

**SHINE BOX CAPITAL CORP.**

***Condensed Interim Financial Statements***  
***(Unaudited)***

**For the Period Ended March 31, 2021**

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

The condensed interim financial statements of Shine Box Capital Corp. for the period ended March 31, 2021 have not been reviewed by the auditors of the Corporation.

**Shine Box Capital Corp.**  
**Condensed Interim Statement of Financial Position**  
**(Unaudited)**  
**(In Canadian \$)**

	<u>Note</u>	<u>As at March 31, 2021</u>	<u>As at June 30, 2020</u>
<b>ASSETS</b>			
<b>Current</b>			
Cash	4	<u>\$ 173,899</u>	<u>\$ 272,983</u>
		<u>\$ 173,898</u>	<u>\$ 272,983</u>
<b>LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>			
<b>Current Liabilities</b>			
Accounts payable and accruals		\$ -	\$ 19,133
<b>Shareholders' Equity</b>			
Share capital	6	315,395	315,395
Contributed Surplus	7	76,065	76,065
Deficit		<u>(217,561)</u>	<u>(137,610)</u>
		<u>173,899</u>	<u>253,850</u>
		<u>\$ 173,899</u>	<u>\$ 272,983</u>

See accompanying notes to interim financial statements

**Approved on behalf of the Board**

Signed "David McGoey"

**Director**

Signed "Nebojsa Dobrijevic"

**Director**

# Shine BOX Capital Corp.

## Condensed Interim Statement of Comprehensive Loss

(Unaudited)

(In Canadian \$)

	Three Months Ended March 31, 2021	Three Months Ended March 31, 2020	Nine Months Ended March 31, 2021	Nine Months Ended March 31, 2020
<b>Expenses</b>				
Stock based compensation	\$ -	\$ -	\$ -	\$ 54,594
Filing Fees	6,609	6,867	8,924	17,367
Professional fees	1,327	6,528	71,028	13,269
Loss and comprehensive loss	\$ 7,936	\$ 13,395	\$ 79,952	\$ 85,230
<b>(Loss) per share</b>				
Basic and diluted	(\$ 0.01)	\$ (0.01)	(\$ 0.03)	\$ (0.06)
Weighted Average Number of Shares Outstanding	3,000,000	3,000,000	3,000,000	1,333,333

See accompanying notes to interim financial statements

# Shine Box Capital Corp.

## Condensed Interim Statement of Changes in Equity

(Unaudited)

(In Canadian \$)

	Share Capital	Contributed Surplus	(Deficit)	Total
<b>Balance, June 30, 2020</b>	\$ 315,395	\$ 76,065	\$ (137,610)	\$ 253,850
Loss for the period	-	-	(79,951)	(79,951)
<b>Balance, March31, 2021</b>	<u>\$ 315,395</u>	<u>\$ 76,065</u>	<u>\$ (217,561)</u>	<u>\$ 173,899</u>

See accompanying notes to interim financial statements

# Shine Box Capital Corp.

## Condensed Interim Statement of Cash Flows

(Unaudited)

(In Canadian \$)

	Nine-Months Ended March 31, 2021	Nine Months Ended March 31, 2020
<b>Cash Provided By (Used For)</b>		
<b>Operating Activities</b>		
Loss for the period	\$ (79,951)	\$ (85,230)
Item not affecting cash		
Share based compensation	-	54,594,
Net change in accounts payable	(19,133)	(213)
	<u>(99,084)</u>	<u>(30,849)</u>
<b>Financing Activities</b>		
Issue of share capital	-	300,000
Net change in accounts payable	-	(51,106)
Share issue costs	-	(67,276)-
	<u>-</u>	<u>181,556</u>
<b>Increase (Decrease) in Cash</b>	(99,084)	150,707
<b>Cash, beginning of period</b>	<u>273,983</u>	<u>122,577-</u>
<b>Cash, end of period</b>	<u>\$ 173,899</u>	<u>\$ 273,284</u>

### Supplemental Cash Flow Information

Income taxes paid	\$ -	\$ -
Interest income received	-	-
Interest expense paid	-	-

See accompanying notes to interim financial statements

# Shine Box Capital Corp.

## **Notes to Condensed Interim Financial Statements**

Nine Months Ended March 31, 2021

(Unaudited)

(In Canadian \$)

### **1. Incorporation and operations**

Shine Box Capital Corp. (the "Company") was incorporated under the laws of the Province of Alberta on March 6, 2018. The Company is classified as a Capital Pool Corporation as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange") and trades under the symbol RENT-X. The principal business of the Company will be 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 3<sup>rd</sup> Avenue SW Calgary, Alberta.

