

MYAPPS CORP

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2021

(Expressed in United States Dollars)

NOTICE TO READER

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

The accompanying unaudited condensed consolidated interim financial statements of MyApps Corp. (the "Company") have been prepared by and are the responsibility of management. These condensed consolidated interim financial statements for the six months ended June 30, 2021, has not been reviewed or audited by the Company's independent auditors. All amounts are stated in United States Dollars unless otherwise stated.

MyApps Corp
Condensed Interim Statements of Financial Position
(Expressed in United States Dollars)

As at	June 30, 2021	December 31, 2020
ASSETS		
Current asset		
Cash	\$ 47,885	\$ 46,657
Non-current assets		
Property and equipment (Note 6)	22,315	19,415
Software platform (Note 5)	175,167	199,683
	197,482	219,098
TOTAL ASSETS	\$ 245,367	\$ 265,755
LIABILITIES		
Current		
Loan payable (Note 8)	\$ 152,292	\$ 100,417
SAFE payable (Note 9)	349,256	349,256
TOTAL LIABILITIES	\$ 501,548	\$ 449,673
SHAREHOLDERS' DEFICIENCY		
Common share capital (Note 7)	\$ 1,897,609	\$ 1,897,609
Preferred share capital	304,544	304,544
Deficit	(2,458,334)	(2,386,071)
TOTAL SHAREHOLDERS' DEFICIENCY	(256,181)	(183,918)
TOTAL LIABILITIES AND EQUITY	\$ 245,367	\$ 265,755

Nature of operations (Note 1)
Going concern (Note 2)
Subsequent events (Note 15)

Approved on behalf of the Board of Directors:

"Adnan Malik", Director

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

MyApps Corp
Condensed Interim Statements of Income (Loss) and Comprehensive Income (Loss)
(Expressed in United States Dollars)

	<u>For the three months ended</u>		<u>For the six months ended</u>	
	<u>June 30,</u> <u>2021</u>	<u>June 30,</u> <u>2020</u>	<u>June 30,</u> <u>2021</u>	<u>June 30,</u> <u>2020</u>
REVENUES	\$ 270,983	\$ 157,405	\$ 551,070	\$ 561,982
COST OF SALES (Note 14)	(195,908)	(252,158)	(359,459)	(436,740)
GROSS MARGIN	\$ 75,075	\$ (94,753)	\$ 191,611	\$ 125,242
EXPENSES				
Bank Charges	\$ 5,032	\$ 561	\$ 5,908	\$ 1,009
Consulting	18,713	3,900	33,640	3,900
Depreciation (Note 5)	12,228	12,228	24,516	24,516
Interest	368	-	2,243	-
General and administration	26,516	20,361	43,241	22,481
Professional Fees	39,681	10,399	57,859	32,141
Rental expense (Note 4)	11,151	-	26,019	-
Technology expense (Note 5)	2,950	2,330	70,448	12,830
TOTAL OPERATING EXPENSES	\$ 116,639	\$ 49,779	\$ 263,874	\$ 96,877
COMPREHENSIVE INCOME (LOSS)	\$ (41,564)	\$ (144,532)	\$ (72,263)	\$ 28,365
Income (loss) per share, basic	\$ (0.02)	\$ (0.12)	\$ (0.03)	\$ (0.02)
Income (loss) per share, diluted	\$ (0.02)	\$ (0.12)	\$ (0.03)	\$ (0.02)
Weighted average number of common shares outstanding, basic and diluted	2,600,000	1,239,536	2,600,000	1,239,536

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

MyApps Corp
Condensed Interim Statements of Changes in Equity
(Expressed in United States Dollars)

	<u>Common shares</u>		<u>Preferred shares</u>		Deficit	Total equity
	Number	Amount	Number	Amount		
		\$		\$	\$	\$
Balance, December 31, 2019	1,239,596	925,892	5,800,000	304,544	(550,937)	679,499
Net loss	-	-	-	-	28,365	28,365
Balance, June 30, 2020	1,239,596	925,892	5,800,000	304,544	(522,572)	707,864
Private placements	70,000	50,000	-	-	-	50,000
Share-based compensation	1,290,404	921,717	-	-	-	921,717
Net loss	-	-	-	-	(1,863,499)	(1,863,499)
Balance, December 31, 2020	2,600,000	1,897,609	5,800,000	304,544	(2,386,071)	(183,918)
Net loss	-	-	-	-	(72,263)	(72,263)
Balance, June 30, 2021	2,600,000	1,897,609	5,800,000	304,544	(2,458,334)	(256,181)

