
ADENT CAPITAL CORP.

FINANCIAL STATEMENTS

(Unaudited – prepared by management)

(Expressed in Canadian Dollars)

FOR THE THREE MONTHS ENDED AUGUST 31, 2016

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited condensed interim financial statements for the period ended August 31, 2016.

ADENT CAPITAL CORP.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited)
(Expressed in Canadian Dollars)
AS AT

| | August 31, 2016 | May 31, 2016 |
|--|--------------------|------------------|
| ASSETS | | |
| Current assets | | |
| Cash | \$ 21,233 | \$ 21,265 |
| Prepaid expenses | <u>-</u> | <u>2,250</u> |
| Total assets | <u>\$ 21,233</u> | <u>\$ 23,515</u> |
| LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY) | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities (Note 5) | <u>\$ 104,219</u> | <u>\$ 91,745</u> |
| Shareholders' equity (deficiency) | | |
| Capital stock (Note 7) | 378,144 | 378,144 |
| Share subscriptions (Note 5) | - | - |
| Reserves (Note 7) | 34,849 | 34,849 |
| Deficit | <u>(495,979)</u> | <u>(481,223)</u> |
| Total shareholders' equity (deficiency) | <u>(82,986)</u> | <u>(68,230)</u> |
| Total liabilities and shareholders' equity (deficiency) | <u>\$ 21,233</u> | <u>\$ 23,515</u> |

Nature and continuance of operations (Note 1)

Approved by the Board on October 28, 2016 and signed on behalf of the Board:

"Paul Cox" Director _____
"Richard Godfrey" Director

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

ADENT CAPITAL CORP.
CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited)
(Expressed in Canadian Dollars)
FOR THE THREE MONTHS ENDED AUGUST 31

| | 2016 | 2015 |
|---|-------------|-------------|
| Expenses | | |
| Professional fees | \$ 3,780 | \$ 3,780 |
| Filing fees and meeting costs | 8,694 | 565 |
| Office and administration | 32 | 603 |
| Insurance | 2,250 | 2,250 |
| Travel | - | 11,806 |
| Rent (Note 4) | - | 7,875 |
| Net loss and comprehensive loss for the period | \$ (14,756) | \$ (26,879) |
| Basic and diluted loss per common share | \$ (0.00) | \$ (0.01) |
| Weighted average number of common shares outstanding | 4,550,000 | 4,550,000 |

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

ADENT CAPITAL CORP.
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (DEFICIENCY)
(Unaudited)
(Expressed in Canadian Dollars)

| | Capital Stock | | | Reserves | Deficit | Total Equity (Deficiency) |
|-----------------------------|------------------|----------------|-----------------------------|---------------|------------------|------------------------------|
| | Shares | Amount | Subscriptions in advance | | | |
| Balance, May 31, 2015 | 4,550,000 | \$ 378,144 | \$ 50,000 | \$ 34,849 | \$ (421,665) | \$ 41,328 |
| Loss and comprehensive loss | - | - | - | - | (26,879) | (26,879) |
| Balance, August 31 31, 2015 | <u>4,550,000</u> | <u>378,144</u> | <u>50,000</u> | <u>34,849</u> | <u>(448,544)</u> | <u>14,449</u> |
| Balance, May 31, 2016 | 4,550,000 | \$ 378,144 | \$ - | \$ 34,849 | \$ (481,223) | \$ (68,230) |
| Loss and comprehensive loss | - | - | - | - | (14,756) | (14,756) |
| Balance, August 31 31, 2016 | <u>4,550,000</u> | <u>378,144</u> | <u>-</u> | <u>34,849</u> | <u>(495,979)</u> | <u>(82,986)</u> |

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

ADENT CAPITAL CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited)
(Expressed in Canadian Dollars)
FOR THE THREE MONTHS ENDED AUGUST 31

| | 2016 | 2015 |
|--|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Loss for the year | \$ (14,756) | \$ (26,879) |
| Changes in non-cash working capital items: | | |
| Accounts payable and accrued liabilities | 12,474 | (259) |
| Prepaid expenses | <u>2,250</u> | <u>2,250</u> |
| Net cash used in operating activities | <u>(32)</u> | <u>(24,888)</u> |
| Change in cash for the period | (32) | (24,888) |
| Cash, beginning of period | <u>21,265</u> | <u>54,487</u> |
| Cash, end of period | <u>\$ 21,233</u> | <u>\$ 29,599</u> |
| Cash paid (received) during the period for interest | <u>\$ -</u> | <u>\$ -</u> |
| Cash paid during the period for income taxes | <u>\$ -</u> | <u>\$ -</u> |

There were no non-cash transactions during the period ended August 31, 2016 and 2015.

