Aumento Capital VII Corporation

(A Capital Pool Company)

Unaudited Condensed Interim Financial Statements

For the Three Months and Six Months Ended June 30, 2020 and 2019

(In Canadian Dollars)

Aumento Capital VII Corporation
Unaudited Condensed Interim Statements of Financial Position
(in Canadian dollars)

As at		**June 30, 2020**		December 31, 2019
Current assets				
Cash held in trust	**$**	**482,828**	$	542,748
Total assets		**482,828**		542,748
Current Liabilities				
Accrued liabilities		**15,635**		1,383
Shareholders' equity				
Share Capital (note 3)		**628,901**		628,901
Contributed surplus (note 3)		**119,834**		101,368
Accumulated deficit		**(281,542)**		(188,904)
Total shareholders' equity		**467,193**		541,365
Total liabilities and shareholders' equity	**$**	**482,828**	$	542,748

Qualifying Transaction – Note 6

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

Approved on behalf of the Board

Roger Daher
Director **(Signed)**

Paul Pathak
Director **(Signed)**

Aumento Capital VII Corporation
Unaudited Condensed Interim Statements of Loss and Comprehensive Loss
For the Three and Six Months Ended June 30, 2020 and 2019
(in Canadian dollars)

		Three month period ended June 30, 2020		Three month period ended June 30, 2019		Six month period ended June 30, 2020		Six month period ended June 30, 2019
Expenses								
Professional fees	**$**	**55,674**	$	8,978	**$**	**63,065**	$	11,338
Listing fees		**7,537**		9,268		**11,107**		9,914
Stock-based compensation		**18,466**		-		**18,466**		-
Net loss and comprehensive loss	**$**	**(81,677)**	$	(18,246)	**$**	**(92,638)**	$	(21,252)
Net loss per share (basic and diluted)	**$**	**(0.08)**	$	(0.02)	**$**	**(0.09)**	$	(0.02)
Weighted average number of shares outstanding (basic and diluted)		**1,000,000**		1,000,000		**1,000,000**		1,000,000

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

Aumento Capital VII Corporation
Unaudited Condensed Interim Statements of Changes in Shareholders' Equity
For the Six Months Ended June 30, 2020 and 2019
(in Canadian dollars)

	Number of shares		Share capital		Contributed Surplus		Accumulated deficit		Total
Balance, January 1, 2019	**2,000,000**	**$**	**628,901**	**$**	**101,368**	**$**	**(137,592)**	**$**	**592,677**
Net loss for the period	-		-		-		(21,252)		(21,252)
Balance, June 30, 2019	**2,000,000**	**$**	**628,901**	**$**	**101,368**	**$**	**(158,844)**	**$**	**571,425**
Balance, January 1, 2020	**2,000,000**	**$**	**628,901**	**$**	**101,368**	**$**	**(188,904)**	**$**	**541,365**
Stock-based compensation	-		-		18,466		-		18,466
Net loss for the period	-		-		-		(92,638)		(92,638)
Balance, June 30, 2020	**2,000,000**	**$**	**628,901**	**$**	**119,834**	**$**	**(281,542)**	**$**	**467,193**

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

Aumento Capital VII Corporation
Unaudited Condensed Interim Statements of Cash Flows
For the Six Months Ended June 30, 2020 and 2019
(in Canadian dollars)

Cash provided by (used in)		**For the Six Month Period Ended June 30, 2020**		For the Six Month Period Ended June 30, 2019
Operating activities				
Net loss for the period	$	**(92,638)**	$	(21,252)
Stock-based compensation		**18,466**		-
Change in accrued liabilities		**14,252**		(9,609)
Cash Used in Operating Activities		**(59,920)**	$	(30,861)
Net change in cash		**(59,920)**		(30,861)
Cash beginning of period		**542,748**		602,286
Cash end of period	**$**	**482,828**	$	571,425

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

1. INCORPORATION AND NATURE OF OPERATIONS

Aumento Capital VII Corporation (the “Corporation”), was incorporated under the Ontario Business Corporations Act on December 13, 2017 and is classified as a Capital Pool Company as defined in the Policy 2.4 of the TSX Venture Exchange (the “Exchange”).

