Condensed Interim Financial Statements
(Expressed in U.S. dollars)

VM HOTEL ACQUISITION CORP.

Three and six months ended June 30, 2021
(Unaudited)

VM HOTEL ACQUISITION CORP.

Condensed Interim Statement of Financial Position
(Expressed in U.S. dollars)

June 30, 2021, with comparative information for December 31, 2020
(Unaudited)

	2021	2020
Assets		
Current:		
Cash	$ 693,475	$ 1
Prepaid expenses	249,296	–
Amounts receivable	76,055	–
	1,018,826	1
Restricted cash held in escrow (note 3)	100,026,742	–
	$ 101,045,568	$ 1
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 447,178	$ –
Due to related parties (note 12)	1,037	–
	448,215	–
Class A restricted voting shares subject to redemption (note 4)	96,920,482	–
Class A and Class B warrants liability (note 4)	1,060,875	–
	98,429,572	–
Shareholders' equity:		
Share capital (note 5)	3,457,963	1
Deficit	(841,967)	–
	2,615,996	1
	$ 101,045,568	$ 1

See accompanying notes to condensed interim financial statements.

VM HOTEL ACQUISITION CORP.

Condensed Interim Statement of Loss and Comprehensive Loss
(Expressed in U.S. dollars, except for number of shares outstanding)

Three and six months ended June 30, 2021, with comparative information for the period from November 16, 2020 (date of incorporation) to December 31, 2020
(Unaudited)

	Three months ended June 30, 2021	Six months ended June 30, 2021	December 31, 2020
Revenue:			
Interest	$ 19,947	$ 26,742	$ –
Expenses and other:			
Interest	19,947	26,742	–
Net unrealized gain on change in value of warrant liability	(232,875)	(197,335)	–
General and administrative (note 10)	87,267	141,102	-
Amortization of issuance costs on Class A restricted voting shares	672,900	898,200	–
	547,239	868,709	–
Loss and comprehensive loss	$ (527,292)	$ (841,967)	$ –
Loss and comprehensive loss per share:			
Basic and diluted	$ (0.17)	$ (0.38)	$ –
Weighted average number of Class B shares outstanding:			
Basic and diluted	3,086,250	2,201,672	–

See accompanying notes to condensed interim financial statements.

VM HOTEL ACQUISITION CORP.

Condensed Interim Statement of Shareholders' Equity
(Expressed in U.S. dollars)

Six months ended June 30, 2021
(Unaudited)

	Number of shares	Share capital	Deficit	Total
Balance, November 16, 2020 (date of incorporation)	–	$ –	$ –	$ –
Issuance of Class B shares to Founders	1	1	–	1
Balance, January 1, 2021	1	1	–	1
Issuance of Class B shares, net of related costs	350,000	3,456,250	–	3,456,250
Issuance of Class B shares to Founders	2,969,999	24,999	–	24,999
Class B shares relinquished by Founders	(382,500)	–	–	–
Transaction costs (note 6)	–	(23,287)	–	(23,287)
Loss and comprehensive loss	–	–	(841,967)	(841,967)
Balance, June 30, 2021	2,937,500	$ 3,457,963	$ (841,967)	$ 2,615,996

See accompanying notes to condensed interim financial statements.

VM HOTEL ACQUISITION CORP.

Condensed Interim Statement of Cash Flows
(Expressed in U.S. dollars, except for number of shares outstanding)

Six months ended June 30, 2021, with comparative information for the
period from November 16, 2020 (date of incorporation) to December 31, 2020
(Unaudited)

