Condensed Interim Financial Statements of:

Harbour Star Capital Inc.

April 30, 2017

(Unaudited)

NOTE TO READER

Under National Instrument 51-102, if an auditor has not performed a review of interim financial statements they must be accompanied by a note indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements have been prepared by and are the responsibility of the management. The Corporation's independent auditor has not performed a review of these interim financial statements.

Harbour Star Capital Inc.
Condensed Interim Financial Statements
April 30, 2017

Table of Contents

Condensed Interim Financial Statements

Harbour Star Capital Inc.

Condensed Interim Statement of Financial Position

As at		April 30, 2017 (unaudited)		October 31, 2016
ASSETS				
Current assets				
Cash	$	376,849	$	16,883
Prepaid expenses		-		22,875
	$	376,849	$	39,758
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities (Note 5)	$	30,666	$	-
Total current liabilities		30,666		-
Due to related parties (Note 9)		1,871		1,871
		32,537		1,871
SHAREHOLDERS' EQUITY				
Share capital (Note 6)	$	626,850	$	100,000
Additional paid in capital (Note 6)		69,468		-
Share issuance costs (Note 6)		(123,296)		-
Accumulated deficit		(228,710)		(62,113)
Total shareholders' equity		344,312		37,887
	$	376,849	$	39,758

Approved on behalf of the Board:

"Scott M. Reeves" (signed) Director

"Mo Fazil" (signed) Director

See accompanying notes to financial statements.

Harbour Star Capital Inc.

Condensed Interim Statement of Changes in Shareholders' Equity

(Unaudited)

	Share Capital	Additional Paid in Capital Deficit	Deficit	Total Shareholders' Equity
Balance, October 31, 2015	$ 105,000	$ -	$ (26,392)	$ 78,608
Net loss for the period	-	-	(27,670)	(27,670)
Balance, April 30, 2016	$ 105,000	$ -	$ (54,062)	$ 50,938
Balance, October 31, 2016	$ 100,000	$ -	$ (62,113)	$ 37,887
Issuance of share capital (Note 6)	20,000	-	-	20,000
Initial public offering (Note 6)	506,850	-	-	506,850
Share issuance costs (Note 6)	(123,296)	-	-	(123,296)
Share based compensation (Note 6)	-	69,468	-	69,468
Net loss for the period	-	-	(166,597)	(166,597)
Balance, April 30, 2017	$ 503,554	$ 69,468	$ (228,710)	$ 344,312

Harbour Star Capital Inc.

Condensed Interim Statement of Loss and Comprehensive Loss

(Unaudited)

	For the three months ended April 30,		For the six months ended April 30,	
	2017	**2016**	**2017**	**2016**
REVENUE	$ -	$ -	$ -	$ -
EXPENSES				
Filing and stock exchange fees	19,551	2,500	19,551	2,500
Office and general	8,979	1,340	12,052	2,928
Professional fees	82,555	9,913	92,080	22,242
Shared based compensation	42,914	-	42,914	-
	153,999	13,917	166,597	27,670
NET LOSS & COMPREHENSIVE LOSS	(153,999)	(13,917)	(166,597)	(27,670)
Loss per share				
Basic (Note 7)	$ (0.03)	$ (0.01)	$ (0.04)	$ (0.01)
Diluted (Note 7)	$ (0.03)	$ (0.01)	$ (0.04)	$ (0.01)
Weighted average number of shares outstanding				
Basic (Note 7)	5,930,865	2,100,000	4,098,050	2,100,000
Diluted (Note 7)	5,930,865	2,100,000	4,098,050	2,100,000

See accompanying notes to financial statements.

Harbour Star Capital Inc.