The principal business of the Corporation is the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction (“QT”). The Corporation has not commenced operations and has no assets other than cash held in trust. The Corporation’s continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition, or business, or an interest therein. Such an acquisition will be subject to the approval of the regulatory authorities concerned and, in the case of a non-arm’s length transaction, of the majority of the minority shareholders.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to the lesser of 30% of the gross proceeds realized by the Corporation, in respect of the sale of its securities, or $210,000, may be used for purposes other than evaluating businesses or assets. These restrictions apply until completion of a QT by the Corporation, as defined under the policies of the Exchange. The Corporation is required to complete its QT on or before two years from the date the Corporation receives regulatory approval.

On March 19, 2020, the Corporation was suspended from trading by the Exchange for failing to complete a QT within 24 months from the date of listing.

The head office and the registered head office of the Corporation are located at 77 King Street West, Suite 700, Toronto M5K 1G8.

On August 28, 2020, the Board of Directors approved the unaudited condensed interim financial statements for the three and six months ended June 30, 2020 and 2019.

The global outbreak of COVID-19 (coronavirus) has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Corporation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These unaudited interim condensed financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34 ‘Interim Financial Reporting’ (“IAS 34”) using accounting policies consistent 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”).

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Statement of Compliance (continued)

These unaudited condensed interim financial statements have been prepared on an accrual basis and are based on historical costs, modified where applicable, by the measurement at fair value of selected non-current assets, financial assets, and financial liabilities. These unaudited condensed interim financial statements are presented in Canadian dollars, which is the Corporation's functional and presentation currency.

The accounting policies applied by the Corporation in these unaudited condensed interim financial statements are the same as those applied by the Corporation in audited financial statements for the years ended December 31, 2019 and 2018.

3. SHARE CAPITAL

Authorized

Unlimited common shares

Issued	#	$
1,000,000 common shares (i)	1,000,000	$ 250,000
1,000,000 common shares (ii)	1,000,000	500,000
Cost of issuance-Cash	-	(94,650)
Cost of issuance-share based payment	-	(26,449)
Balance, June 30, 2020 and December 31, 2019	**2,000,000**	**$ 628,901**

Escrowed Shares

(i) During the period ended December 31, 2017, the Corporation issued 1,000,000 common shares at $0.25 per share for total proceeds of $250,000. The Corporation incurred cash related issuance costs of $5,000.

The issued and outstanding common shares will be held in escrow pursuant to the requirements of the Exchange.

All common shares granted to directors and officers prior to the Completion of the Qualifying Transaction must be deposited in escrow until the final Exchange bulletin is issued.

All common shares acquired in the secondary market prior to the Completion of the Qualifying Transaction by a Control Person (as such term is defined in the Manual), are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Corporation held by principals of the Resulting Issuer (as such term is defined in the Manual) will also be subject to escrow.

(In Canadian dollars)

3. SHARE CAPITAL - continued

Initial Public Offering

(ii) On March 13, 2018, the Corporation completed its initial public offering (the "Offering") of 1,000,000 common shares at a purchase price of $0.50 per common share for aggregate gross proceeds of $500,000.

Canaccord Genuity Corp. (the "Agent") acted as the agent for the Offering. In connection with the Offering, the Corporation granted to the Agent 100,000 compensation warrants (the "Agent's Warrants"). Each Agent's Warrant is exercisable to acquire one common share at a price of $0.50 for a period of 24 months from the date the Corporation's common shares were listed on the Exchange, exercisable at $0.50 per share. In connection with the Offering, the Agent also received a cash commission equal to 10% of the aggregate gross proceeds from the sale of the common shares. The Corporation also paid a corporate finance fee upon the closing of the Offering and reimbursed the Agent for legal fees and other reasonable expenses incurred pursuant to the Offering. The Corporation incurred cash issuance costs related to the IPO of $89,650.

Options

The Corporation has established a stock option plan for its directors, officers and consultants under which the Corporation may grant options from time to time to acquire a maximum of 10% of the issued and outstanding common shares. The exercise price of each option granted under the plan shall be determined by the Board of Directors.

Options may be granted for a maximum term of ten years from the date of the grant. They are non-transferable and expire within 90 days of termination of employment or holding office as director or officer of the Corporation and, in the case of death, expire one year thereafter.

