ZENITH CAPITAL CORPORATION

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED JANUARY 31, 2022

AND JANUARY 31, 2021

(UNAUDITED)

ZENITH CAPITAL CORPORATION
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	January 31, 2022 (Unaudited)	July 31, 2021 (Audited)
ASSETS		
CURRENT		
Cash	$ 116,612	$ 209,875
Amounts receivable	3,378	938
	$ 119,990	$ 210,813
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	$ 15,456	$ 2,934
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 4)	328,963	328,963
CONTRIBUTED SURPLUS	119,785	119,785
DEFICIT	(344,214)	(240,869)
	104,534	207,879
	$ 119,990	$ 210,813

NATURE OF BUSINESS AND CONTINUING OPERATIONS (Note 1)

SUBSEQUENT EVENT (Note 8)

Approved and authorized for issue on behalf of the Board on March 28, 2022

"Charalambos (Harry) Katevatis" Director *"Vivian Katsuris"* Director

The accompanying notes are an integral part of these financial statements

ZENITH CAPITAL CORPORATION
CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian dollars) UNAUDITED

	Three months ended January 31, 2022	Three months ended January 31, 2021	Six months ended January 31, 2022	Six month ended January 31 2021
EXPENSES				
Office and miscellaneous	$ 412	$ 17	$ 780	$ 49
Professional fees	43,871	5,701	88,882	18,450
Transfer agent and filing fees	2,839	1,184	13,683	3,344
NET LOSS AND COMPREHENSIVE, LOSS	$ 47,122	$ 6,902	$ 103,345	$ 21,843
LOSS PER SHARE (basic and diluted)	$ (0.01)	$ (0.00)	$ (0.02)	$ (0.00)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	4,800,001	4,500,001	4,800,001	4,500,001

The accompanying notes are an integral part of these financial statements

ZENITH CAPITAL CORPORATION
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian dollars)

UNAUDITED

	Common Shares				
	Number of Shares	Amount	Contributed Surplus	Deficit	Total
		$	$	$	$
Balance, July 31, 2021	4,800,001	328,963	119,785	(240,869)	207,879
Net loss for the period	–	–	–	(103,345)	(103,345)
Balance, January 31, 2022	4,800,001	328,963	119,785	(344,214)	104,534
Balance, July 31, 2020	4,500,001	274,815	143,933	(198,259)	220,489
Net loss for the period	–	–	–	(21,843)	(21,843)
Balance, January 31, 2021	4,500,001	274,815	143,933	(220,102)	198,646

The accompanying notes are an integral part of these financial statements

ZENITH CAPITAL CORPORATION
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars) UNAUDITED

		Six months ended January 31, 2022		Six month ended January 31, 2021
CASH PROVIDED BY (USED IN):				
OPERATING ACTIVITIES				
Net loss for the period	$	(103,345)	$	(21,843)
Items not involving cash:				
Share based payments		–		–
		(103,345)		(21,843)
Changes in non-cash working capital balances:				
Amounts receivable		(2,440)		1,494
Accounts payable and accrued liabilities		12,522		(172)
Cash used in operating activities		(93,263)		(20,521)
INCREASE IN CASH DURING THE PERIOD		(93,263)		(20,521)
CASH, BEGINNING OF PERIOD		209,875		221,850
CASH, END OF PERIOD	$	116,612	$	201,329
SUPPLEMENTAL DISCLOSURES				
Interest and income taxes paid	$	–	$	–

The accompanying notes are an integral part of these financial statements

1. NATURE OF OPERATIONS

Zenith Capital Corporation (the "Company") was incorporated on March 11, 2019 under the Business Corporation Act in the province of British Columbia. During the year ended July 31, 2020, the Company completed its Initial Public Offering (as described in Note 4) to be classified as a Capital Pool Company ("CPC") as defined by the TSX Venture Exchange ("TSXV"). The Company trades its shares on the TSXV under the trading symbol ZENI.P. The address of the Company's registered office and head office is 400 – 725 Granville Street, Vancouver, British Columbia V7Y 1G5.

The principal activity of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition of, or participation in, a business subject to receipt of shareholders' approval, if required, and acceptance by regulatory authorities (the "Qualifying 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 identify, evaluate and negotiate an acquisition, participate in or invest in an interest in a Qualifying Transaction, and obtain additional financing. The Company has not identified a business or asset that warrants acquisition or participation. The Company reported an accumulated deficit of $344,214 for the period ended January 31, 2022. These factors create a material uncertainty that raises significant doubt upon the Company's ability to continue as a going concern.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The impact on the Company is minimal but management continues to monitor the situation.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

The financial statements are prepared in accordance with IAS 34 Interim Financial Reporting ("IAS34") 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"). They do not include all financial information required for full annual financial statements and should be read in conjunction with the Audited Financial Statements of the Company for the year ended July 31, 2021.

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretation of the International Financial Reporting Interpretation Committee ("IFRIC").