Condensed Interim Statement of Cash Flows

(Unaudited)

For the six months ended April 30,		2017		2016
OPERATING ACTIVITIES				
Net loss	$	(166,597)	$	(27,670)
Adjustments to reconcile net loss to net cash used by operating activities				
Share based compensation		42,914		-
Changes in non-cash working capital				
Decrease (increase) in prepaids		22,875		(5,000)
Increase (decrease) in accounts payable and accrued liabilities		30,666		(1,028)
Cash flows used in operating activities		(70,142)		(33,698)
INVESTING ACTIVITIES				
Share capital issued for cash (Note 6)		526,850		-
Share issuance costs (Note 6)		(96,742)		-
Cash flows provided by investing activities		430,108		-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		359,966		(33,698)
Cash and cash equivalents, beginning		16,883		63,632
Cash and cash equivalents, ending	$	376,849	$	29,934

See accompanying notes to financial statements.

1. NATURE OF BUSINESS

Harbour Star Capital Inc. (the "Corporation") was incorporated under the *Business Corporations Act* of Alberta on October 24, 2014. The Corporation is a Capital Pool Company as defined in Exchange Policy 2.4. The principal business of the Corporation is the identification and evaluation of assets or businesses, and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder and regulatory approval. The Corporation's principal and registered office is 1250, 639 - 5 Avenue SW, Calgary, AB, T2P 0M9.

On February 28, 2017, the Corporation announced the completion of its initial public offering (the “IPO”) of 5,068,500 common shares at a price of $0.10 per common share and filed for listing as a Capital Pool Company on the TXS Venture Exchange. The common shares of the Corporation commenced trading on March 6, 2017 under the trading symbol HSC.P.

The Corporation's ability to continue as a going concern is dependent upon the Corporation’s ability to identify, evaluate and complete a Qualifying Transaction (as such term is defined in Exchange Policy 2.4). Until completion of a Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. With the consent of the Exchange, the Corporation may raise additional funds. These financial statements do not give effect to any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Corporation be unable to identify or complete a suitable Qualifying Transaction within the permitted time prescribed by Exchange Policy 2.4.

2. BASIS OF PRESENTATION

Statement of Compliance

These condensed interim financial statements of the Corporation have been prepared in accordance with International Financial Reporting Standards ("IFRS") and in accordance with International Accounting Standard (“IAS”) IAS 34 “Interim Financial Reporting”.

These condensed interim financial statements do not include all of the information and disclosures required to be included in annual financial statements prepared in accordance with IFRS.

These condensed interim financial statements should be read in conjunction with the Corporation’s audited annual financial statements for the year ended October 31, 2016, which includes information necessary or useful to understanding the Corporation’s business and financial statement presentation. In particular, the Corporation’s significant accounting policies, use of judgements and estimates were presented in Note 3 and Note 4 of those audited financial statements and have been consistently applied in the preparation of these condensed interim financial statements.

2. BASIS OF PRESENTATION (cont'd)

Statement of Compliance (cont'd)

Management of the Corporation prepared the condensed interim financial statements of the Corporation during June 2017, and the Board of Directors approved them by resolution on June 29, 2017.

The condensed interim financial statements of the Corporation are drawn up in Canadian dollars except where otherwise indicated.

3. STANDARDS ISSUED BUT NOT YET EFFECTIVE

As at the date of authorization of these condensed interim financial statements, certain new standards, amendments, and interpretations to existing IFRS standards have been published but are not yet effective and have not been adopted by the Corporation.

The International Accounting Standards Board (the "IASB") issued on January 13, 2016 a new accounting standard called IFRS 16 Leases. IFRS 16 Leases replaces IAS 17 Leases. IFRS 16 requires all leases to be reported on an entity's statement of financial position as assets and liabilities. IFRS 16 is effective January 1, 2019. The Corporation has assessed and determined that there will be no impact to the financial statements upon adoption.

The IASB intends to replace IAS 39 – *Financial Instruments: Recognition and Measurement* in its entirety with IFRS 9 – *Financial Instruments* ("IFRS 9") which is intended to reduce the complexity in the classification and measurement of financial instruments. The amendment is effective for reporting periods starting on or after January 1, 2018.

Amendments to IAS 7 - *Statement of Cash Flows* require disclosures that enable financial statement users to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendments are effective for annual periods beginning on or after January 1, 2017.

The Corporation is currently evaluating the impact that the adoption of the future standards may have on the financial statements.