	2021	2020
Operating activities:		
Loss for the period	$ (841,967)	$ –
Adjustments for:		
Net unrealized gain on change in value of warrant liability	(197,335)	–
Amortization of issuance costs on Class A shares	898,200	–
Change in non-cash working capital:		
Prepaid expenses	(249,296)	–
Amounts receivables	(76,055)	–
Accounts payable and accrued liabilities	447,178	–
Due to related parties	1,037	–
Cash flows used in operating activities	(18,238)	–
Investing activities:		
Cash held in escrow	(100,026,742)	–
Cash flows used in investing activities	(100,026,742)	–
Financing activities:		
Proceeds on sale of Class B shares to Founders	24,999	1
Proceeds on sale of Class B shares and warrants	3,500,000	–
Proceeds on sale of Class A restricted voting shares	100,000,000	–
Transaction costs allocated to Class A restricted voting shares	(2,727,718)	–
Transaction costs allocated to Class A and B warrants	(35,540)	–
Transaction costs allocated to Class B shares	(23,287)	–
Cash flows from financing activities	100,738,454	1
Net change in cash	693,474	1
Cash, beginning of period	1	–
Cash, end of period	$ 693,475	$ 1

See accompanying notes to condensed interim financial statements.

VM Hotel Acquisition Corp. (the "Corporation") is a special purpose acquisition corporation ("SPAC") incorporated under the laws of the Province of British Columbia for the purpose of effecting, directly or indirectly, an acquisition of one or more businesses or assets, by way of a merger, amalgamation, arrangement, share exchange, asset acquisition, share purchase, reorganization, or any other similar business combination involving the Corporation (a "qualifying acquisition").

The Corporation was incorporated on November 16, 2020 under the Business Corporations Act (British Columbia), and is domiciled in Canada. The registered office of the Corporation is located at 1600-925 West Georgia Street, Vancouver, BC V6C 3L2.

The condensed interim financial statements were authorized for issuance by the Board of Directors of the Corporation on August 9, 2021.

1. Significant events:

On March 1, 2021, the Corporation closed its initial public offering (the "Offering") of 10,000,000 Class A restricted voting units (each, a "Class A Restricted Voting Unit") at an offering price of $10.00 per Class A Restricted Voting Unit for gross proceeds of $100,000,000 pursuant to the Corporation's prospectus dated February 23, 2021 (the "Prospectus") and the Class A Restricted Voting Units commenced trading on the Toronto Stock Exchange (the "Exchange") under the symbol "VMH.V".

1. Significant events (continued):

Each Class A Restricted Voting Unit consisted of one Class A restricted voting share (each, a "Class A Restricted Voting Share" and one-half of a share purchase warrant (each whole share purchase warrant, a "Warrant"). On April 12, 2021, the Class A Restricted Voting Shares and the Warrants comprising the Class A Restricted Voting Units, commenced trading separately on the Exchange under the symbols "VMH.U" and "VMH.WT.U", respectively. On or immediately following the closing of the Corporation's qualifying acquisition, each Class A Restricted Voting Share (unless previously redeemed) will be automatically converted into one common share (a "Common Share") and each Class B share of the Corporation (each a "Class B Share") will be automatically converted on a 100-for-1 basis into proportionate voting shares of the Corporation (the "Proportionate Voting Shares"), as set forth in the notice of articles and articles of the Corporation. The Warrants will become exercisable, at an exercise price of $11.50, commencing 65 days after the completion of the Corporation's qualifying acquisition and will expire at 5:00 p.m. (Toronto time) on the day that is five years after the completion of a qualifying acquisition or earlier, as described in the Prospectus. Once the Warrants become exercisable, the Corporation may accelerate the expiry date of the outstanding Warrants (excluding the Warrants held by the Sponsors (as defined below) issued as part of the Class B units of the Corporation (the "Class B Units"), as described in the Prospectus) by providing 30 days' notice, if and only if, the closing price of the Common Shares equals or exceeds $18.00 per Common Share (as adjusted for stock splits or combinations, stock dividends, extraordinary dividends, reorganizations and recapitalizations and the like) for any 20 trading days within a 30-trading day period. If the Corporation accelerates the expiry of the Warrants, the board of directors of the Corporation has the option to require all holders that wish to exercise their Warrants to do so, in whole or in part, on a cashless basis.

