opinion*

We conducted our audits 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 Company 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 in our audits is sufficient and appropriate to provide a basis for our opinion.

### *Material Uncertainty Related to Going Concern*

We draw attention to Note 1 of the financial statements, which indicates that the Company incurred a net loss of \$15,648 during the year ended November 30, 2020 and, as of that date, the Company's accumulated deficit was \$55,278. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### *Other Information*

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

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 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 Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 the financial statements in accordance with IFRS, 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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 Company'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 Company'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 Company 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 Peter Maloff.

A handwritten signature in black ink that reads "Davidson & Caspary LLP". The signature is written in a cursive, flowing style.

Vancouver, Canada

Chartered Professional Accountants

March 23, 2021

**VINZA CAPITAL MANAGEMENT INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS AT NOVEMBER 30,**  
**(Expressed in Canadian Dollars)**

	<b>2020</b>	<b>2019</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 12,911	\$ 28,559
<b>Total assets and current assets</b>	<b>\$ 12,911</b>	<b>\$ 28,559</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 5,688	\$ 8,483
<b>Total liabilities and current liabilities</b>	<b>5,688</b>	<b>8,483</b>
<b>Shareholders' equity</b>		
Share capital (Note 4)	62,501	62,501
Deficit	(55,278)	(42,425)
<b>Total shareholders' equity</b>	<b>7,223</b>	<b>20,076</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 12,911</b>	<b>\$ 28,559</b>

**Nature and continuance of operations** (Note 1)

Approved by the Board on March 23, 2021 and signed on behalf of the Board:

\_\_\_\_\_  
*"Eric Boehnke"* Director      \_\_\_\_\_  
*"Todd Heinzl"* Director

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

**VINZA CAPITAL MANAGEMENT INC.**  
**STATEMENTS OF COMPREHENSIVE LOSS**  
**FOR THE YEAR ENDED NOVEMBER 30,**  
(Expressed in Canadian Dollars)

	2020	2019
<b>EXPENSES</b>		
Office and administration	\$ 1,851	\$ 1,189
Professional fees	<u>11,002</u>	<u>8,483</u>
	12,853	9,672
Transaction expenses (Note 1)	<u>-</u>	<u>32,753</u>
<b>Loss and comprehensive loss for the year</b>	<b>\$ 12,853</b>	<b>\$ 42,425</b>
<b>Basic and diluted loss per common share</b>	<b>\$ -</b>	<b>\$ 0.04</b>
Weighted average number of common shares outstanding	6,250,469	1,147,641

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

**VINZA CAPITAL MANAGEMENT INC.**  
**STATEMENTS OF CHANGES IN EQUITY**  
(Expressed in Canadian Dollars)

	Capital Stock			Total Equity
	Shares	Amount	Deficit	
Balance, November 30, 2019	6,250,469	\$ 62,501	\$ (42,425)	\$ 20,076
Loss for the year	-	-	(12,853)	(12,853)
Balance, November 30, 2020	6,250,469	\$ 62,501	\$ (55,278)	\$ 7,223
Balance, November 30, 2018	1	\$ 1	-	\$ 1
Shares issued on Plan of Arrangement (Note 1)	468	-	-	-
Shares issued for cash	6,250,000	62,500	-	62,500
Loss for the year	-	-	(42,425)	(42,425)
Balance, November 30, 2019	6,250,469	\$ 62,501	\$ (42,425)	\$ 20,076

The accompanying notes are an integral part of these financial statements

**VINZA CAPITAL MANAGEMENT INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED NOVEMBER 30,**  
(Expressed in Canadian Dollars)

	2020	2019
<b>CASH FLOWS USED IN OPERATING ACTIVITIES</b>		
Loss for the year	\$ (12,853)	\$ (42,425)
Changes in non-cash working capital item:		
Subscriptions receivable	-	1
Accounts payable and accrued liabilities	(2,795)	8,483
Net cash used in operating activities	(15,648)	(33,941)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Common shares issued	-	62,500
Net cash provided by financing activities	-	62,500
<b>Change in cash for the year</b>	<b>(15,648)</b>	<b>28,559</b>
<b>Cash, beginning of year</b>	<b>28,559</b>	<b>-</b>
<b>Cash, end of year</b>	<b>\$ 12,911</b>	<b>\$ 28,559</b>
<b>Cash paid during the year for interest and income taxes</b>	<b>\$ -</b>	<b>\$ -</b>



## **1. NATURE AND CONTINUANCE OF OPERATIONS**

Vinza Capital Management Inc. (“Vinza” or the “Company”) was incorporated on September 5, 2018 under the British Columbia Business Corporation Act as 1178408 BC LTD. The Company changed its name to “Vinza Capital Management Inc.” on March 19, 2019.

