9 CAPITAL CORP.

(A CAPITAL POOL COMPANY)

CONDENSED INTERIM FINANCIAL STATEMENTS

THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2019

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

Notice To Reader

The accompanying unaudited condensed interim financial statements of 9 Capital Corp. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements have not been reviewed by the Company's auditors.

9 CAPITAL CORP.
(A Capital Pool Company)
Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)
Unaudited

	As at September 30, 2019	As at December 31, 2018
ASSETS		
Current assets		
Cash	**$ 577,839**	$ 674,278
Prepaid expense	**750**	750
Total current assets	**578,589**	675,028
Total assets	**$ 578,589**	$ 675,028
EQUITY AND LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	**$ 9,150**	$ 67,287
Total current liabilities	**9,150**	67,287
Equity (Deficiency)		
Share capital (note 6)	**651,262**	651,262
Warrants (note 8)	**19,800**	19,800
Share-based payments (note 7)	**89,600**	89,600
Deficit	**(191,223)**	(152,921)
Total equity (deficiency)	**569,439**	607,741
Total equity (deficiency) and liabilities	**$ 578,589**	$ 675,028

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

Nature of operations (note 1)

Approved on behalf of the Board:

"Ben Cubitt", Director

"Dan Sternberg", Director

9 CAPITAL CORP.
(A Capital Pool Company)
Condensed Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
Unaudited

	Three Months Ended September 30, 2019	Three Months Ended September 30, 2018	Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018
Operating expenses				
General and administrative	**$ 3,859**	$ 36,927	**$ 24,535**	$ 47,744
Professional fees	**6,501**	(25,788)	**13,767**	29,947
Share-based payments (note 7)	**-**	89,600	**-**	89,600
Net loss and comprehensive loss for the period	**$ (10,360)**	$ (100,739)	**$ (38,302)**	$ (167,291)
Basic and diluted net loss per share (note 9)	**$ (0.00)**	$ (0.50)	**$ (0.01)**	$ (2.46)
Weighted average number of common shares outstanding - basic and diluted	**3,720,000**	202,201	**3,720,000**	68,142

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

9 CAPITAL CORP.
(A Capital Pool Company)
Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
Unaudited

	Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018
Operating activities		
Net loss for the period	**$ (38,302)**	**$ (167,291)**
Adjustments for:		
Share-based payments (note 7)	**-**	89,600
Changes in non-cash working capital items:		
Prepaid expense	**-**	(750)
Accounts payable and accrued liabilities	**(58,137)**	69,036
Net cash used in operating activities	**(96,439)**	**(9,405)**
Financing activities		
Proceeds from issuance of common shares (note 6)	**-**	782,050
Cost of issuance (note 6)	**-**	(87,456)
Net cash provided by financing activities	**-**	**694,594**
Net change in cash	**(96,439)**	**685,189**
Cash, beginning of period	**674,278**	**-**
Cash, end of period	**$ 577,839**	**$ 685,189**
Supplemental info:		
Compensation warrants issued (note 6)	**$ -**	$ 19,800

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

9 CAPITAL CORP.
(A Capital Pool Company)
Condensed Interim Statements of Changes in Equity (Deficiency)
(Expressed in Canadian Dollars)
Unaudited

	Number of Shares	Share Capital $	Warrants $	Share-based payments $	Deficit $	Total $
Balance, December 31, 2017	**1**	**-**	**-**	**-**	**(2,000)**	**(2,000)**
Issued during the period	11,920,500	782,050	-	-	-	782,050
Cost of issuance		(107,256)	19,800			(87,456)
Share-based payments (note 7)				89,600		89,600
Net loss for the period period					(167,291)	(167,291)
Balance, September 30, 2018	**11,920,501**	**674,794**	**19,800**	**89,600**	**(169,291)**	**614,903**
Balance, December 31, 2018	**11,920,501**	**651,262**	**19,800**	**89,600**	**(152,921)**	**607,741**
Net loss for the period	**-**	**-**	**-**	**-**	**(38,302)**	**(38,302)**
Balance, September 30, 2019	**11,920,501**	**651,262**	**19,800**	**89,600**	**(191,223)**	**569,439**

