ISRAEL CAPITAL CANADA CORP.

Condensed Interim Financial Statements

For the three and six months ended April 30, 2020

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

ISRAEL CAPITAL CANADA CORP.

Index

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Notice to Reader

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, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company.

The Company's independent auditors have not performed a review of these condensed interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of condensed interim financial statements by an entity's auditors.

August 12, 2020

ISRAEL CAPITAL CANADA CORP.

Condensed Interim Statements of Financial Position
(Expressed in Canadian dollars - Unaudited)

	Notes		April 30,2020		October 31, 2019
			(Unaudited)		(Audited)
ASSETS					
Current assets					
Cash held in trust		**$**	**130,066**	$	100,000
Prepaid expenses	9(a)		**15,000**		-
Total assets		**$**	**145,066**	$	100,000
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Accounts payable and accrued liabilities	4	**$**	**5,005**	$	5,383
Total liabilities			**5,005**		5,383
Shareholders' equity					
Share capital	5		**200,000**		100,000
Deficit			**(59,939)**		(5,383)
Total shareholders' equity			**140,061**		94,617
Total liabilities and shareholders' equity		**$**	**145,066**	$	100,000

Nature and continuance of operations (Note 1)
Subsequent Events (Note 9)

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

ISRAEL CAPITAL CANADA CORP.

Condensed Interim Statement of Loss and Comprehensive Loss
(Expressed in Canadian dollars - Unaudited)

		Three months ended April 30, 2020		Six months ended April 30, 2020
EXPENSES:				
Bank charges	$	**2**	$	**29**
Professional fees		**29,305**		**29,905**
Regulatory fees		**24,622**		**24,622**
Loss and comprehensive loss for the period	$	**(53,929)**	$	**(54,556)**
Net loss per share – Basic and Diluted	$	**-**	$	**-**
Weighted average shares outstanding – Basic and Diluted		**-**		**-**

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

ISRAEL CAPITAL CANADA CORP.

Condensed Interim Statement of Changes in Equity
(Expressed in Canadian dollars - Unaudited)

		Share Capital			
	Note	Shares	Amount	Deficit	Total Equity
Balance at August 15, 2019		-	$ -	$ -	$ -
Issuance of incorporation share		1	1	-	1
Cancellation of incorporation share		(1)	(1)	-	(1)
Issuance of shares for cash	5(b)	2,000,000	100,000	-	100,000
Net loss for the period		-	-	(5,383)	(5,383)
Balance at October 31, 2019		**2,000,000**	**100,000**	**(5,383)**	**94,617**
Issuance of shares for cash	5(b)	2,000,000	100,000	-	100,000
Net loss for the period		-	-	(54,556)	(54,556)
Balance at April 30, 2020		**4,000,000**	**$ 200,000**	**$ (59,939)**	**$ 140,061**

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

ISRAEL CAPITAL CANADA CORP.

Condensed Interim Statement of Cash Flows
(Expressed in Canadian dollars - Unaudited)

		Six months ended April 30, 2020
CASH FLOWS PROVIDED BY (USED IN) :		
OPERATING ACTIVITIES		
Net loss for the period	$	**(54,556)**
Changes in non-cash working capital items:		
Prepaid expenses		**(15,000)**
Accounts payable and accrued liabilities		**(378)**
Net cash used in operating activities		**(69,934)**
FINANCING ACTIVITIES		
Issuance of common shares, net		**100,000**
Net cash provided by financing activities		**100,000**
Change in cash during the period		**30,066**
Cash, beginning of period		**100,000**
Cash, end of period	$	**130,066**

Non-cash investing and financing activities:

Except for transactions disclosed elsewhere in the financial statements, there were no non-cash investing or financing activities during the period from November 1, 2019 to April 30, 2020.

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

1. NATURE OF BUSINESS AND GOING CONCERN

Israel Capital Canada Corp. (the "Company") was incorporated on August 15, 2019 under the Business Corporations Act (British Columbia). The Company is a Capital Pool Company ("CPC") as defined in the TSX Venture Exchange ("TSX-V") Policy 2.4 ("Policy 2.4") after completing its initial public offering on May 8, 2020. As a CPC, the Company's objective will be to identify and acquire either operating assets or a business, subject to regulatory approval, that meet the criteria of a Qualifying Transaction as defined by the TSX-V ("Qualifying Transaction"). Until such time that a Qualifying Transaction is completed, the Company will have no significant revenue and will incur expenses primarily for Qualifying Transaction investigation, TSX-V listing and filing requirements, professional services and office facilities and administration, subject to certain restrictions under Policy 2.4. Additional discussion on these restrictions is included in Note 8.