Vinza was incorporated as a wholly-owned subsidiary of Blueprint Corporate Services Ltd (“Blueprint”), and entered into an arrangement agreement dated as of November 1, 2018 with respect to a plan of arrangement (the “Arrangement”) involving Blueprint, its security holders and Vinza. The Arrangement, which was to spin out Vinza, was approved by the shareholders of Blueprint at a meeting of its shareholders held on January 30, 2019 and received final court approval on February 4, 2019. The Arrangement was completed with an effective date of February 8, 2019 (the “Effective Date”). On the Effective Date the shareholders of Blueprint became entitled to receive 0.001 shares of Vinza for each common share of Blueprint, with the provision that each shareholder of Blueprint receive at least one share in Vinza, resulting in 468 shares of Vinza being issued in aggregate. As a result of the Arrangement, Vinza became a reporting issuer in British Columbia and Alberta. Vinza is a “venture issuer”, as such term is defined in NI 51-102.

As at the date of these financial statements the Company does not conduct any active business, other than the identification and evaluation of acquisition opportunities to permit the Company to acquire a business or assets to carry on its business and to finance an acquisition. The Company may use cash, bank financing, the issuance of treasury shares, public debt or equity financing or a combination thereof in order to finance its business and an acquisition.

The Company’s head office address is 1700 – 1066 West Hastings Street, Vancouver, BC, V5E 3X1. The registered and records office address is 10th Floor, 595 Howe Street, Vancouver, BC, V6C 2T5.

### Going concern

The proposed business of the Company involves a high degree of risk and there is no assurance that it will identify an appropriate business for acquisition or investment, and even if so identified and warranted, it may not be able to finance such an acquisition or investment. Additional funds may be required to enable the Company to pursue such an initiative and the Company may be unable to obtain such financing on terms which are satisfactory to it, particularly in the current economic environment. Furthermore, there is no assurance that the Company will be profitable. 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. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors and or private placement of common shares. Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business at this time.

## **2. BASIS OF PREPARATION**

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting. The Board of Directors approved these audited financial statements on March 23, 2021.

**2. BASIS OF PREPARATION (cont'd)**

**Currency**

The financial statements of the Company are presented in Canadian dollars, which is the functional and reporting currency of the Company.

**Use of judgements and estimates**

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The areas which require management to make significant judgments and estimates include, but are not limited to:

- Going concern - The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to a significant uncertainty (note 1).
- Deferred tax assets - Deferred tax assets are recognized in respect of tax losses and other temporary differences to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits, together with future tax planning strategies.

**3. SIGNIFICANT ACCOUNTING POLICIES**

**Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand, bank balances, term deposits and investments that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value. As at November 30, 2020 and 2019 the Company did not have any cash equivalents.

**Share capital**

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

**Income taxes**

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

### 3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### Income taxes (cont'd)

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to

set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

#### Loss per share

The Company presents basic loss per share for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

#### Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities through profit or loss are recognized immediately in profit or loss.

#### *Financial assets*

The Company classifies its financial assets according to the following measurement categories:

- i. *Amortized cost*  
Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost.
- ii. *Fair value through other comprehensive loss ("FVOCI")*  
Assets that are held for both collection of contractual cash flows and future potential sale, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive loss.
- iii. *Fair value through profit or loss ("FVPL")*  
Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss.

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

### 3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### *Impairment of financial assets*

The Company assesses the expected credit losses associated with its financial assets carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

#### *Financial liabilities*

The Company classifies its financial liabilities according to the following measurement categories:

i. *FVPL*

Liabilities that are (i) held for trading or (ii) so designated, are measured at FVPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company may manage together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability that is not a financial liability held for trading may be designated as FVPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- The financial liability forms part of a group of financial assets or liabilities or both, which is managed and its performance is evaluated on a fair value basis; or
- It forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as FVPL.

The amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

ii. *Amortized cost*

Liabilities not measured at FVPL are measured subsequently at amortized cost using the effective interest method.

Financial liabilities are derecognized when, and only when, the Company's obligations are discharged, cancelled or have expired.

#### *Leases*

IFRS 16 became effective on January 1, 2019 and was adopted by the Company on December 1, 2018 on a prospective basis.

**VINZA CAPITAL MANAGEMENT INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2020**  
(Expressed in Canadian Dollars)

**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

*Leases* (cont'd)

IFRS 16, Leases addresses the accounting for leases and lease obligations. It replaced the existing leasing guidance in IAS 17, Leases. The objective of the standard is to report all leases on the statement of financial position and to define how leases and lease liabilities are measured. The Company has no leases as at December 1, 2018 and November 30, 2020, therefore there is no impact on the Company's financial statements.

**4. CAPITAL STOCK**

**Authorized and issued shares**

As at November 30, 2020 and 2019, the authorized share capital of the Company is an unlimited number of common shares without par value. As at November 30, 2020 there were 6,250,469 common shares outstanding, with the following shares having been issued since the Company's incorporation on September 5, 2018:

- a) On September 5, 2018, the Company issued 1 common share pursuant to the incorporation of the Company at a price of \$1 per share; and
- b) On February 8, 2019 the Company issued 468 common shares to the shareholders of Blueprint upon approval of the Arrangement (see Note 1).
- c) On September 27, 2019 the Company completed a private placement, issuing 6,250,000 common shares, of which Directors of the Company purchased 6,000,000 shares, for gross proceeds of \$62,500 in aggregate. No finder's fee or commission was paid in connection with the placement and all securities issued are subject to a four month hold period.

**5. INCOME TAXES**

A reconciliation of income taxes at statutory rates with reported taxes is as follows:

	For the year ended November 30, 2020	For the year ended November 30, 2019
Loss before income taxes for the year	\$ (12,853) 27%	\$ (42,425) 27%
Expected income tax recovery	\$ (3,000)	\$ (11,000)
Other	(1,000)	-
Change in unrecognized deductible temporary differences	<u>4,000</u>	<u>11,000</u>
Income tax recovery	\$ -	\$ -

The significant components of the Company's deferred income tax assets are as follows:

	For the year ended November 30, 2020	For the year ended November 30, 2019
Deferred income tax asset:		
Non-capital loss carry forwards	\$ 15,000	\$ 11,000
Unrecognized deferred tax assets	<u>(15,000)</u>	<u>(11,000)</u>
Income tax recovery	\$ -	\$ -

**5. INCOME TAXES (cont'd)**

As at November 30, 2020 the Company has non-capital losses carried forward for income tax purposes of approximately \$55,000 (2019 - \$42,000) which can be applied against future years' taxable income. These losses will start expiring in 2026 through to 2039. Future tax benefits, which may arise as a result of these losses, have not been recognized in these financial statements.

**6. FINANCIAL RISK FACTORS**

Financial assets and liabilities are classified in the fair value hierarchy according to the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value measurement requires judgment and may affect placement within the fair value hierarchy levels. The hierarchy is as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: 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).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying value of subscriptions receivable and accounts payable and accrued liabilities approximates fair value due to the short-term nature of the financial instruments. Cash is valued at a level 1 fair value measurement and is carried at fair value through profit or loss. Subscriptions receivable and accounts payable and accrued liabilities are carried at amortized cost.

The Company's risk exposures and the impact on the Company's financial statements are summarized below:

*Credit risk*

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with major financial institutions.

*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 considers its exposure to interest rate risk to be not significant as its loans payable are non-interest bearing.

*Liquidity risk*

Liquidity risk is the risk that the Company cannot meet its financial obligations associated with financial liabilities in full. The Company manages liquidity risk through the management of its capital structure, as outlined below. As at November 30, 2020, the Company had \$12,911 in cash and working capital of \$7,223. The Company may require financing from lenders, shareholders and other investors to generate sufficient capital to meet its short term business requirements.

*Foreign currency risk*

The Company is not exposed to foreign currency risk on fluctuations related to cash, and accounts payable and accrued liabilities that are denominated in a foreign currency.

**7. CAPITAL MANAGEMENT**

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders' equity as capital. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, sell assets to settle liabilities or return capital to its shareholders. The Company is not exposed to externally imposed capital requirements