

Shine Box Capital Corp.
Condensed Interim Financial Statements

For the three months ended September 30, 2020

(Unaudited)

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

The interim financial statements of Shine Box Capital Corp. for the period ended September 30, 2020 have not been reviewed by the auditors of the Corporation.

Shine Box Capital Corp.
Condensed Interim Statements of Financial Position
In Canadian Dollars
As at:

	Note	September 30, 2020 (Unaudited) \$	June 30, 2020 (Audited) \$
Assets			
Current			
Cash	4	193,173	272,983
Total assets		193,173	272,983
Liabilities & Shareholder's Equity			
Current Liabilities			
Accounts payable and accruals		301	19,133
Shareholders' Equity			
Share capital	5	315,395	315,395
Contributed surplus		76,065	76,065
Deficit		(198,588)	(137,610)
Total shareholders' equity		192,872	253,850
Total liabilities and shareholders' equity		193,173	272,983

Approved on behalf of the Board

"Nebojsa Dobrijevic"

Nebojsa Dobrijevic
Director

"David McGoey"

David McGoey
Director

Shine Box Capital Corp.
Condensed Interim Statements of Operations and Comprehensive Loss
In Canadian Dollars

	Three months ended September 30, 2020 (Unaudited) \$	Year ended June 30, 2020 (Audited) \$
Expenses		
Stock based compensation	-	54,594
Filing and communication fees	1,712	41,562
Professional fees	59,266	27,781
Loss and comprehensive loss	60,978	123,937
Loss per share		
Basic and Diluted	\$(0.02)	\$(0.07)
Weighted number of shares outstanding	6 3,000,000	1,758,904

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

Shine Box Capital Corp.
Condensed Interim Statement of Changes in Equity
In Canadian Dollars
(Unaudited)

	Share Capital (\$)	Contributed Surplus (\$)	Deficit (\$)	Shareholders' Equity (\$)
As at June 30, 2020	315,395	76,065	(137,610)	253,850
Loss for the period	-	-	(60,978)-	(60,978)
As at September 30, 2020	315,395	76,065	(198,588)	192,872

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

Shine Box Capital Corp.
Condensed Interim Statement of Cash Flows
In Canadian Dollars

	Three months ended September 30, 2020 (Unaudited) \$	Year ended to June 30, 2020 (Audited) \$
Cash provided by (used for) the following activities:		
Operating activities		
Net Loss	(60,978)	(123,937)
Items not affecting cash		
Stock based compensation	-	54,594
Accounts payable and accruals	(18,832)	19,133
Cash used in operating activities	(79,810)	(50,210)
Financing activities		
Accounts payable and accruals	-	(31,000)
Share issue costs	-	(68,384)
Issuance of common shares	-	300,000
Cash provided by (used in) financing activities	-	200,616
Increase (decrease) in cash	(79,810)	150,406)
Cash, beginning of period	272,983	122,577
Cash, end of period	193,173	272,983

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

1. Incorporation and operations

Shine Box Capital Corp. (the "Company") was incorporated under the laws of the Province of Alberta on March 6, 2018 by Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (Alberta). The Company is classified as a Capital Pool Corporation as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange"). The principal business of the Company is to identify and evaluate assets or businesses with a view to potentially acquire them or an interest therein by completing a purchase transaction, by exercising of an option or by any concomitant transaction. The purpose of such an acquisition is to satisfy the related conditions of a qualifying transaction under the Exchange rules.

The address of the registered office is 1900, 520 3rd Avenue SW Calgary, Alberta.

The Company issued 3,000,000 common shares for an amount of \$150,000 and on the Company's prospectus for an Initial Public Offering ("IPO") of the Company's common shares was receipted by the regulatory authorities. The IPO closed on November 19, 2019 with 3,000,000 common shares being issued at a price of \$0.10 per common share. The Company's shares commenced trading on November 29, 2019 under the symbol RENT.P.

The novel coronavirus ("COVID-19") outbreak was declared a pandemic by the World Health Organization on March 11, 2020. This has resulted in significant economic uncertainty and governments worldwide are enacting emergency measures to contain the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global financial markets have experienced significant volatility and weakness as a consequence of this economic uncertainty. The duration and impact of the COVID-19 outbreak is unknown as this time, as is the effectiveness of interventions by governments and central banks. The full extent of the impact on the Company's future financial results is uncertain given the length and severity of these developments cannot be reliably estimated.

The current challenging economic climate relating to the effect of the Coronavirus (COVID-19) may lead to challenges in managing cash flows and the ability to raise capital. These items may have a direct adverse impact on the Company's ability to close the Transaction.

Where an acquisition or participation is warranted, additional funding may be required. 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.

There is no assurance that the Company will identify a business or asset that warrants acquisition or participation within the time limitations permissible under the policies of the Exchange, at which time the Exchange may suspend or de-list the Company's shares from trading.

2. Basis of preparation

Statement of compliance

The condensed interim financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the international Accounting Standards Board ("IASB"), and comply with IAS 34. These condensed interim financial statements does not include all of the information required of a full audited financial report and it is therefore recommended that this report be read in conjunction with the audited financial statements for the year ended June 30, 2020.

These condensed interim financial statements were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on October 16, 2020.

Basis of measurement

These financial statements are stated in Canadian dollars, which is also the Company's functional currency, and were prepared on a going concern basis, under the historical cost convention.

Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. These condensed interim financial statements have been prepared using the same judgements, estimates and assumptions as reported in the Company's March 31, 2020 audited annual financial statements.

