

**ALPHA PEAK CAPITAL INC.
(FORMERLY ALPHA PEAK LEISURE INC.)**

Interim Condensed Financial Statements

For the three and nine months ended September 30, 2021 and 2020

(Expressed in Canadian dollars)
(Unaudited)

INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE AND NINE-MONTHS ENDED SEPTEMBER 30, 2021, AND 2020 (UNAUDITED)

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ALPHA PEAK CAPITAL INC. (FORMERLY ALPHA PEAK LEISURE INC.)

NOTICE OF NO AUDITOR REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim condensed financial statements, the statements must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of financial statements by an entity's auditor.

Management has prepared the information and representations in this interim report. The interim condensed financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting and, where appropriate, reflect management's best estimates and judgment. The financial information presented throughout this report is consistent with the data presented in the interim condensed financial statements. The Company maintains adequate systems of internal accounting and administrative controls, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that relevant and reliable financial information is produced.

"Carlo Rigillo"

Chief Financial Officer

October 8, 2021

ALPHA PEAK CAPITAL INC. (FORMERLY ALPHA PEAK LEISURE INC.)
INTERIM CONDENSED STATEMENTS OF FINANCIAL POSITION
AT SEPTEMBER 30, 2021
(Expressed in Canadian Dollars)

	Notes	September 30, 2021 (unaudited) \$	December 31, 2020 (audited) \$
ASSETS			
CURRENT			
Cash and cash equivalents		63,457	50,005
Trade and other receivables		-	33,892
Total current assets		63,457	83,897
Total assets		63,457	83,897
LIABILITIES			
CURRENT			
Accounts payables and accrued liabilities		5,650	13,887
Promissory notes payable	5	-	80,000
Total current liabilities		5,650	93,887
Total liabilities		5,650	93,887
EQUITY (DEFICIENCY)			
Share capital	7	64,132,017	63,992,017
Reserves		573,042	544,013
Deficit		(64,647,252)	(64,546,020)
Total equity (deficiency)		57,807	(9,990)
TOTAL LIABILITIES AND EQUITY (DEFICIENCY)		63,457	83,897

Going concern (Note 1)

Approved on October 8, 2021, on behalf of the Board:

"Zachary Goldenberg"

Zachary Goldenberg, Director

"Carlo Rigillo"

Carlo Rigillo, Director

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

ALPHA PEAK CAPITAL INC. (FORMERLY ALPHA PEAK LEISURE INC.)
INTERIM CONDENSED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2021
(Expressed in Canadian Dollars)
(Unaudited)

	Notes	For the three months ended September 30,		For the nine months ended September 30,	
		2021	2020	2021	2020
		\$	\$	\$	\$
Professional fees (recovery)	6	(4,330)	9,665	53,549	19,536
Share-based payments	7	8,543	-	29,029	-
Administrative expenses		660	3,386	18,654	12,209
Interest income		-	(1)	-	(309)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		4,873	13,050	101,232	31,436
Weighted average number of common shares					
Outstanding - Basic		8,531,463	7,207,707	7,893,996	7,207,707
Weighted average number of common shares					
Outstanding - Diluted		8,531,463	7,207,707	7,893,996	7,207,707
Basic Earning losses per common share		\$ 0.00	\$ 0.00	\$ 0.01	\$ 0.00
Diluted Earning losses per common share		\$ 0.00	\$ 0.00	\$ 0.01	\$ 0.00

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

ALPHA PEAK CAPITAL INC. (FORMERLY ALPHA PEAK LEISURE INC.)
INTERIM CONDENSED STATEMENTS OF CHANGES IN EQUITY (DEFICIENCY)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021
(Expressed in Canadian Dollars)
(Unaudited)