Simultaneously with the closing of the Offering (the "Closing"), VM HA Sponsor Corp. and VM HA Sponsor LP (together, the "Sponsors"), our sponsors, along with certain third parties purchased 350,000 Class B Units at an offering price of $10.00 per Class B Unit (for an aggregate purchase price of $3,500,000). Each Class B Unit consisted of one Class B share of the Corporation (each a "Class B Share") and one-half of a Warrant. On April 12, 2021, the Class B Units separated into underlying Class B Shares and Warrants.

1. Significant events (continued):

On February 23, 2021, our Sponsors and certain of our directors, John Andrew, Tracy Sherren and Charles Suddaby, referred to as our "Founders" in such capacity, along with certain third parties, purchased 2,970,000 Class B Shares, also referred to as the "Founders' Shares", for an aggregate price of $25,000, or approximately $0.0084 per Founders' Share. On May 6, 2021, our Sponsors relinquished 382,500 of the Founders' Shares without compensation. The Founders' Shares outstanding represent 20% of the issued and outstanding shares of the Corporation (including all Class A Restricted Voting Shares and Class B Shares).

If the Corporation is unable to consummate a qualifying acquisition within the permitted timeline of 18 months from the Closing (or 21 months from the Closing if the Corporation has executed a letter of intent, agreement in principle or definitive agreement for a qualifying acquisition within 18 months from the Closing but has not completed the qualifying acquisition within such 18-month period) (the "Permitted Timeline"), subject to any extension as described below, the Corporation will be required to redeem each of the outstanding Class A Restricted Voting Shares, for an amount per share, payable in cash, equal to the pro-rata portion (per Class A Restricted Voting Share) of: (a) the escrowed funds available in the escrow account, including any interest and other amounts earned thereon, less (b) an amount equal to the total of (i) any applicable taxes payable by the Corporation on such interest and other amounts earned in the escrow account, (ii) any taxes of the Corporation (including under Part VI.1 of the Income Tax Act (Canada) arising in connection with the redemption of the Class A Restricted Voting Shares, and (iii) up to a maximum of $50,000 of interest and other amounts earned from the proceeds in the escrow account to pay actual and expected winding-up expenses and certain other related costs, each as reasonably determined by the Corporation. The underwriters for the Offering (the "Underwriters") will have no right to the Deferred Underwriting Commission (as defined below) held in the escrow account in such circumstances.

Such Permitted Timeline, however, could be extended to up to 36 months with shareholder approval of only the holders of Class A Restricted Voting Shares, by ordinary resolution, with approval by the Corporation's board of directors. If such approvals are obtained, holders of Class A Restricted Voting Shares, irrespective of whether such holders vote for or against, or do not vote on, the extension of the Permitted Timeline, would be permitted to deposit all or a portion of their Class A Restricted Voting Shares for redemption as described in the Prospectus.

1. Significant events (continued):

The Class A Restricted Voting Shares may be considered "restricted securities" within the meaning of such term under applicable Canadian securities laws. Prior to the completion of a qualifying acquisition, holders of the Class A Restricted Voting Shares will not be entitled to vote at (or receive notice of or meeting materials in connection with) meetings held only to consider the election and/or removal of directors and auditors. The holders of the Class A Restricted Voting Shares will, however, be entitled to vote on and receive notice of meetings on all other matters requiring shareholder approval (including the proposed qualifying acquisition, if required under applicable law, and any proposed extension to the Permitted Timeline) other than the election and/or removal of directors and auditors prior to closing of a qualifying acquisition. In lieu of holding an annual meeting prior to the closing of the qualifying acquisition, the Corporation is required to provide an annual update on the status of identifying and securing a qualifying acquisition by way of a press release.

Upon closing of the qualifying acquisition, the Class B Shares will convert on a 100-for-1 basis into Proportionate Voting Shares. Prior to the closing of the qualifying acquisition, the Corporation will not issue any Common Shares or Proportionate Voting Shares. Following the closing of the qualifying acquisition, the Corporation will not issue any Class A Restricted Voting Shares or Class B Shares.

The Founders (including the Sponsors) have agreed pursuant to an exchange agreement and undertaking not to transfer any of their Founders' Shares or Class B Units (or any Class B Shares or Warrants forming part of the Class B Units) until after the closing of the qualifying acquisition, in each case other than transfers required due to the structuring of the qualifying acquisition or unless otherwise permitted by the Exchange. Any Class A Restricted Voting Shares purchased by our Founders would not be subject to the restrictions set out in such agreement.