On May 8, 2020, the Company completed its Initial Public Offering ("IPO") on the TSX-V by raising $200,000 through the issuance of 2,000,000 common shares of the Company at $0.10 per share. The Company's common shares were approved for listing on the TSX-V on May 8, 2020 and commenced trading effective May 12, 2020 under the symbol "IL.P". (Note 9)

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue its existence.

The Company's registered office address is Suite 700, 838 West Hastings Street, Vancouver, BC, Canada, V6C 0A6.

These unaudited interim financial statements for the six month period ended April 30, 2020 were authorized for issue by the Board of Directors on August 12, 2020.

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. There are material uncertainties that may cast significant doubt about the appropriateness of the going concern assumption as the Company has not generated any revenues. The Company's continuing operations as intended are dependent upon the Company's ability to complete a QT as discussed above. Should the Company fail to complete a Qualifying Transaction, its ability to raise sufficient financing to maintain operations may be impaired, and accordingly, the Company may be unable to realize the carrying value of its net assets.

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. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time.

2. BASIS OF PRESENTATION

Statement of compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting" using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International

2. BASIS OF PRESENTATION (cont'd)

Accounting Standards Board ("IASB") and International Financial Reporting Interpretations Committee ("IFRIC"). It is suggested that these financial statements be read in conjunction with the Company's audited financial statements for the period from incorporation on August 31, 2019 to October 31, 2019.

Basis of measurement

These financial statements have been prepared on a historical cost basis and are presented in Canadian dollars, which is also the Company's functional currency. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Comparative information

As the Company was recently formed and incorporated, there are no comparative balances to report.

Significant estimates and assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments and the recoverability and measurement of deferred tax assets.

3. SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

Financial instruments consist of financial assets and financial liabilities and are initially recognized at fair value along with, in the case of a financial asset or liability not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit and loss.

The Company classifies its financial assets and financial liabilities in the following measurement categories:

i) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
ii) those to be measured at amortized cost.

The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at the end of subsequent accounting periods. All other financial assets are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

Financial instruments *(cont'd)*

Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at fair value through profit or loss (irrevocable election at the time of recognition).

The Company's financial instruments consist of cash, and accounts payable and accrued liabilities. The fair value of cash is measured at fair value through profit or loss and any changes to fair value subsequent to initial recognition are recorded in profit or loss for the period in which they occur. The Company's accounts payable and accrued liabilities are measured at amortized cost using the effective interest rate method. Interest expense is recorded to profit or loss, as applicable.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Impairment of financial assets

An 'expected credit loss' (ECL) model applies to financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. The Company's sole financial asset is cash and, accordingly, does not hold any financial assets measured at amortized cost.

Financing costs

Costs incurred to obtain equity financing are deducted from the value assigned to shares issued. When costs are incurred prior to the closing of a financing arrangement, these amounts are presented as a deferred asset until the financing has closed. When an expected financing arrangement does not occur, any deferred costs are recorded as an expense.

Share-based compensation

The Company may grant stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services similar to those performed by an employee.

Stock options granted to directors, officers and employees are measured at their fair values determined on their grant date, using the Black-Scholes option pricing model, and are recognized as an expense over the vesting periods of the options on a graded basis. Options granted to consultants or other non-insiders are measured at the fair value of goods or services received from these parties, or at their Black-Scholes fair values if the fair value of goods or services received cannot be measured. A corresponding increase is recorded to equity reserves for share-based compensation recorded.

When stock options are exercised, the cash proceeds along with the amount previously recorded as equity reserves are recorded as share capital. When the right to receive options is forfeited before the options have vested, any expense previously recorded is reversed.

Income taxes

Tax provisions are recognized when it is considered probable that there will be a future outflow of funds to a taxing authority. In such cases, a provision is made for the amount that is expected to be settled, where this can be reasonably estimated. This requires the application of judgment as to the ultimate outcome, which can change over time depending on facts and circumstances. A change in estimate of the likelihood of a future outflow and/or in the expected amount to be settled would be recognized in income in the period in which the change occurs.

3. SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

Income taxes (cont'd)

Deferred tax assets or liabilities, arising from temporary differences between the tax and accounting values of assets and liabilities, are recorded based on tax rates expected to be enacted when these differences are reversed. Deferred tax assets are recognized only to the extent it is considered probable that those assets will be recovered. This involves an assessment of when those deferred tax assets are likely to be realized, and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. This requires assumptions regarding future profitability and is therefore inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in respect of deferred tax assets as well as in the amounts recognized in income in the period in which the change occurs.

Tax provisions are based on enacted or substantively enacted laws. Changes in those laws could affect amounts recognized in income both in the period of change, which would include any impact on cumulative provisions, and in future periods.

(Loss) earnings per share

Basic (loss) earnings per share is calculated by dividing net (loss) earnings by the weighted average number of common shares outstanding during the period which excludes shares held in escrow. All escrow shares are considered contingently cancellable until the Company completes a Qualifying Transaction and, accordingly, are not considered to be outstanding shares for the purposes of the loss per share calculation.

Diluted (loss) earnings per share is determined by adjusting the earnings or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of dilutive instruments, which includes stock options, as if their dilutive effect was at the beginning of the period. The calculation of the diluted number of common shares assumes that proceeds received from the exercise of "in-the-money" stock options and common share purchase warrants are used to purchase common shares of the Company at their average market price for the period. In periods that the Company reports a net loss, any stock options or warrants outstanding are excluded from the calculation of diluted loss per share as their inclusion would be anti-dilutive.

Use of estimates and measurement uncertainties

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the measurements of assets, liabilities, revenues, expenses and certain disclosures reported in these financial statements. Significant estimates made by management include the following:

i) Income taxes

Provisions for income and other taxes are based on management's interpretation of taxation laws, which may differ from the interpretation by taxation authorities. Such differences may result in eventual tax payments differing from amounts accrued. Reported amounts for deferred tax assets and liabilities are based on management's expectation for the timing and amounts of future taxable income or loss, as well as future taxation rates. Changes to these underlying estimates may result in changes to the carrying value, if any, of deferred income tax assets and liabilities.

(Expressed in Canadian Dollars - Unaudited)

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		April 30, 2020		October 31, 2019
Trades payable	$	5,005	$	-
Accrued liabilities		-		5,383
	$	5,005	$	5,383

5. SHAREHOLDERS' EQUITY

a. Authorized

The Company is authorized to issue an unlimited number of common shares and preferred shares without par value.

b. Issued and outstanding

During the six months ended April 30, 2020, the Company issued:

- 2,000,000 common shares at a price of $0.05 per share for gross proceeds of $100,000 completing the issuance of the Seed Shares of the Company.

Upon completion of the IPO and reclassification of the Company as a CPC, the Seed Shares will be transferred to escrow and will be released ratably over an 18-36 month period following the completion of a Qualifying Transaction. Should a Qualifying Transaction not be completed within two years, then one-half of the Seed Shares may be subject to cancellation in accordance with policies of the TSX-V.

In accordance with the Company's accounting policy, weighted average number of shares outstanding excludes shares held in escrow. The Company's shares outstanding during the period from incorporation on August 15, 2019 to April 30, 2020 will be placed in escrow upon closing the IPO and will be contingently cancellable pending the completion of a Qualifying Transaction. As a result, these shares have been excluded from the calculation of basic and diluted loss per share.

During the period from incorporation on August 15, 2019 to October 31, 2019, the Company issued:

- 1 common share for $1.00 upon incorporation. The Company subsequently repurchased this share for the same amount and cancelled the common share; and
- 2,000,000 common shares at a price of $0.05 per share for gross proceeds of $100,000 (the "Seed Shares")

c. Stock options

On February 25, 2020, the Board of Directors adopted an incentive stock option plan which provides that the Board of Directors of the Corporation may from time to time, in its discretion, and in accordance with TSX-V regulations, grant to directors, officers, employees or management's company employees, and consultants to the Corporation, 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 at the time of closing of its IPO. Such options will be exercisable for a period of up to 10 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

6. RELATED PARTY TRANSACTIONS

Related parties include anyone having the authority and responsibility for planning, directing and controlling the Company and includes the directors and current executive officers and their close family members and enterprises which are controlled by them.