	Share Capital	Share Capital	Share option reserve	Accumulated losses	Total
	# of shares	\$	\$	\$	\$
At December 31, 2019	7,207,707	63,992,017	544,013	(64,491,389)	44,641
Net loss and comprehensive loss for the period	-	-	-	(31,436)	(31,436)
At September 30, 2020	7,207,707	63,992,017	544,013	(64,522,825)	13,205
At December 31, 2020	7,207,707	63,992,017	544,013	(64,546,020)	(9,990)
Issuance of shares for debt settlement	1,285,713	90,000	-	-	90,000
Issuance of shares for cash	500,000	50,000	-	-	50,000
Share-based payments - vesting of options	-	-	29,029	-	29,029
Net loss and comprehensive loss for the period	-	-	-	(101,232)	(101,232)
At September 30, 2021	8,993,420	64,132,017	573,042	(64,647,252)	57,807

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

ALPHA PEAK CAPITAL INC. (FORMERLY ALPHA PEAK LEISURE INC.)
INTERIM CONDENSED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021
(Expressed in Canadian Dollars)
(Unaudited)

	Notes	For the nine months ended September 30,	
		2021	2020
		\$	\$
OPERATING ACTIVITIES			
Net Loss		(101,232)	(31,436)
Changes in non-cash working capital balances			
Stock based compensation		29,029	-
Bank interest income		-	(309)
Accounts receivable		33,892	3,839
Accounts payable and accrued liabilities		1,763	(58,056)
Cash flow provided by (used in) operating activities		(36,548)	(85,962)
INVESTING ACTIVITIES			
Interest received		-	309
Change in cash during the period		13,452	(85,653)
Cash, beginning of the period		50,005	106,156
Cash, End of the period		63,457	20,503
SUPPLEMENTAL CASH FLOW INFORMATION			
Issuance of shares in lieu of debt forgiveness		90,000	-

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

1. BACKGROUND AND NATURE OF OPERATIONS

Alpha Peak Capital Inc. (formerly, Alpha Peak Leisure Inc.) (the "Company") was incorporated on June 24, 2011, under the British Columbia Business Corporation Act and commenced trading on the TSX Venture Exchange (the "TSXV") as a Capital Pool Company pursuant to TSXV Policy 2.4. The address of the Company's registered office is 1200 - 750 West Pender Street, Vancouver, BC V6C 2T8, Canada.

During the year ended December 31, 2019, the Company sold all of the shares of its wholly owned subsidiary Total Wonder Enterprises Limited ("TWEL") to certain shareholders of the Company (the "TWEL Sale") and completed a distribution of \$0.075 per common share (the "Distribution") by way of return of capital. After the completion of the TWEL Sale and the Distribution, the Company became a shell company with no active business and was transferred to the NEX board of the TSXV. On April 19, 2021, the Company's common shares were voluntarily delisted from trading on the TSXV and remains a reporting issuer in good standing in the Provinces of British Columbia and Alberta.

The financial statements are presented in Canadian Dollar ("CAD" or "\$"), which is the Company's functional currency and presentation currency.

During the year, there was the continued closures and restrictions from the global pandemic outbreak of COVID-19. The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and specifically, the regional economies in which the Company operates. The pandemic could continue to have a negative impact on the stock market. These factors, among others, could have a significant impact on the Company's operations. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

On May 3, 2021, the Company completed a share consolidation on the basis of 10 old shares for 1 new share (the "Consolidation"). The Consolidation has been retroactively presented in these financial statements and all share amounts, including per share amounts, reflect the share consolidations.

2. BASIC OF PREPARATION

Statement of compliance

The interim condensed financial statements of the Company have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting.

The interim condensed financial statements of the Company should be read in conjunction with the Company's 2020 annual consolidated financial statements that have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board.

Basis of measurement

These financial statements have been prepared under the historical cost basis, except for certain financial instruments, which are measured at fair value, as explained in the significant accounting policies (note 3). These financial statements have been prepared under the accrual basis of accounting, except for cash flow information.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim condensed 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 year ended December 31, 2020.

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Critical accounting estimates and judgments

Significant accounting judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements include but are not limited to the going concern assumption (Note 1).