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

1. Nature of operations

9 Capital Corp. (the "Company") was incorporated pursuant to the provisions of the Business Corporations Act of Ontario on April 4, 2017. The Company intends to carry on business as a "Capital Pool Corporation" ("CPC"), as such term is defined in TSX Venture Exchange Inc. (the "Exchange") Policy 2.4 Capital Pool Companies ("Policy 2.4"). Under Policy 2.4, the Company must identify and complete a Qualifying Transaction within 24 months from the date the Company's shares are listed for trading on the Exchange. There is no assurance that the Company will be able to complete a Qualifying Transaction within 24 months of being listed or that it will be able to secure the necessary financing to complete a Qualifying Transaction. The Exchange may suspend or delist the Company's shares from trading should it not meet these requirements.

As at September 30, 2019, the Company has no business operations and the Company's principal purpose is the identification, evaluation and acquisition of assets, properties or businesses or participation therein subject, in certain cases, to shareholder approval and acceptance by the Exchange. Where a Qualifying Transaction is warranted, additional funding may be require. The ability of the Company to fund its potential future operations and commitments is dependent upon the ability of the Company to obtain additional financing.

The Company's registered head office address is The Canadian Venture Building, 82 Richmond St East, Toronto, Ontario, M5C 1P1.

2. Basis of presentation

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these unaudited condensed interim financial statements are based on IFRS's issued and outstanding as of November 28, 2019, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statement as compared with the most recent annual financial statements as at and for the year ended December 31, 2018. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the period ending December 31, 2019 could result in restatement of these unaudited condensed interim financial statements.

These unaudited condensed interim financial statements were authorized for issue by the Board of Directors on November 28, 2019.

(Expressed in Canadian Dollars)

3. Significant accounting policies

New standards adopted during the period

IFRIC 23 – Uncertainty Over Income Tax Treatments ("IFRIC 23") was issued in June 2017 and clarifies the accounting for uncertainties in income taxes. The interpretation committee concluded that an entity shall consider whether it is probable that a taxation authority will accept an uncertain tax treatment. If an entity concludes it is probable that the taxation authority will accept an uncertain tax treatment, then the entity shall determine taxable profit (tax loss), tax bases, unused tax losses and credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings. If an entity concludes it is not probable that the taxation authority will accept an uncertain tax treatment, the entity shall reflect the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses and credits or tax rates. The Company has determined there was no material impact on the unaudited condensed interim financial statements.

New standards not yet adopted and interpretations issued but not yet effective

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2019. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IAS 1 – Presentation of Financial Statements ("IAS 1") and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8") were amended in October 2018 to refine the definition of materiality and clarify its characteristics. The revised definition focuses on the idea that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments are effective for annual reporting periods beginning on or after January 1, 2020. Earlier adoption is permitted.

4. Cash

	As at September 30, 2019	As at December 31, 2018
Cash at bank	**$ 577,839**	$ 674,278

5. Cash restrictions

Pursuant to the polices of the Exchange, 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 Company. These restrictions apply until completion of the Qualifying Transaction by the Company as defined under the policies of the Exchange.

(Expressed in Canadian Dollars)

6. Share capital

a) Authorized share capital

The authorized share capital consists of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

	Number of common shares		Amount
Balance, December 31, 2017	**1**	**$**	**-**
Private placement (i)	8,200,000		410,000
Initial public offering (ii)	3,720,500		372,050
Cost of share issue - cash	-		(107,256)
Balance, September 30, 2018	11,920,501	$	674,794
Balance, December 31, 2018 and September 30, 2019	**11,920,501**	**$**	**651,262**

(i) In January to March 2018, the Company completed a private placement pursuant to which it has issued an aggregate of 8,200,000 common shares at a price of $0.05 per common share to raise aggregate gross proceeds of $410,000.