During the six months ended April 30, 2020, the officers and directors of the Company and one independent investor subscribed to 2,000,000 shares at a $0.05 per common share being 50% of the issued and outstanding shares on January 31, 2020.

During the period from August 15, 2019 (incorporation date) to October 31, 2019, the officers and directors of the Company either directly or indirectly subscribed to 2,000,000 shares at a $0.05 per common share being 100% of the issued and outstanding shares on October 31, 2019.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company has designated its accounts payable and accrued liabilities as financial liabilities at amortized cost.

a) Fair value

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

i) Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
ii) Level 2 - Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly; and
iii) Level 3 - Inputs for assets and liabilities that are not based on observable market data.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. The carrying value of cash has been measured at fair value using level 1 inputs. Accounts payable and accrued liabilities approximated their fair value because of the short-term nature of these instruments.

b) Financial risk management

Credit risk
Credit risk is the risk of loss arising from a customer or third party to a financial instrument failing to meet its contractual obligations. The Company limits exposure to credit risk by maintaining its cash with a major Canadian financial institution.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company ensures there is sufficient capital to meet short-term business requirements, after taking into account cash flows from operations and the Company's holdings of cash as well as anticipated proceeds from the IPO. The Company believes that these sources are sufficient to cover the likely short-term cash requirements, but that further funding will be required to meet long-term requirements. The Company's financial liabilities include trade payables that have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd)

b) Financial risk management (cont'd)

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and equity prices. As the Company does not currently hold and does not expect to hold interest-bearing financial instruments other than cash and cash equivalents, assets or liabilities denominated in a foreign currency, and marketable securities or other financial instruments subject to fluctuations in equity prices, it currently does not have and is not expected to have exposure to these market risks.

8. CAPITAL MANAGEMENT

Capital is composed of the Company's shareholders' equity and any debt that it may issue. As at April 30, 2020, the Company's shareholders' equity was $140,061 and it had current liabilities of $5,005. The Company's objectives when managing capital are to maintain financial viability and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements, and internally determined capital guidelines and calculated risk management levels.

The Company's current capital was received from the issuance of common shares. The net proceeds raised to date and those anticipated following the close of the IPO will only be sufficient to identify and evaluate a limited number of assets and businesses for the purpose of identifying and completing a Qualifying Transaction.

The Company is not subject to any externally imposed capital requirements other than the expenditure restrictions applicable under Policy 2.4, which will apply following the completion of the IPO. These expenditure restrictions limit the aggregate amount that the Company is permitted to spend on certain share issuance costs, professional fees, transfer agent fees, listing and filing fees and other general and administrative costs to the lesser of $210,000 or 30% of the gross proceeds from share issuances.

9. SUBSEQUENT EVENTS

a. Initial Public Offering

On May 8, 2020, the Company completed its IPO and issued 2,000,000 common shares at a price of $0.10 per share for gross proceeds of $200,000. On November 28, 2019, the Company entered into an agreement with Canaccord Genuity Corp. ("Canaccord") who acted as the Company's agent for the IPO. As compensation for agency services, Canaccord received a cash commission of 10% of the gross IPO proceeds, a $15,000 administration fee, reimbursement for out-of-pocket expenses, and agent's warrants (the "Agent's Warrants") to purchase up to 200,000 common shares. An advance of $15,000 was paid by the Company to Canaccord as a retainer against Canaccord's Expense. Each Agent's Warrant is exercisable to purchase an additional common share in the Company at a price of $0.10 for a 24-month period from the date the Company's common shares were listed on the TSX-V.

b. Stock Options

On May 8, 2020, the Company granted 400,000 stock options to directors of the Company. Each option is exercisable at a price of $0.10 for a period of five years expiring May 8, 2025.

9. SUBSEQUENT EVENTS (cont'd)

c. Charitable Stock Options

On May 8, 2020, the Company granted charitable stock options to a charity named Funding for Life Society to purchase an aggregate of up to 1% of the issued and outstanding common shares, being 60,000 common shares, exercisable at a price of $0.10 per common share for a period of the earlier of: May 8, 2025 and the 90th day following the date Funding for Life Society ceases to be an Eligible Charitable Organization, as such terms is defined in the TSX-V policies.

d. Private Placement

On June 18, 2020, the Company completed a non-brokered private placement of 1,181,333 common shares of the Company at a price of $0.15 per share for gross proceeds of $177,200. No finder's fees were paid in connection with the private placement.