1. Significant events (continued):

The Founders' Shares purchased by the Founders and certain third parties and Class B Shares which formed part of the Class B Units (or any shares acquired upon exercise of the Warrants which formed part of the Class B Units) purchased by the Sponsors and certain third parties will not be subject to relinquishment based on performance.

Upon the Closing on March 1, 2021, an aggregate of $100,000,000 from the sale of the Class A Restricted Voting Units, or $10.00 per Class A Restricted Voting Unit sold to the public, was deposited with TSX Trust Company, as escrow agent, in an escrow account in Canada at a Canadian chartered bank or subsidiary thereof, in accordance with an escrow agreement. Subject to applicable law and payment of certain taxes, permitted redemptions and certain expenses, as further described in the Prospectus, none of the funds held in the escrow account will be released to the Corporation prior to the closing of a qualifying acquisition.

Following the closing of the Corporation's qualifying acquisition, the Corporation will use the balance of the non-redeemed Class A Restricted Voting Shares' portion of the escrow account (less tax liabilities on amounts earned on the escrowed funds and certain expenses directly related to redemptions) (subject to availability, failing which any shortfall shall be made up from other sources) to pay the Underwriters the Deferred Underwriting Commission (as defined below). The per share amount the Corporation will distribute to holders of Class A Restricted Voting Shares who properly redeem their shares will not be reduced by the Deferred Underwriting Commission (as defined below) the Corporation will pay to the Underwriters.

As 100% of the gross proceeds of the Offering and any additional equity raised pursuant to a rights offering are held by the escrow agent in the escrow account, shareholder approval of a qualifying acquisition is not required pursuant to the Exchange rules. As such, and unless shareholder approval is otherwise required under applicable law, we will: (a) prepare and file with applicable securities regulatory authorities a prospectus containing disclosure regarding the Corporation and its proposed qualifying acquisition; (b) mail a notice of redemption to the holders of the Class A Restricted Voting Shares and make the final prospectus publicly available; and (c) send by prepaid mail or otherwise deliver the prospectus to the holders of the Class A Restricted Voting Shares, as described in the Prospectus.

1. Significant events (continued):

The escrowed funds are held to enable the Corporation to (a) satisfy redemptions made by holders of Class A Restricted Voting Shares (including in the event of a qualifying acquisition or an extension to the Permitted Timeline, or in the event a qualifying acquisition does not occur within the Permitted Timeline), (b) fund the qualifying acquisition with the net proceeds following payment of any such redemptions and Deferred Underwriting Commission (as defined below), and/or (c) pay taxes on amounts earned on the escrowed funds and certain permitted expenses. Such escrowed funds and all amounts earned thereon, subject to such obligations and applicable law, will be assets of the Corporation. These escrowed funds will also be used to pay the Deferred Underwriting Commission (as defined below), which (subject to availability, failing which any shortfall shall be made up from other sources) will be payable by the Corporation to the Underwriters upon the closing of the Corporation's qualifying acquisition provided that a discretionary portion of the Deferred Underwriting Commission (as defined below) may be used to pay other parties of the Corporation's choosing, as described in the Prospectus.

Consummation of the qualifying acquisition will require approval by a majority of the Corporation's directors unrelated to the qualifying acquisition. In connection with seeking to complete a qualifying acquisition, the Corporation will provide holders of Class A Restricted Voting Shares with the opportunity to redeem all or a portion of their Class A Restricted Voting Shares, provided that they deposit their shares for redemption prior to the deadline specified by the Corporation, following public disclosure of the details of the qualifying acquisition and prior to the closing of the qualifying acquisition, of which prior notice had been provided to the holders of the Class A Restricted Voting Shares by any means permitted by the Exchange, not less than 21 days nor more than 60 days in advance of such deadline, in each case, with effect, subject to applicable law, immediately prior to the closing of a qualifying acquisition, for an amount per share, payable in cash, equal to the pro-rata portion (per Class A Restricted Voting Share) of: (a) the escrowed funds available in the escrow account at the time immediately prior to the redemption deposit deadline, including interest and other amounts earned thereon; less (b) an amount equal to the total of (i) any applicable taxes payable by the Corporation on such interest and other amounts earned in the escrow account, and (ii) actual and expected expenses directly related to the redemption, each as reasonably determined by the Corporation, subject to the limitations described in the Prospectus.