4. USE OF ESTIMATES AND JUDGMENTS

The preparation of these consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. These estimates and judgments are reviewed periodically, and, as adjustments become necessary, they are reported in earnings/loss in the period in which they become known. Significant estimates and judgments made by the Corporation that have the most significant risk of causing material misstatement to the carrying amounts of assets and liabilities are discussed below.

Share based payments

The Corporation measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 6.

5. OTHER FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Cash and cash equivalents, accounts payable and accrued liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments.

Fair values of quoted instruments are based on price quotations at the reporting date. The fair value of unquoted instruments and other financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk, and maturities.

Fair value hierarchy

As at April 30, 2017, the Corporation held the following financial instruments measured at fair value: cash and cash equivalents (level 1).

5. OTHER FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

The Corporation uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Assets measured at fair value	**April 30, 2017**	**Level 1**	**Level 2**	**Level 3**
Cash and cash equivalents	$ 376,849	$ 376,849	$ -	$ -
Total assets measured at fair value	$ 376,849	$ 376,849	$ -	$ -
Liabilities measured at fair value	$ -	$ -	$ -	$ -

During the reporting period ending April 30, 2017, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

6. EQUITY INSTRUMENTS

(a) Common shares

As at April 30, 2017, the authorized share capital consists of an unlimited number of non-voting, non-participating, non-cumulative preference shares, redeemable at the option of the Corporation or the holder preferred shares and common shares. To date, no preferred shares have been issued. Changes in the issued common shares of the Corporation are as follows:

6. EQUITY INSTRUMENTS (CONT'D)

(a) Common shares (cont'd)

	Share Price	Common shares	Amount
Balance, October 31, 2015	$ 0.05	2,100,000	$ 105,000
Cancelled, May 18, 2016	0.05	(100,000)	(5,000)
Balance, October 31, 2016	0.05	2,000,000	100,000
Issued, November 3, 2016	0.05	300,000	15,000
Issued, December 30, 2016	0.05	100,000	5,000
Issued, February 27, 2017	0.10	5,068,500	506,850
Balance, April 30, 2017	$ 0.08	7,468,500	$ 626,850

(b) Share issuance costs

Share issuance costs for the six months ended April 30, 2017 were $123,296 in relation to the IPO which occurred on February 27, 2017. Of the $123,296 in share issuance costs, $26,554 in fair value recorded in relation to 506,805 non-transferable options issued to the agent of the IPO (see below).

(c) Stock options

A summary of stock option activity for the six months ended April 30, 2017 and the year ended October 31, 2016 is as follows:

	Six months ended April 30, 2017		Year ended October 31, 2016	
	Number of options	Weighted avg. exercise price	Number of options	Weighted avg. exercise price
Outstanding, beginning of the period	-	$ -	-	$ -
Granted	1,253,700	0.10	-	-
Exercised	-	-	-	-
Outstanding, end of the period	1,253,700	$ 0.10	-	$ -
Exercisable, end of the period	1,253,700	$ 0.10	-	$ -

6. EQUITY INSTRUMENTS (CONT'D)

(c) Stock options (cont'd)

On February 28, 2017, pursuant to the closing of the IPO, the Corporation granted 506,805 non-transferable options to the agent on the offering. The agents' options, which vested immediately, may be exercised at a price of $0.10 per common share for a period of twenty-four (24) months from the date of listing, March 6, 2017.

The Corporation also granted 746,850 options to directors and officers of the Corporation. The options, which vested immediately, may be exercised at a price of $0.10 per common share for a period of five (5) years from the date of the agreement. The Corporation recorded $42,914 in share based compensation in the condensed interim statement of operations pursuant to these options.

The fair value of each stock option is estimated at the date of grant using the Black-Scholes options pricing model and the following average assumptions:

	April 30, 2017
Risk-free interest rate	0.71%
Expected life	2.25
Estimated stock price (1)	$ 0.10
Expected volatility (2)	100%
Dividend yield	0.00%

(1) The estimated stock price was determined to be equal to the purchase price during the IPO
(2) The estimated expected share price volatility to be 100% based on the average CPC entity

At April 30, 2017, the weighted average remaining contractual life of the outstanding options is 3.63 years.