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

1. NATURE AND CONTINUANCE OF OPERATIONS

On October 23, 2012, Adent Capital Corp. (the "Company") completed an Initial Public Offering ("IPO") of 3,000,000 common shares at \$0.10 per share for gross proceeds of \$300,000 and was trading on the TSX Venture Exchange ("TSX-V") under the stock symbol ANT.P. Effective January 22, 2015, the Company was transferred to the NEX Board of the TSX-V ("NEX"). The Company will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The Company was incorporated as a private company by Certificate of Incorporation issued pursuant to the provisions of the *British Columbia Business Corporations Act* on May 16, 2012.

The Company's head office address is Suite 207 - 1425 Marine Drive, West Vancouver, BC, Canada. The registered and records office address is Suite 207 - 1425 Marine Drive, West Vancouver, BC, Canada.

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

Going concern of operations

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that 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 financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

The principal business of the Company was the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition of or participation in a business (the "Qualifying Transaction") subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities. The Company failed to complete the Qualifying Transaction, as required, in 24 months and therefore, the TSXV halted trading of the Company's common share listing. On January 22, 2015, the Company's common share listing was transferred to NEX, a separate board of the TSXV, for failing to complete a Qualifying Transaction within the required timeframe. NEX provides a forum for the trading of publicly listed companies that have fallen below the TSXV's listing standards while they seek and undertake transactions in furtherance of a business transaction that allows their reactivation on the TSXV or the Toronto Stock Exchange. !

The above material uncertainties raise significant doubt about the Company's ability to continue as a going concern. Although these financial statements have been prepared on a going concern basis, the Company's continuing operations are dependent upon its ability to obtain adequate financing through debt or equity issuance or other available means and to identify, evaluate and negotiate an agreement to acquire an interest in a material asset or business (Note 9). Any acquisition or investment proposed by the Company will be subject to regulatory approval.

2. BASIS OF PREPARATION

These condensed interim financial statements have been prepared using accounting policies consistent with IFRS and have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss or available for sale which are stated at their fair value. In addition, the financial statements have been prepared using the accrual basis of accounting.

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

Statement of compliance

These condensed interim financial statements are prepared in accordance with International Accounting Standard (“IAS”) 34 *Interim Financial Reporting* under International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board. These condensed interim financial statements do not contain all of the information required for full annual financial statements.

Use of judgments and estimates

The preparation of these condensed interim 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 most significant judgments relate to the recognition of deferred tax assets and liabilities and the assessment of going concern.

3. SIGNIFICANT ACCOUNTING POLICIES

Accounting standards issued but not yet effective

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC that are mandatory for accounting periods noted below. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below. The Company has not assessed the effect of the future adoption of these standards yet.

IFRS 9 - Financial Instruments

IFRS 9 Financial Instruments is part of the IASB's wider project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. This standard is effective for annual periods beginning on or after January 1, 2018.

ADENT CAPITAL CORP.
NOTES TO THE FINANCIAL STATEMENTS
(Unaudited)
(Expressed in Canadian Dollars)
AUGUST 31, 2016

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities are as follows:

| | August 31, 2016 | May 31, 2016 |
|----------------|--------------------|------------------|
| Trade payables | \$ 54,219 | \$ 41,745 |
| Other payables | 50,000 | 50,000 |
| | <u>\$ 104,219</u> | <u>\$ 91,745</u> |

Other payables represent share subscriptions received during the year ended May 31, 2015. The amount was reclassified during the year ended May 31, 2016 as a result of a cancelled private placement. The amount is unsecured, non-interest-bearing, and due on demand.