1. Significant events (continued):

Notwithstanding the foregoing redemption rights, each holder of Class A Restricted Voting Shares, together with any affiliate of such holder or other person with whom such holder or affiliate is acting jointly or in concert, will not be permitted to redeem a number of Class A Restricted Voting Units that is more than 15% of the aggregate number of Class A Restricted Voting Shares issued and outstanding following the Closing. This limitation will not apply in the event a qualifying acquisition does not occur within the Permitted Timeline, or in the event of an extension to the Permitted Timeline. If approval of the qualifying acquisition by shareholders is otherwise required under applicable law, holders of Class A Restricted Voting Shares shall have the option to redeem their Class A Restricted Voting Shares irrespective of whether they vote for or against, or do not vote on, the qualifying acquisition. Holders of Class A Restricted Voting Shares will be given not less than 21 days' notice of the shareholders meeting (if such meeting is required under applicable law) and of the corresponding redemption deposit deadline if such meeting is required. Participants through CDS Clearing and Depositary Services Inc. ("CDS") may have earlier deadlines for beneficial holders to make deposits of Class A Restricted Voting Shares for redemption. If a CDS participant's deadline is not met by a holder of Class A Restricted Voting Shares, such holder's Class A Restricted Voting Shares may not be eligible for redemption.

Following completion of the qualifying acquisition, the Proportionate Voting Shares into which the Founders' Shares and Class B Shares which formed part of the Class B Units are convertible, the Warrants which formed part of the Class B Units, and the shares issuable on exercise of such Warrants may be subject to certain sale or transfer restrictions in accordance with applicable securities laws.

Our Founders (including our Sponsors) and other holders of the Founders' Shares and/or Class B Shares will not be entitled to redeem the Founders' Shares or Class B Shares in connection with a qualifying acquisition or an extension to the Permitted Timeline or entitled to access the escrow account should a qualifying acquisition not occur within the Permitted Timeline, as further described in the Prospectus. Our Founders (including our Sponsors) and other holders of the Founders' Shares and/or Class B Shares will, however, participate in any liquidation distribution with respect to any Class A Restricted Voting Shares they may acquire in connection with or following this Offering through possible purchases on the secondary market.

2. Significant accounting policies:

(a) Basis of preparation:

These condensed interim financial statements of the Corporation as at June 30, 2021 and for the three and six month periods ended June 30, 2021 have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and with interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These interim financial statements meet the requirements of International Accounting Standard ("IAS") 34, Interim Financial Reporting. The comparative period information of the Corporation reflects the activity from the date of incorporation to December 31, 2020, being the Corporation's year end.

(b) Basis of measurement:

The condensed interim financial statements of the Corporation have been prepared on a historical cost basis except for certain financial assets and financial liabilities which are carried at fair value and more fully described in note 4. The Corporation's functional and presentation currency is the U.S. dollar.

(c) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(d) Financial instruments:

Financial assets and liabilities are recognized when the Corporation becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or are assigned and the Corporation has transferred substantially all risks and rewards of ownership in respect of the asset. Financial liabilities are derecognized when the related obligation is discharged, cancelled or when it expires.

2. Significant accounting policies (continued):

Management determines the classification of financial instruments at initial recognition with reflection of the business model and cash flow characteristics of the financial instruments. Financial assets are classified at fair value through profit or loss ("FVTPL"), or at amortized cost. Financial liabilities other than the Warrants are classified at amortized cost.