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

MyApps Corp
Condensed Interim Statements of Cash Flows
(Expressed in United States Dollars)

For the six months ended June 30	2021	2020
Cash (used in) provided by:		
OPERATING ACTIVITIES		
Net loss for the year	\$ (72,263)	\$ 28,365
Items not involving cash:		
Interest	2,243	-
Depreciation	24,516	24,516
Net cash (used in) provided by operating activities	(45,504)	52,881
INVESTING ACTIVITY:		
Property and equipment	(3,268)	(12,554)
Net cash (used in) investing activity	(3,268)	(12,554)
FINANCING ACTIVITY:		
Proceeds from loan	50,000	-
Net cash provided by financing activity	50,000	-
Net increase in cash	1,228	40,328
Cash, beginning of period	46,657	467,685
Cash, end of period	\$ 47,885	\$ 508,013

During the six months ended June 30, 2021 and 2020, the company paid \$nil in income tax and interest.

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

MyApps Corp
Notes to the Condensed Interim Financial Statements
For the six months ended June 30, 2021 and 2020
(Expressed in United States Dollars)

1. NATURE OF OPERATIONS

MyApps Corp (the “Company”) was incorporated on December 7, 2015 in the State of Florida under the name MyApps Developers LLC. On January 18, 2019, MyApps Developers LLC converted to MyApps Corp, a Florida C-Corporation, converting all members’ equity to preferred shares of the Company.

The Company’s records and head offices are located at 801 International Parkway, Suite 500, Lake Mary, Florida.

MyApps Corp is in the business of developing telehealth software and services for iOS and Android mobile platforms.

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 or results of operations at this time.

2. GOING CONCERN

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. During the six months ended June 30, 2021, the Company incurred a loss of \$72,263 and as at June 30, 2021 has a negative working capital of \$423,827 and an accumulated deficit of \$ 2,458,334 and remains dependent upon the receipt of additional equity or debt financing. While management has been successful in obtaining required financing in the past, there is no assurance that additional financing will be available or be available on favourable terms. The Company’s ability to continue as a going concern is dependent upon the ability to raise financing and ultimately generate profitable operations. These financial statements do not reflect and adjustments to the carrying value of assets and liabilities and the reported amounts of expenses and statement of financial position classifications that would be necessary if the going concern assumption was not appropriate. Such adjustments could be material.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.

3. BASIS OF PRESENTATION

These condensed interim financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting”. They do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the fiscal year ended December 31, 2020, which were dated August 11, 2021, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

The condensed interim financial statements were authorized for issue in accordance with a resolution from the Board of Directors on August 30, 2021.

MyApps Corp
Notes to the Condensed Interim Financial Statements
For the six months ended June 30, 2021 and 2020
(Expressed in United States Dollars)

3. BASIS OF PRESENTATION (CONTINUED)

These financial statements have been prepared on a historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The accounting policies below have been applied to all periods presented in these financial statements and are based on International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretation Committee (“IFRIC”).

3.1. Basis of measurement

These financial statements have been prepared on a historical cost basis except for certain financial instruments that are measured at fair value. All amounts are presented in United States Dollars unless otherwise specified.

3.2. Significant judgments, estimates and assumptions

The preparation of the Company’s financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

Critical Accounting Judgments

The assumption that the Company will be able to continue as a going concern is subject to critical judgments by management with respect to assumptions surrounding the short and long-term operating budget, expected profitability, investing and financing activities and management’s strategic planning. Should those judgments prove to be inaccurate, management’s continued use of the going concern assumption could be inappropriate.

Going concern

The assessment of the Company’s ongoing viability as an operating entity and determination of the related disclosures require significant judgment. In assessing the Company’s ability to continue as a going concern, market, financing and regulatory factors are considered.

Functional currency

Determination of an entity’s functional currency involves judgment taking into account the transactions, events, and conditions relevant to the entity. Determination of functional currency involves evaluating evidence about the primary economic environment in which the entity operations and is re-evaluated when facts and circumstances indicate that conditions have changed.