At April 30, 2017, there were 1,253,700 stock options outstanding entitling the holders thereof the right to purchase one common share for each option held as follows:

Numbers of options outstanding	Exercise price	Expiry Date
746,850	$ 0.10	February 28, 2022
506,850	$ 0.10	March 6, 2019
1,253,700		

7. LOSS PER SHARE

Basic earnings per share amounts are calculated by dividing net earnings for the period attributable to ordinary equity holders of the parent by the weighted average number of common shares outstanding during the period. The following reflects the earnings and unit data used in the basic and diluted earnings per share computations:

	Three months ended		Six months ended	
As of April 30,	**2017**	**2016**	**2017**	**2016**
Net income available to common shareholders (numerator)	$ (153,999)	$ (13,753)	$ (166,597)	$ (27,670)
Weighted average common shares outstanding (denominator)	5,930,865	2,100,000	4,098,050	2,100,000
Dilutive effect of exercise of stock options and warrants	-	-	-	-
Earnings per share (basic and diluted)	$ (0.03)	$ (0.01)	$ (0.04)	$ (0.01)

The Corporation has excluded common share purchase warrants and potential common share equivalents, comprised of incremental shares from stock options calculated using the treasury method from the earnings (loss) per share calculation, as they were anti-dilutive.

9. RELATED PARTY DISCLOSURES

All related party transactions are carried out in the normal course of operation and are recorded at fair value.

The Corporation has identified its directors and certain officers as its key management personnel.

The Company incurred the following expenses by directors and officers of the Corporation during the six months ended April 30, 2017 and 2016:

	For the six months ended April 30,	
	2017	**2016**
Share-based compensation	$ 42,914	$ -
	$ 42,914	$ -

9. RELATED PARTY DISCLOSURES (CONT'D)

During the three and six months ending April 30, 2017, the Corporation incurred $48,517 and $48,842, respectively (April 30, 2016 – $9,039 and $12,967, respectively) in legal costs to a related party. This transaction was incurred at market rates.

As at April 30, 2017, $1,871 was due and outstanding to related parties (October 31, 2016: $1,871).

10. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Corporation's primary risk management objective is to protect the Corporation's financial position and cash flow. The Corporation is exposed to market risk, credit risk, interest rate risk, foreign exchange risk and liquidity risk.

The Corporation's senior management oversees the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Corporation. The Corporation's senior management provides assurance that the Corporation's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured, and managed in accordance with the Corporation's policies and group risk appetite. All derivative activities, if any, for risk management purposes are carried out by a team that has the appropriate skills, experience, and supervision. It is the Corporation's policy that no trading in derivatives for speculative purposes shall be undertaken.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

(a) Credit Risk

The maximum exposure to credit risk at the balance sheet date is best represented by the carrying amount of the Corporation's cash.

(b) Liquidity Risk

The Corporation manages risk by forecasting cash flows from operations and anticipated investing and financing activities.

(c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise several types of risk: interest rate risk, currency risk, commodity price risk, and other price risk, such as equity risk.

10. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(d) Interest Rate Risk

Debt and obligations under operating lease are subject to interest rate cash flow risk as the required cash flow to service the debt will fluctuate as a result of the changing prime interest rate. The interest rates on debentures are fixed. The Corporation did not arrange any interest rate swap or financial contracts to hedge the interest rate risk. The Corporation does not believe it is exposed to significant interest rate risk.

11. EVENTS AFTER THE REPORTING PERIOD

On June 2, 2017, the Corporation announced that it entered into a letter of intent ("LOI"), dated May 17, 2017, that provides for a business combination with EastWest Science Ltd. ("EastWest") a life sciences products company manufacturing, marketing, and distributing hemp-based products headquartered in Richmond, British Columbia, with a manufacturing, laboratory and warehouse facility located in Penticton, British Columbia. The Transaction is an arm's-length transaction and will constitute HSC's "Qualifying Transaction." The resulting issuer will be the surviving parent entity of EastWest upon completion of the Transaction, which is referred to herein as "Newco." Completion of the Transaction is subject to a number of conditions and there can be no assurance that it will be completed as proposed or at all.