Financial instruments classified as FVTPL are carried at fair value in the condensed interim statement of financial position and any gains or losses are recorded in loss for the period in the period in which they arise. Financial instruments classified as FVTPL include cash, as well as cash held in escrow. The Class A Restricted Voting Shares subject to redemption have been classified as liabilities for accounting purposes and are recorded at amortized cost.

The Warrants include a cashless option as described in note 1 and, therefore, fail the 'fixed for fixed' requirements prescribed in IAS 32, Financial Instruments: Presentation ("IAS 32"). As a result, the Warrants are classified as a liability measured at FVTPL.

Other financial assets and liabilities are recognized at amortized cost. Such accounts would include amounts receivable and accounts payable and accrued liabilities.

(e) Expected credit losses on financial assets at amortized cost:

These financial assets are recognized initially at fair value and subsequently measured at amortized cost. At each reporting date, the Corporation measures the loss allowance on these financial assets at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Corporation shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default in payments are all considered indicators that a loss allowance may be required.

2. Significant accounting policies (continued):

(f) Income tax:

The Corporation follows the balance sheet method to provide for income taxes. The balance sheet method requires that income taxes reflect the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax assets and liabilities are measured at the tax rates that are enacted or substantively enacted to apply in the period when the asset is realized and the liability is settled.

The effect on deferred income tax assets and liabilities of a change in tax rates is recognized within the condensed interim statement of loss and comprehensive loss in the period that includes the substantive enactment date. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

(g) Per share information:

Basic income or loss per Class B Share is calculated by dividing the net income or loss by the weighted average number of Class B Shares outstanding during the period. The calculation excludes the effect of Class A Restricted Voting Shares, as the Class A Restricted Voting Shares have been classified in these condensed interim financial statements as financial liabilities and on a fully diluted basis the Class A Restricted Voting Shares are anti-dilutive.

(h) Share-based compensation:

Share-based compensation expense associated with the Company's equity awards is measured at fair value upon the grant date and recognized over the requisite service period. To the extent a share-based award is subject to a performance condition, the amount of expense recorded in period, if any, reflects an assessment of the probability of achieving such performance condition, with compensation recognized once the event is deemed probable to occur. Forfeitures are recognized as incurred.

3. Restricted cash held in escrow:

Cash balances totalling $100,026,742 were held in escrow at a Canadian chartered bank as at June 30, 2021 (December 31, 2020 - nil).

4. Class A Restricted Voting Shares subject to redemption:

(a) Authorization:

The Corporation is authorized to issue an unlimited number of Class A Restricted Voting Shares. The holders of Class A Restricted Voting Shares have no pre-emptive rights or other subscription rights and there are no sinking fund provisions applicable in these shares.

(b) Voting rights:

The holders of the Class A Restricted Voting Shares are entitled to vote on and receive notice of meetings on all matters requiring shareholder approval (including any proposed extension to the permitted timeline and approval of a qualifying acquisition if otherwise required under applicable law) other than the election and/or removal of directors and auditors prior to closing of a qualifying acquisition. Prior to a qualifying acquisition, holders of the Class A Restricted Voting Shares are not entitled to vote at (or receive notice of or meeting materials in connection with) meetings held only to consider the election and/or removal of directors and auditors.

(c) Redemption rights:

Only holders of Class A Restricted Voting Shares are entitled to have their shares redeemed and receive the escrow proceeds (net of applicable taxes and other permitted deductions) in the event a qualifying acquisition does not occur within the Permitted Timeline, in connection with seeking to complete a qualifying acquisition, and in the event of an extension to the Permitted Timeline.

(Expressed in U.S. dollars, except for number of shares outstanding)

4. Class A Restricted Voting Shares subject to redemption (continued):

(d) Classification:

The Corporation has classified its Class A Restricted Voting Shares as financial liabilities within the condensed interim statement of financial position. Gross proceeds of $100,000,000 from the Offering were allocated between Class A Restricted Voting Shares - $98,750,000 and Warrants - $1,250,000, based on the market price of the respective security on the first day of trading.