3. Significant accounting policies

These condensed interim financial statements have been prepared, for all periods presented, following the same accounting policies and methods of computation as the financial statements for the year ended June 30, 2020 and should be read in conjunction with those annual financial statement sand the notes thereto.

4. Cash and cash equivalents

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 not more than the lesser of 30% of the gross proceeds and \$210,000 may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions may apply until completion of a Qualifying Transaction by the Company as defined under the policies of the Exchange.

Shine Box Capital Corp.
Notes to the Condensed Interim Financial Statements
For the three months ended September 30, 2020
In Canadian Dollars
(Unaudited)

5. Share capital

Authorized

Unlimited number of voting Common Shares, without nominal or par value

Unlimited number of non-voting Preferred Shares, without nominal or par value

Issued Common Shares

	Number of Shares	\$
At incorporation	-	-
Issued for cash (i)	3,000,000	150,000
Issued on IPO (ii)	3,000,000	300,000
Share issue costs	-	(134,605)
As at June 30, 2020 and September 30, 2020	6,000,000	315,395

- (i) All of the common shares issued are held in escrow and released as follows: 10% will be released on the completion of the Qualifying Transaction and an additional 15% will be released on the dates of 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the initial release. As at March 31, 2019 3,000,000 common shares are held in escrow and have been excluded from earnings per share.
- (ii) The Company completed its IPO of 3,000,000 shares for gross proceeds of \$300,000 on November 19, 2019. The Agent was granted the option to purchase up to 300,000 common shares at a price of \$0.10 per Common Share. This option expires 24 months from the date of listing. The value of the Agent's options, as determined by the Black-Scholes option pricing model, being \$21,471, was recorded to share issue costs. The company incurred \$134,605 share issue costs including the value of the agent options. Common shares issued upon the exercise of the Agent's options are restricted such that only 50% of the issued shares on exercise of such options may be sold prior to the Company completing a qualifying transaction.

Stock options

The Company has adopted an incentive stock option plan which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares. However, other than in connection with a Qualifying Transaction, during the time that the Company is a CPC, the aggregate number of Common Shares issuable upon exercise of all options granted under the Option Plan shall not exceed 10% of the Common Shares of the Company issued and outstanding at the closing of the Company's initial public offering. Such options will be exercisable for a period of up to ten years from the date of grant and vest immediately.

In conjunction with the closing of the IPO, the Company granted share options to purchase an aggregate of 600,000 common shares at an exercise price of \$0.10 per Common Share to directors and officers of the Corporation which expires five years from November 29, 2019. The estimated fair value of director and officer options of \$54,594 was charged to operations during the year ended June 30, 2020.

Shine Box Capital Corp.
Notes to the Condensed Interim Financial Statements
For the three months ended September 30, 2020
In Canadian Dollars
(Unaudited)

The Contributed Surplus balance is comprised of:

Directors and officers' options	\$ 54,594
Agent's options	21,671
Balance at June 30 and September 30, 2020	<u>\$ 76,065</u>

The assumptions for the Black-Scholes Pricing Model for all the stock options are as follows:

	Directors & Officers	Agent
Stock price	\$0.10	\$0.10
Exercise price	\$0.10	\$0.10
Risk free interest rate	1.49%	1.58%
Expected life (years)	5	2
Expected annual volatility	150%	150%
Expected dividend yield	0%	0%
Expected forfeiture rate	0%	0%

The following table reflects the continuity of options granted under the Plan as of June 30, 2020:

	Number of Options	Weighted Average Exercise Price
Balance, beginning of period	-	-
Issued to directors & officers	600,000	0.10
Issued to agent	300,000	0.10
Balance, end of period	900,000	0.10

Expiry Date	Exercise Price	Outstanding September 30 ^t	Exercisable	Remaining Contractual Years
November 2024	\$0.10	600,000	600,000	4.20
November 2021	\$0.10	300,000	300,000	1.20

6. Related party transactions

Key management personnel consist of officers and directors of the Company. Other than stock options granted to directors, no compensation was paid to key management personnel during the current period..

Transactions with related parties are incurred in the normal course of business

7. Capital disclosures

The Company's capital consists of share capital. The Company's objective for managing capital is to maintain sufficient capital to identify, evaluate and complete an acquisition or other transaction as disclosed in Note 1.

The Company sets the amount of capital in relation to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets.

The Company's objectives when managing capital are:

- i. to maintain a flexible capital structure, which optimizes the cost of capital at acceptable risk; and
- ii. to maintain investor, creditor and market confidence in order to sustain the future development of the business.

8. Letter of intent

On August 13, 2020, the Company entered into a non-binding letter of intent pursuant to which the Company and Ciscom Corp. ("Ciscom"), an arms length company incorporated under the laws of Ontario, intend to enter into a business combination (the "Transaction"). It is expected that that upon completion of the Transaction, the combined entity (the "Resulting Issuer") will meet the listing requirements for a Tier 1 Industrial issuer under the provisions of the TSX Venture Exchange. The Transaction is expected to be completed by way of share exchange, amalgamation or other form of business combination. Upon the satisfaction or waiver of the conditions set out in the definitive transaction agreement to be entered into by the company and Ciscom a more comprehensive news release will be issued by the company disclosing details of the Transaction

The Transaction is intended to serve as the Company's "Qualifying Transaction" as that term is defined in the policies of the Exchange. Completion of the Transaction is subject to satisfactory completion of due diligence, the execution of a definitive agreement and regulatory body approvals including approval of the Exchange. Trading in the common shares of the Company has been halted and is not expected to resume trading until the Transaction is completed or until the Exchange receives the requisite documentation to resume trading.