The financial statements were authorized for issue by the Board of Directors on March 28, 2022.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Basis of presentation

These interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. These financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These unaudited condensed interim financial statements follow the same accounting policies and methods of application as the annual audited financial statements for the period ended July 31, 2021. The adoption of new accounting standards has had no material impact on the financial statements.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

There have been no material revisions to the nature of judgments and estimates of amounts reported in the Company's July 31, 2021 annual financial statements.

4. SHARE CAPITAL

a) Authorized: Unlimited number of common shares without par value.

b) Escrow shares: As at January 31, 2022, there were 2,300,001 (2020 – 2,000,001) common shares held in escrow.

c) Issued and outstanding as at January 31, 2022: 4,800,001 common shares.

During the period ended to January 31, 2022, the Company did not have any share capital transactions:

d) Stock options

During the year ended July 31, 2020, the Company adopted a Stock Option Plan ('Plan') for directors and officers of the Company. The Company may grant options to individuals, options are exercisable over periods of up to five years, as determined by the Board of Directors of the Company, to buy shares of the Company at the fair market value on the date the option is granted. The maximum number of shares which may be issuable under the Plan can not exceed 10% of the total number of issued and outstanding shares on a non-diluted basis.

On March 6, 2020, the Company granted 400,000 stock options to the directors and officers of the Company. The options vested on grant date and are exercisable at $0.10 per share until March 6, 2025. The fair value of these options was calculated to be $32,197 or $0.08 per option.

(Expressed in Canadian dollars) (UNAUDITED)

4. SHARE CAPITAL (continued)

d) Stock options (continued)

A continuity of the options outstanding and exercisable as at January 31, 2022 is as follows:

	Number of options	Weighted average exercise
Balance, July 31, 2020	400,000	$ 0.10
Exercised	(300,000)	$ 0.10
Balance, July 31, 2021 and January 31, 2022	100,000	$ 0.10

The inputs used in Black-Scholes calculation for the 2020 options are as follows:

	2020
Share price	$0.10
Risk-free dividend rate	1.00%
Expected life	5 years
Dividend rate	-%
Annualized volatility	115%
Fair value per option	$0.08

e) Warrants

A continuity of the warrants outstanding as at January 31, 2022 is as follows:

	Number of warrants	Weighted average exercise
Balance, July 31, 2020	200,000	$ 0.10
Issued	–	–
Balance, July 31, 2021 and January 31, 2022	200,000	$ 0.10

(Expressed in Canadian dollars) (UNAUDITED)

4. SHARE CAPITAL (continued)

e) Warrants (continued)

As at January 31, 2022, the Company had the following outstanding warrants:

Number of warrants	Weighted average exercise price	Weighted average years outstanding	Expiry date
200,000	$0.10	0.34	March 6, 2022

The inputs used in Black-Scholes calculation for the 2020 warrants are as follows:

	2020
Share price	$0.10
Risk-free dividend rate	0.72%
Expected life	2 years
Dividend rate	-%
Annualized volatility	115%
Fair value per warrant	$0.058

5. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management includes directors and key officers of the Company, including the President, Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”).

The Company has incurred the following key management personnel cost from related parties:

	Six months ended January 31, 2022	**Six months ended January 31, 2021**
	$	$
Share-based payments	–	–
Office fees	700	–
Total	700	–

6. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

7. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Company's financial assets include cash and are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's statement of financial position as at January 31, 2022 are as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	$	$	$	$
Cash	116,612	–	–	166,612

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at January 31, 2022 because of the demand nature or short-term maturity of these instruments.

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below.

Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

7. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

8. SUBSEQUENT EVENT

On August 3, 2021, the Company entered into a binding letter of intent ("LOI") with Venda Robotix Ltd. ("Venda") (the "Transaction") to acquire all of the issued and outstanding securities of Venda in exchange for the following:

(i) The Company will issue to the Venda shareholders 88,314,700 common shares of the Company;

(ii) The Company will grant 685,300 stock options of the Company;

(iii) The Company will issue 7,123,000 warrants. Each warrant will entitle the warrant to holder to acquire 1 common share of the Company per warrant exercised; and

(iv) The Company will issue up to 25,000,000 common shares to the Venda shareholders upon achieving certain performance milestones. An aggregate of 12,500,000 common shares could be issued within 18 months of the closing of the Transaction and the remaining 12,500,000 common shares with in 36 months of closing the Transaction.

8. SUBSEQUENT EVENT (continued)

All of Venda stock options and warrants at the time of closing will be terminated and replaced by the ones noted above on the same economic terms as those provided by Venda.

The Company and Venda will also, as a condition of closing, complete certain equity financings to raise $4,000,000 in gross proceeds. The Transaction is subject to the customary conditions of closing, including regulatory approval and the entering into a definitive agreement. As a condition of the LOI, the Transaction was to close on or before January 31, 2022. As of the date of the approval of these financial statements, the transaction had not closed and both parties are continuing to negotiate.

The Transaction is intended to constitute the Company's Qualifying Transaction pursuant to Policy 2.4 of the TSX Venture Exchange. For accounting purposes, the transaction will be recorded as a reverse take-over.