The 8,200,001 seed common shares are subject to a CPC Escrow Agreement. Under the CPC Escrow Agreement, 10% of the escrowed common shares will be released from escrow upon completion of a Qualifying Transaction by the Company and an additional 15% will be released on the dates 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release. However, the release of the escrowed shares will be accelerated if the Company meets the Exchange Tier 1 initial listing requirements.

The seed common shares are considered contingently issuable until the Company completes a Qualifying Transaction and accordingly, they are not considered to be outstanding shares for purposes of loss per share calculations.

(ii) On September 25, 2018, the Company completed an initial public offering pursuant to which it has issued an aggregate of 3,720,500 common shares at a price of $0.10 per common share to raise aggregate gross proceeds of $372,050, all pursuant to a final prospectus dated August 10, 2018. In connection with the offering, a cash commission of $37,205, corporate finance fee of $10,000 and legal fees and agent expenses of $63,783 were paid, and an aggregate of 372,050 compensation warrants issued, each such compensation warrant entitling the holder to acquire one common share at an exercise price of $0.10 expiring 24 months from the date that the common shares are listed on the Exchange.

A value of $19,800 was estimated for the 372,050 warrants on the date of grant using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; share price of $0.10; expected volatility of 100%; risk-free interest rate of 2.20%; and an expected life of 24 months.

(Expressed in Canadian Dollars)

7. Share-based payments

In April 2018, the Corporation established a stock option plan for its officers, directors, consultants and employees to which the Corporation may grant options to acquire a maximum number of common shares equal to 10% of the total issued and outstanding common shares of the Corporation.

	Number of stock options	Weighted average exercise price
Balance, December 31, 2017	**-**	**$ -**
Issued (i)	1,192,050	0.10
Balance, September 30, 2018, December 31, 2018 and September 30, 2019	**1,192,050**	**$ 0.10**

(i) On September 25, 2018, the Company granted 1,192,050 stock options to its Directors and Officers which are exercisable for a period of five years from the date of the grant at an exercise price of $0.10 per common share. The options vest immediately. The estimated fair value of the options at the grant date was $89,600 using the Black-Scholes option pricing model. The estimated fair value of the options has been charged to the unaudited condensed interim statement of loss and comprehensive loss and credited to share-based payments in the shareholders' equity. The underlying assumptions used in the estimation of fair value in the Black-Scholes valuation model are as follows: expected dividend yield of 0%; share price of $0.10; expected volatility of 100%; risk-free interest rate of 2.35%; and an expected average life of 5 years. During the three and nine months ended September 30, 2019, $nil (three and nine months ended September 30, 2018, $89,600) was expensed.

The following table reflects the actual stock options issued and outstanding as of September 30, 2019:

Expiry date	Weighted average Exercise price ($)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable and outstanding)
September 25, 2023	0.10	3.99	1,192,050	1,192,050

(Expressed in Canadian Dollars)

8. Warrants

	Number of warrants		Amount
Balance, December 31, 2017	**-**	**$**	**-**
Issued	372,050		19,800
Balance, September 30, 2018, December 31, 2018 and September 30, 2019	**372,050**	**$**	**19,800**

The following table reflects the actual warrants issued and outstanding as of September 30, 2019:

Expiry date	Number of warrants	Grant date fair value ($)	Exercise price ($)
September 26, 2020	372,050	19,800	0.10

9. Loss per share

For the three and nine months ended September 30, 2019, basic and diluted loss per share has been calculated based on the loss attributable to common shareholders of $10,360 and $38,302, respectively, and the weighted average number of common shares outstanding of 3,720,000. Diluted loss per share did not include the effect of 1,192,050 options outstanding and 372,050 warrants as they are anti-dilutive.

For the three and nine months ended September 30, 2019 and September 30, 2018, the 8,200,001 common shares were excluded from the calculation as they were contingently issuable and all conditions necessary for their issuance have not been satisfied (note 6).

10. Related party transactions

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

i) During the period ended September 30, 2018, the officers and directors of the Company subscribed to 2,700,000 shares at a $0.05 per common share being 32.9% of the Q1 2018 offering (see note 6(b)(i)).