The Company's continuing operations as intended are dependent upon its ability to raise, identify, evaluate and negotiate the acquisition of an interest in properties, assets or businesses which qualifies as a Qualifying Transaction (QT). Such an acquisition will be subject to regulatory approval and maybe subject to shareholder approval. Should the Company be unable to complete such a transaction, its ability to raise sufficient financing to maintain its operations may be impaired and accordingly, the Company may be unable to realize on the carrying value of its net assets.

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.

On March 11, 2020, the World Health Organization characterized the outbreak of a strain of the novel coronavirus ("COVID-19") as a pandemic which has resulted in a series of public health and emergency measures that have been put in place to combat the spread of the virus. The duration and impact of COVID-19 is unknown at this time and it is not possible to reliably estimate the impact that the length and severity of these developments will have on the ability of the Company to complete its QT.

In accordance with IFRS, the Company has not reflected these conditions in the financial statements.

### **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. This condensed interim financial report 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 period from July 1, 2019 to 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 April 22, 2021.

#### ***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.

The policies applied in these interim financial statements are based on IFRS issued and effective as of April 22, 2021, the date the Board of Directors approved these statements. The interim financial statements have been prepared, for all periods presented, following the same accounting policies and methods of computation as described in Note 3 to the audited financial statements for the period ended June 30, 2020.

#### ***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

## Shine Box Capital Corp.

### Notes to Condensed Interim Financial Statements

Nine Months Ended March 31, 2021

(Unaudited)

(In Canadian \$)

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.

#### 3. Significant accounting policies

Unless otherwise noted, the revised standards and amendments as disclosed in Note 3 of the June 30, 2020 audited financial statements are effective for annual periods beginning July 1, 2020.

#### 4. Cash

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.

#### 5. Deferred financing costs

Deferred financing costs, consisting of registration, professional and agency fees, are incurred for the public offering (Note 6). They were charged against share capital upon the issuance of the shares in the public offering (Note 6).

#### 6. Share capital

Authorized

Unlimited number of voting Common Shares

Unlimited number of non-voting Preferred Shares issuable in series

Issued Common Shares

	Number of Shares	\$
At incorporation	-	-
Issued for cash to directors and officers(i)	3,000,000	150,000
Issued on Initial Public Offering (ii)	3,000,000	300,000
Share Issue Costs (ii)	-	(134,605)
As at March 31, 2021	6,000,000	315,395

- i) On March 6, 2018 the Company issued 3,000,000 common shares to directors of the Company at a price of \$0.05 per share. All 3,000,000 common shares are subject to an escrow agreement and will be released as follows: 10% on the completion of the Qualifying Transaction, 15% will be released on the dates 6 months, 12 months, 18 months 24 months, 30 months and 36 months following the initial release. As at June 30, 2019 and December 31, 2019 these common shares were held in escrow and have been excluded from the loss per share.
- ii) On November 29, 2019 the Company successfully completed its initial public offering raising gross proceeds of \$300,000 on the issuance of 3,000,000 common shares. The agent received a cash commission of 10% of the gross proceeds of the offering, an agent's fee of \$10,000 and an option to purchase 300,000 shares at a price of \$0.10 for a period of 24 months from the date of the listing valued at \$21,471 using the Black-Scholes pricing model (Note 7). The Company incurred a total of \$158,499 share issue costs which have been applied against share capital.

## Shine Box Capital Corp.

### Notes to Condensed Interim Financial Statements

Nine Months Ended March 31, 2021

(Unaudited)

(In Canadian \$)

#### 7. Contributed Surplus

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 five years from the date of grant.

As part of the close of the initial public offering (IPO), the Company granted 600,000 options at \$0.10 per share to the directors and officers of the Company exercisable for a period of ten years that all vested at the time of the grant. The fair value is recognized as stock-based compensation expense at the time of vesting the estimated fair value of these options as calculated using the Black-Scholes pricing model is \$54,594 and was charged to operations in the period ended March 31, 2020.

The Contributed Surplus balance is comprised of:

	Total
Officers & directors options	\$ 54,594
Agents options	21,471
Balance, end of period	\$ 76,065

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

	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:

	March 31, 2021	
	Number of Options	Fair Value Recorded
Balance, beginning of period	-	
Issued to directors & officers	600,000	\$ 54,594
Issued to agent	300,000	21,471
Balance, end of period	900,000	\$ 76,065

As at March 31, 2020 the remaining contractual life for option outstanding to directors and officers is 4.70 years and agent options 1.70 years

Expiry Date	Exercise Price	Outstanding March 31, 2020	Exercisable	Remaining Contractual Years
November 2024	\$0.10	600,000	600,000	3.70
November 2021	\$0.10	300,000	300,000	0.70

## **Shine Box Capital Corp.**

### ***Notes to Condensed Interim Financial Statements***

*Nine Months Ended March 31, 2021*

*(Unaudited)*

*(In Canadian \$)*

#### **8. 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.

The Company is not subject to any externally or internally imposed capital requirements at year end.

#### **9. Related Party Disclosures**

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 or prior years

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