Share-based payments

Where applicable, the fair value of certain equity instruments is subject to the limitations of the Black-Scholes option pricing model, as well as other pricing models that incorporate market data and involves uncertainty in estimates used by management in the assumptions. Because option pricing models require inputs of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

MyApps Corp
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3. BASIS OF PRESENTATION (CONTINUED)

Income Taxes

The determination of income tax is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in our provision for income taxes.

Valuation of equity consideration granted

The valuation of share consideration granted involves management judgment in determining valuation of the share consideration granted. Judgment is exercised in the reliability of the fair value of consideration received.

4. SIGNIFICANT ACCOUNTING POLICIES

These condensed interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's amended audited annual financial statement for the years ended December 31, 2020 and 2019.

5. SOFTWARE PLATFORM

The Company has developed four telemedicine apps under the umbrella of the overall software platform. The platform is offered as a standard system and as a customized white-label product, providing immediate remote access to healthcare.

The Company recorded \$67,498 in technology expense (2020 - \$10,500) relating to technology improvements which have not yet met the capitalization criteria as a development asset.

The balance of the software platform is as follows:

COST	Software Platform
Balance, June 30, 2021 and December 31, 2020	\$ 222,444
ACCUMULATED AMORTIZATION	
Balance, December 31, 2020	\$ 22,761
Additions	24,516
Balance, June 30, 2021	\$ 47,277
NET BALANCE	
Net, June 30, 2021	\$ 175,167
Net, December 31, 2020	\$ 199,863

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For the six months ended June 30, 2021 and 2020
(Expressed in United States Dollars)

6. EQUIPMENT

During the year ended December 31, 2020, and the six months ended June 30, 2021, the Company acquired computer equipment which is not yet in use as at June 30, 2021.

7. SHAREHOLDERS' EQUITY

7.1 Authorized share capital

Authorized share capital of the Company is as follows:

- 3,200,000 of Class B non-voting common shares with par value of \$0.0084; and
- 5,800,000 of Class A voting preferred shares with par value of \$0.001.

7.2 Issued share capital

Common Shares

As of June 30, 2020 and December 31, 2020 there were 2,600,000 shares outstanding.

Preferred Shares

As at June 30, 2021 and December 31, 2020, 5,800,000 preferred shares are issued and outstanding.

7.3 Options and share-based compensation

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

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8. LOAN PAYABLE

During the year ended December 31, 2020, the Company entered into a loan agreement with Telecure Technologies Inc. (“Telecure”) for principal of \$100,000, with five percent interest charged per annum, calculated monthly, and matures on the earlier of June 30, 2021 and the completion of the proposed transaction. During the six months ended June 30, 2020, \$50,000 was advanced to the Company.

As at June 30, 2021, \$150,000 in principal plus \$2,292 accrued interest were outstanding (December 31, 2020 - \$100,000 in principal plus \$417 in interest outstanding). Subsequent to June 30, 2021, the Company completed the transactions, and therefore the balance of principal plus interest will be eliminated upon consolidation. As such, this has been classified as a current liability. No interest was accrued during the six months ended June 30, 2021 as the transaction was in progress and loan balances were crystallized.

9. SAFE PAYABLE

During the year ended December 31, 2020, the Company entered into several Simple Agreement for Future Equity Agreements (“SAFE Payable”) with third parties.

These SAFE agreements are convertible (the “Conversion”) into common shares of the Company at floating rates based on future events.

If there is a future private placement financing, a change of control or an initial public offering, each \$1,000 SAFE note is convertible at the greater number of common shares on the date of the private placement financing at a price per common share which is equal to those instruments issued in the private placement financing. This conversion is at the Company’s option.

If there is a change of control or an initial public offering, the Company will repay the balance, at the investors’ option, either through cash or a number of common shares equal to \$10,000,000 divided by the amount raised.

If the Company voluntarily or involuntarily terminates operations, these instruments shall be repaid with preference to common shareholders.

The SAFE agreement terminates upon repayment or conversion.

As these instruments do not meet the definition of equity instruments under IFRS 9 due to the lack of a fixed price per fixed number of equity instruments, these are therefore treated as a financial liabilities and carried at fair value.