The Class A Restricted Voting Shares were discounted by $2,727,718 (note 6), representing the transaction costs associated with the Class A Restricted Voting Shares and by the value of the Warrants, being an aggregate of $3,977,718. This aggregate discount is being amortized over 18 months using the effective interest rate method. For the three and six months ended June 30, 2021, the Corporation recorded $672,900 and $898,200 of amortization in connection with these costs attributed to the Class A Restricted Voting Shares.

The following table summarizes the Warrants attached to Class A and B Shares:

	Number of Warrants	Amount
Issuance of Warrants:		
Warrants attached to Class B Shares	175,000	$ 35,875
Warrants attached to Class A Shares	5,000,000	1,025,000
	5,175,000	1,060,875
Issuance costs		35,540
Transaction costs - warrants		(35,540)
		$ 1,060,875

5. Shareholders' equity:

The Corporation is authorized to issue an unlimited number of Class B Shares without nominal or par value. The holders of Class B Shares have no pre-emptive rights or other subscription rights and there are no sinking fund provisions applicable to these shares.

(Expressed in U.S. dollars, except for number of shares outstanding)

5. Shareholders' equity (continued):

(a) Voting rights:

The holders of the Class B Shares are entitled to vote at all meetings of shareholders and on all matters requiring a shareholder vote, with the exception of an extension of the Permitted Timeline, which will only be voted upon by holders of Class A Restricted Voting Shares.

(b) Redemption rights:

Holders of Class B Shares do not have access to, and cannot benefit from, any proceeds held in the escrow account, and as such, do not have any redemption rights with respect to their Class B Shares. The Founders (including the Sponsors) will, however, be entitled to such redemption rights using proceeds from the escrow account with respect to any Class A Restricted Voting Shares they may acquire pursuant to or following the Offering.

6. Transaction costs:

Transaction costs are directly related to the Offering and consist mainly of legal, accounting, printing, filing and underwriters' fees. Transaction costs incurred were allocated between shareholders' equity and shares subject to redemption on the following basis:

	Class A Restricted Voting Shares	Warrants	Class B Shares	Total
Professional fees - legal, accounting, etc.	$ 653,395	$ 8,219	$ 23,287	$ 684,901
Underwriters' commissions	1,901,011	25,039	–	1,926,050
Exchange listing	160,834	2,118	–	162,952
Other	12,478	164	–	12,642
	$ 2,727,718	$ 35,540	$ 23,287	$ 2,786,545

6. Transaction costs (continued):

Pursuant to the underwriting agreement for the Offering, the Underwriters were entitled to an underwriting commission equal up to $5,500,000 or 5.5% of the gross proceeds of the Class A Restricted Voting Units issued under the Offering. The Underwriters and the Corporation agreed that the commission payable on Closing would be reduced as mutually agreed between the Underwriters and the Corporation for certain investors in the Class A Restricted Voting Units. The Corporation paid $1,926,050, to the Underwriters at the Closing. The balance of the agreed underwriting commission, being $3,370,588, or 3.5% of the gross proceeds of the Class A Restricted Voting Units as reduced for certain investors as mutually agreed between the Underwriters and the Corporation, (the "Deferred Underwriting Commission") has been deferred and will only be paid upon successful completion of a qualifying acquisition. In addition, 30% of the Deferred Underwriting Commission is payable by the Corporation to such parties as it sees fit, including the Underwriters or to advisors who have assisted with the qualifying acquisition. If no qualifying acquisition is consummated within the Permitted Timeline, such amounts shall not be payable. Due to its association with an uncertain future qualifying acquisition, the Deferred Underwriting Commission balance, which is a contingent liability, has not been recorded in the condensed interim financial statements. Transaction costs were prorated between Class A Restricted Voting Shares, Warrants and Class B Shares by the amount of proceeds received.

7. Financial instruments:

All financial instruments for which fair value is recognized or disclosed are categorized within a fair value hierarchy, described as follows:

- Level 1 - Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities.

- Level 2 - Valuation techniques based on inputs that are quoted prices of similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; inputs other than quoted prices used in a valuation model that are observable for that instrument; and inputs that are derived from or corroborated by observable market data by correlation or other means.