The following table reflects the continuity of stock options and warrants:

	Number of Stock Options and warrants	Weighted Average Exercise Price ($)
January 1, 2018	-	-
Granted (i)	100,000	$0.50
Granted to directors and officers (ii)	200,000	$0.50
Balance, December 31, 2018 and 2019	300,000	$0.50
Expiration of agents warrants (i)	(100,000)	($0.50)
Termination of options (iii)	(50,000)	($0.50)
Granted to director (iv)	50,000	$0.50
Balance, June 30, 2020	200,000	$0.50

i. On March 13, 2018, the Corporation granted 100,000 warrants to the Agent, which are exercisable at an exercise price of $0.50 per share for a period of 24 months following the date that the common shares are listed on the Exchange. These warrants were valued on the date of issue using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, risk-free interest rate of 1.78%, expected volatility of 100% and an expected life of two years. The value attributed to these warrants was $26,449. On March 13, 2020, a total of 100,000 agents warrants expired unexercised.

(In Canadian dollars)

3. SHARE CAPITAL - continued

Options – continued

ii. On March 13, 2018, the Corporation granted 200,000 options to directors and officers, which are exercisable within five years from the date of grant at an exercise price of $0.50 per share. These options were valued on the date of issue using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, risk-free interest rate of 1.97%, expected volatility of 100% and an expected life of five years. The value attributed to these options was $74,919.

iii. On May 14, 2020, upon his resignation from the board of directors, a former director of the Corporation had 50,000 of his options cancelled. These were previously granted on March 13, 2018 and were fully vested on that date.

iv. On May 14, 2020, the Corporation granted 50,000 options, vesting immediately, to a director of the Corporation. The options are exercisable within five years from the date of grant at an exercise price of $0.50 per share. These options were valued on the date of issue using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, risk-free interest rate of 0.32%, expected volatility of 100% and an expected life of five years. The value attributed to these options was $18,466.

The following table reflects the actual options issued and outstanding as of June 30, 2020:

Expiry Date	Exercise Price	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (Exercisable)
March 13, 2023	$0.50	2.70	150,000	150,000
May 14, 2025	$0.50	4.87	50,000	50,000
	$0.50	3.24	200,000	200,000

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital Management

The Corporation’s objective when managing capital is to maintain its ability to continue as a going concern, in order to provide returns for the shareholders and benefits for other stakeholders. The Corporation includes equity, comprised of issued common shares and deficit, in the definition of capital.

The Corporation's primary objective, with respect to its capital management, is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Corporation may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or $210,000 may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Corporation. These restrictions apply until completion of a Qualifying Transaction by the Corporation as defined under the Exchange policy 2.4.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - continued

Risk Disclosures and Fair Values

The Corporation's financial instruments, consisting of cash held in trust and accrued liabilities, approximate fair value due to the relatively short-term maturities of the instruments. It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments.

5. RELATED PARTY TRANSACTIONS

During the six months ended June 30, 2020, the Corporation incurred $48,773 in legal fees (2019 - $10,127) for services provided by a law firm whose partner is a director of the Corporation. Included in accounts payable and accrued liabilities as at June 30, 2020 is $15,635 for these services (2019 - $nil).

During the six months ended June 30, 2020, the Corporation incurred $4,232 in accounting fees for services provided by an accounting firm whose partner is a former director of the Corporation. Included in accounts payable and accrued liabilities as at June 30, 2020 is $nil for these services.

On May 14, 2020 the Corporation granted 50,000 stock options to a director of the Corporation. The value attributed to these options was $18,466.

There were no other transactions with related parties during the six months ended June 30, 2020 and 2019.

6. QUALIFYING TRANSACTION

On May 19, 2020, the Corporation and Emerge Commerce Inc. ("Emerge") entered into a Letter of Intent ('LOI") to complete a business combination transaction by way of reverse takeover. The Corporation intends that the transaction will constitute its Qualifying Transaction, as such term is defined in the policies of the Exchange.

On June 5, 2020, Emerge entered into an Agency Agreement for an offering for the sale of an aggregate of 10,121,216 Subscription Receipts (including the issuance of Subscription Receipts issued to the Agents as compensation) by Emerge at a price of $0.75 per Emerge Subscription Receipt for gross proceeds of approximately $7,229,441.

Subsequent to June 30, 2020, the Corporation and Emerge entered into a definitive business combination agreement whereby the Corporation will acquire all of the securities of Emerge by way of a three-cornered amalgamation, subject to the terms and conditions of the Agreement.

On October 16, 2020 the Corporation announced that Emerge completed the Subscription Receipt financing noted above with 11,39,254 subscription receipts, at a price of $0.75 per Subscription Receipt, for gross proceeds of $8,729,441.