4. ACCOUNTING STANDARDS AND INTERPRETATIONS

The following accounting standards and amendments are effective for future periods:

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

The amendments to IAS1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date.

These amendments are effective for reporting periods beginning on or after January 1, 2023.

5. PROMISSORY NOTES PAYABLE

On December 31, 2020, the Company entered into a promissory note agreement with a third party in the amount of \$80,000. The terms of the promissory note are non-interest bearing and payable on June 30, 2021. The funds are to be used for working capital purposes. On May 10, 2021, the Company entered into certain debt settlement agreements pursuant to which an aggregate of \$90,000 owing by the Company to five creditors was converted into an aggregate of 1,285,713 common shares of the Company at a price of \$0.07 per common share.

6. RELATED PARTY TRANSACTION

The Company's key management includes directors (executive and non-executive), the Chairman, the Chief Executive Officer and the Chief Financial Officer. The remuneration of the key management of the Company during the nine month-period ended September 30, 2021, and 2020 was as follows:

	For the nine-month period ended September 30,	
	2021	2020
	\$	\$
Directors fees	22,600	-
Share based payments	29,029	-

7. SHARE CAPITAL

(a) Authorised

Unlimited number of common shares without par value.

(b) Issued common shares

During the nine-month period ended September 30, 2021, as part of certain debt settlements as disclosed in Note (5), the Company issued an aggregate of 1,285,713 of common shares at a price of \$0.07. On September 23, 2021, the Company issued 500,000 common shares at \$0.10 per common share for \$50,000.

On May 3, 2021, the Company completed the Consolidation. The Consolidation has been retroactively presented in these financial statements and all share amounts, including per share amounts, reflect the share consolidations.

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(c) Share options

The Company adopted a share option plan on December 21, 2011, under which it can grant options to directors, officers, employees, and consultants for up to 10% of the issued and outstanding common shares.

As at September 30, 2021, 760,000 share options (December 31, 2020 - 32,000) of the Company were outstanding at an average exercise price of \$0.07 per underlying common share.

	Number of options	Weighted average exercise price
		\$
Balance December 31, 2020	32,000	1.00
Cancelled	(32,000)	(1.00)
Balance March 31, 2021	-	-
Granted	760,000	0.07
Balance September 30, 2021	760,000	0.07

8. **CAPITAL RISK MANAGEMENT**

Management's objective is to manage its capital to ensure that there are adequate capital resources to safeguard the Company's ability to continue as a going concern through the optimization of its capital structure. The capital structure consists of share capital and working capital.

In order to achieve this objective, management makes adjustments to it in light of changes in economic conditions and risk characteristics of the underlying assets. To maintain or adjust capital structure, management may invest its excess cash in interest bearing accounts of Canadian chartered banks and/or raise additional funds externally as needed. The Company is not subject to externally imposed capital requirements. The Company's management of capital did not change during the nine months ended September 30, 2021.

9. **FINANCIAL INSTRUMENTS**

Financial instruments are agreements between two parties that result in promises to pay or receive cash or equity instruments. The Company classifies its financial instruments as follows: cash, receivables, accounts payable and accrued liabilities and promissory notes payable as amortized cost. The carrying values of these instruments approximate their fair values due to their short term to maturity.

The Company has exposure to the following risks from its use of financial instruments:

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company manages credit risk, in respect of cash, by placing it at major Canadian financial institutions. The Company has minimal credit risk.

b) 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's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquid funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The contractual financial liabilities of the Company as of September 30, 2021, equal \$5,650 (December 31, 2020 - \$93,887). All of

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the liabilities presented as accounts payable and accrued liabilities are due within 30 days of September 30, 2021.

c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the return on capital.

- i) Currency risk* – Currency risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company does not hold substantial funds in a foreign currency and is not subject to significant currency risk.
- ii) Interest rate risk* – Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interest earned on cash is at nominal interest rates, and therefore, the Company does not consider interest rate risk to be significant. The Company has no interest-bearing financial liabilities.
- iii) Other price risk* – Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk. The Company is not exposed to significant other price risk.