- Level 3 - valuation techniques with significant unobservable market inputs.

The cash and restricted cash balance held in escrow is measured using Level 1 inputs.

8. Financial risk management:

(a) Market risk:

Market risk is the risk that a material loss arises from fluctuations in a financial instrument's fair value. For purposes of this disclosure, the Corporation segregates market risk into two categories: fair value risk and interest rate risk.

(b) Fair value risk:

Fair value risk is the potential for loss from an adverse movement in market prices. The Corporation has minimal fair value risk as the only financial instruments carried at fair value are cash and restricted cash held in escrow.

(c) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in interest rates. The Corporation's exposure to interest rate risk is nominal because all of the assets are short-term in nature.

9. Capital management:

The Corporation defines the capital that it manages as its cash and restricted cash held in escrow.

The Corporation's primary objective in managing capital is to ensure capital preservation in order to benefit from acquisition opportunities as they arise and to fund redemptions should they occur.

To the extent that the Corporation requires additional funding for general ongoing expenses or in connection with a qualifying acquisition, the Corporation may seek funding by way of unsecured loans from the Sponsors and/or its affiliates, which loans would bear interest at no more than the U.S. dollar prime rate plus 1.0%. The lender under the loans would not have recourse against the funds held in the escrow account, and thus the loans will not reduce the value thereof. Such loans will collectively be subject to a maximum aggregate principal amount equal to 10% of the escrowed funds and may only be repayable in cash no earlier than the closing of the qualifying acquisition. Such loans may only be convertible into shares and/or Warrants in connection with the closing of the qualifying acquisition.

(Expressed in U.S. dollars, except for number of shares outstanding)

9. Capital management (continued):

The Corporation may also seek to raise additional funds through a rights offering in respect of shares available to its shareholders, in accordance with the requirements of applicable securities legislation and the Exchange's rules, and subject to the consent of the Underwriters, subject to the conditions outlined further in the Prospectus.

10. General and administrative expenses:

The Corporation had the following general and administrative expenses for the three and six months ended June 30, 2021:

	Three months ended June 30, 2021	Six months ended June 30, 2021
Retainer and administrative fees	$ 30,000	$ 40,000
Fees to escrow agent	–	9,537
Professional fees	29,211	54,211
Other	28,056	37,354
	$ 87,267	$ 141,102

11. Income taxes:

Deferred tax assets are only recognized if management has determined that it is probable that such deferred tax assets may be recovered. The recoverability of deferred tax assets is dependent in part on the nature, terms, and conditions of any completed qualifying acquisition. As at June 30, 2021, the Corporation did not have any material tax losses or deferred tax balances.

12. Related party transactions:

The Corporation will pay $10,000 (plus applicable taxes) per month to an affiliate of one of our Sponsors for administrative and related services. The Corporation further reimburses an affiliate of one of our Sponsors for any out-of-pocket expenses incurred which relate to certain activities on the Corporation's behalf, including identifying and negotiating a qualifying acquisition.

12. Related party transactions (continued):

For the three and six months ended June 30, 2021, the Corporation accrued and paid $30,000 and $40,000, respectively, for administrative and related services. The Sponsors incurred regulatory, filing, and other fees, in the normal course, on behalf of the Corporation prior to the successful completion of the Offering in the amount of $1,037, which remain due and payable. These amounts are non-interest bearing and have no fixed terms of repayment.

The grant of the Founder Shares by the Corporation to the Founders is in the scope of IFRS 2, Share-based Payment. These shares have been designated as equity-classified awards and measured at fair value upon the grant date, with the associated value to be recognized over the requisite service period. These Founder Shares were granted subject to a non-market performance condition. Compensation expense related to these Founder Shares is recognized only when the performance condition is deemed probable of occurrence. As of June 30, 2021, the Corporation determined that the performance condition was not considered probable, and, therefore, no share-based compensation expense has been recognized during the period ended June 30, 2021. Unrecognized share-based compensation expense of approximately $23 million would be recognized at the date a qualifying acquisition is considered probable, being upon consummation.