5. RELATED PARTY TRANSACTIONS

The Company incurred the following fees and expenses in the normal course of operations in connection with the Company's directors and key management.

| | Nature of Transactions | Three months ended August 31, 2016 | Three months ended August 31, 2015 |
|----------------------------------|---------------------------|---|---|
| Company controlled by a director | Rent | \$ - | \$ 7,875 |
| Company controlled by a director | Professional fees | <u>3,780</u> | <u>3,780</u> |
| | | <u>\$ 3,780</u> | <u>\$ 11,665</u> |

As at August 31, 2016, a total of \$18,950 was owed to a company controlled by a director (\$15,170 balance was owed as at May 31, 2016).

ADENT CAPITAL CORP.
NOTES TO THE FINANCIAL STATEMENTS
(Unaudited)
(Expressed in Canadian Dollars)
AUGUST 31, 2016

6. CAPITAL STOCK AND RESERVES

a) Authorized share capital

As at August 31, 2016, the authorized share capital of the Company is an unlimited number of common shares without par value.

b) Issued share capital

As at August 31, 2016, the Company had 4,550,000 (May 31, 2016 – 4,550,000) common shares issued and outstanding.

c) Stock options

The Company has a stock option plan in place under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option shall not be less than the Discounted Market Price as defined by the policies of TSX-V. The options can be granted for a maximum term of 10 years and vest as determined by the board of directors.

The Company did not grant any stock options during the three months ended August 31, 2016 or the year ended May 31, 2016.

As at August 31, 2016, the following incentive stock options were outstanding:

| Number of Shares | Exercise Price | Expiry Date |
|---------------------|-------------------|------------------|
| 413,226 | 0.10 | October 23, 2017 |

7. FINANCIAL INSTRUMENTS

Fair value

The carrying value of cash and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Financial risk factors

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 plans to limit its exposure to credit loss by placing its cash with major financial institutions.

Interest rate risk

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to floating rate of interest. The interest rate risks on cash and on the Company's obligations are not considered significant.

Liquidity risk

All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal year. The Company will need to raise money or rely on related party loans to settle the current liabilities.

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. As at August 31, 2016, the Company did not have any accounts in foreign currencies and considers foreign currency risk insignificant.

Price risk

The Company has limited exposure to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities.

8. CAPITAL MANAGEMENT

Capital is comprised of the Company's shareholders' equity (deficiency). The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital.

8. CAPITAL MANAGEMENT (cont'd...)

The proceeds from the issuance of share capital raised by the Company, both prior to the Company's IPO and from the IPO itself, may only be used to identify and evaluate assets or businesses for future investments, with the exception that up to 30% of the gross proceeds may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company as defined under the policies of the Exchange. There were no changes in the Company's approach to capital management during the three months ended August 31, 2016.

9. PROPOSED QUALIFYING TRANSACTION

During the three months ended August 31, 2016, the Company announced that it has entered into a non-binding letter of intent dated August 9, 2016 with Concorde Group Holdings Inc. ("Concorde"), a company based in New Jersey, USA, to complete a going public transaction for Concorde (the "Proposed Transaction") by way of a reverse takeover of Adent, a capital pool company listed on the NEX. It is currently anticipated that the Proposed Transaction will be a merger whereby Adent and Concorde would combine to form an entity (the "Resulting Issuer") whose name will be determined at a later date. The Resulting Issuer will carry on the business of Concorde as currently constituted and planned. The final structure of the Proposed Transaction is subject to receipt of tax, corporate, and securities law advice by both Adent and Concorde.

Concorde is a recently-formed company which intends to provide financial services to entrepreneurs, investors and businesses at the "Middle Market" level in North America, Europe and Asia with a focus on companies with revenues and market capitalizations below \$250 million as well as investors targeting such entities.

Immediately prior to the completion of the Proposed Transaction, it is anticipated that Adent will consolidate its issued and outstanding common shares into 225,000 common shares of the Resulting Issuer. Concorde's outstanding common shares at closing (currently anticipated to be approximately 27,500,000) will be exchanged for common shares of the Resulting Issuer on a one-for-one basis, along with warrants to purchase approximately 2,500,000 common shares of the Resulting Issuer at an exercise price of US\$0.50 per share. In addition, at closing of the Proposed Transaction, Adent shareholders would receive a cash disbursement of US\$175,000.

If completed, the Proposed Transaction will constitute Adent's Qualifying Transaction (as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange") Corporate Finance Manual).