There were no changes to the SAFE agreement during the six months ended June 30, 2021 and 2020.

Subsequent to June 30, 2021, the SAFE notes were converted into 291,490 common shares of Telecure pursuant to the acquisition transaction (Note 15).

10. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel are the directors and officers of the Company.

There were no related party transactions during the six months ended June 30, 2021 and 2020.

MyApps Corp
Notes to the Condensed Interim Financial Statements
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11. RISK MANAGEMENT

11.1 Financial risk management

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

a. Capital risk

The Company manages its capital to ensure that there are adequate capital resources for the Company to maintain operations. The capital structure of the Company consists of cash and share capital.

b. Credit risk

Credit risk is the risk that a counter party will be unable to pay any amounts owed to the Company. Management's assessment of the Company's exposure to credit risk is low.

c. Liquidity risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. As at June 30, 2021, the Company had a negative working capital of \$403,016.

As at June 30, 2021, the Company had no cash flow requirements for contractual obligations.

d. Market risk

Market risk incorporates a range of risks. Movements in risk factors, such as market price risk and currency risk, affect the fair values of financial assets and liabilities. The Company does not have a practice of trading derivatives

Foreign currency risk

The Company's foreign exchange risk arises from transactions denominated in other currencies.

11.2 Fair values

The carrying values of loan payable and SAFE payable approximate their fair values due to their short-term to maturity. The carrying value of convertible debt approximates its fair value based on current market rates.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are not observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

MyApps Corp
Notes to the Condensed Interim Financial Statements
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(Expressed in United States Dollars)

11. RISK MANAGEMENT (CONTINUED)

As at June 30, 2021 and December 31, 2020 the Company held the following measured at their stated fair value hierarchy level:

During the six months ended June 30, 2021 and 2020, there were no transfers between Level 1 and Level 2 fair value measurements and there were no transfers in and out of Level 3 fair value measurements.

<i>Level 1</i>	June 30, 2021	December 31, 2020
Cash and cash equivalents	\$ 47,885	\$ 46,657
Loan payable	152,492	100,417
SAFE payable	349,256	349,256

12. EARNINGS (LOSS) PER SHARE

During the six months ended June 30, 2021, the Company incurred a loss of \$72,263 (2020 – income of \$96,877). The Company has no dilutive instruments outstanding and as such, the basic and diluted weighted average common shares are the same.

13. MANAGEMENT OF CAPITAL

The Company defines the capital that it manages as its cash and share capital.

The Company’s objective when managing capital is to maintain corporate and administrative functions necessary to support the Company’s operations and corporate functions; and to seek out and acquire new projects of merit.

The Company manages its capital structure in a manner that provides sufficient funding for operational and capital expenditure activities. Funds are secured, when necessary, through debt funding or equity capital raised by means of private placements. There can be no assurances that the Company will be able to obtain debt or equity capital in the case of working capital deficits.

MyApps Corp
Notes to the Condensed Interim Financial Statements
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(Expressed in United States Dollars)

14. SEGMENTED DISCLOSURES

The Company currently has one operating segment and generates revenues from the sale of its software. All operations, assets and revenues are located in the United States.

During the six months ended June 30, 2021, the Company has an average contract value of approximately \$70,000 (2020 - \$81,000) and has approximately 5 customers (2020 – approximately 5).

The Company's major customers for its white label services provided revenues as follows for the six months ended:

	June 30, 2021		June 30, 2020
Customer 1	\$	-	\$ 300,000
Customer 2		-	62,300
Customer 3		-	33,021
Customer 4		187,015	72,128
Customer 5		-	14,926
Customer 6		132,083	79,607
Customer 8		25,681	-
Customer 9		14,110	-
Customer 10		192,181	

The Company's cost of sales consists of cost of direct labour related to the contracts performed, and purchases of specialty, small dollar value tools, software and hardware with no residual value and had no further use or were consumed during the project. During the six months ended June 30, 2021, approximately \$20,000 was spent on such tools and equipment (2020 – approximately 15,000)

15. SUBSEQUENT EVENTS

Subsequent to year end, the Company was acquired by Telecure pursuant to Telecure's receipt of its long form prospectus. Shareholders of the Company received 32,000,000 common shares of Telecure in exchange for 100% of its shares and is now a wholly owned subsidiary of Telecure.