

CREDENT CAPITAL CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED JULY 31, 2021 AND 2020
(Expressed in Canadian Dollars)

(Unaudited)

Notice of No Auditor Review

In accordance with National Instrument 51-102, the Company discloses that the accompanying condensed interim consolidated financial statements have been prepared by and are the responsibility of the Company's management. They have been reviewed and approved by the Company's Audit Committee and the Board of Directors.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Canadian Professional Accountants of Canada

CRECENT CAPITAL CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Expressed in Canadian Dollars)

	July 31, 2021 (unaudited)	April 30, 2021
ASSETS		
Current		
Cash	\$ 125,799	\$ 130,421
Taxes receivable	322	1,148
	\$ 126,121	\$ 131,569
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 8,982	\$ 8,904
Due to related parties (Note 3)	138,200	138,200
	147,182	147,104
EQUITY (DEFICIENCY)		
Share Capital (Note 4)	366,550	366,550
Share-based Payments Reserve	34,411	34,411
Deficit	(422,022)	(416,496)
	(21,061)	(15,535)
	\$ 126,121	\$ 131,569

Nature of Operations and Going Concern (Note 1)
Qualifying Transaction (Note 7)

These condensed interim consolidated financial statements were authorized for issue by the Board of Directors on September 30, 2021. They are signed on behalf of the Board of Directors by:

“John A. Versfelt”

Director

“Lonny Wong”

Director

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

CREDENT CAPITAL CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(Expressed in Canadian Dollars)
(Unaudited)

	FOR THE THREE MONTHS ENDED JULY 31	
	2021	2020
Expenses		
Consulting fees	\$ 630	\$ 1,176
Office	113	233
Professional fees	1,500	1,955
Rent (Note 3)	1,200	1,260
Transfer agent and filing fees	2,083	4,257
Net (Loss) Income And Comprehensive (Loss) Income For The Period	\$ (5,526)	\$ (8,881)
Basic And Diluted (Loss) Earnings Per Share	\$ (0.00)	\$ (0.00)
Weighted Average Number Of Shares Outstanding	3,150,000	3,150,000

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

CREDENT CAPITAL CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS (Expressed in Canadian Dollars) (Unaudited)

	FOR THE THREE MONTHS ENDED JULY 31	
	2021	2020
Cash Flows Used For Operating Activities		
Net (loss) income for the period	\$ (5,526)	\$ (8,881)
Changes in non-cash working capital items:		
Taxes receivable	826	-
Accounts payable and accrued liabilities	78	127
	<u>(4,622)</u>	<u>(8,754)</u>
Cash Flows Provided by Financing Activities		
Repayment of advances from related parties	-	(131,738)
	<u>-</u>	<u>(131,738)</u>
(Decrease) Increase In Cash	(4,622)	(140,492)
Cash, Beginning Of Period	130,421	158,629
Cash, End Of Period	\$ 125,799	\$ 18,137

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CREDENT CAPITAL CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIENCY)

FOR THE THREE MONTHS ENDED JULY 31, 2021 AND 2020
(Expressed in Canadian Dollars)

(Unaudited)

	SHARE CAPITAL		SHARE- BASED	DEFICIT	TOTAL
	NUMBER OF SHARES	AMOUNT	PAYMENTS RESERVE		EQUITY (DEFICIENCY)
Balance, April 30, 2020	4,250,000	366,550	34,411	(363,888)	37,073
Net loss for the period	-	-	-	(8,882)	(8,882)
Balance, July 31, 2020	4,250,000	\$ 366,550	\$ 34,411	\$ (372,770)	\$ 28,191
Balance, April 30, 2021	4,250,000	366,550	34,411	(416,496)	(15,535)
Net loss for the period	-	-	-	(5,526)	(5,526)
Balance, July 31, 2021	4,250,000	\$ 366,550	\$ 34,411	\$ (422,022)	\$ (21,061)

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

CRESENT CAPITAL CORP.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIODS ENDED JULY 31, 2021 AND 2020

(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Crescent Capital Corp. (the "Company") was incorporated under the *Business Corporations Act* (British Columbia) on March 25, 2011 and is classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange ("TSX-V" or the "Exchange"). The principal business of the Company is the identification, evaluation and negotiation for the acquisition of assets or a business ("Qualifying Transaction") subject to receipt of shareholder approval and acceptance by regulatory authorities for the purpose of obtaining a listing on the TSX-V and becoming an issuer (see Note 7).

During 2013, the Company was unable to complete a Qualifying Transaction in the time frame required by the TSX-V. Pursuant to TSX-V Policy 2.4, the Company requested and received majority shareholder approval to transfer its listing to the NEX Board of the TSX-V (NEX).

The Company's head office is located at 20 Sixth Street, New Westminster, British Columbia, Canada, V7L 3Y8. The Company's registered office is located at 20 Sixth Street, New Westminster, British Columbia, Canada, V7L 3Y8.

The Company had a net loss of \$5,526 during the three month period ended July 31, 2021 and, at that date, had a working capital deficiency of \$21,061. The ability of the Company to continue as a going concern involves a high degree of risk and there is no assurance that the Company will identify an appropriate business for acquisition or investment, and even if so identified and warranted, it may not be able to finance such acquisition or investment. Additional funds may be required to enable the Company to pursue such an initiative and the Company may be unable to obtain such financing on terms which are satisfactory to it. Further, there is no assurance that the businesses acquired will be profitable. All of these factors may cast significant doubt about the Company's ability to continue as a going concern. These condensed interim consolidated financial statements do not include adjustments that would be necessary should it be determined that the Company may be unable to continue as a going concern, and these adjustments could be material.

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. The impact on the Company has not been significant, but management continues to monitor the situation.

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NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIODS ENDED JULY 31, 2021 AND 2020

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards applicable to interim financial information, as outlined in International Accounting Standard (“IAS”) 34, “Interim Financial Reporting” and using the accounting policies consistent with those in the audited consolidated financial statements as at and for the year ended April 30, 2021.

These condensed interim consolidated financial statements do not include all disclosures normally provided in annual financial statements and should be read in conjunction with the annual consolidated financial statements as at and for the year ended April 30, 2021. Interim results are not necessarily indicative of the results expected for the fiscal year.

b) Recent Accounting Pronouncements

A number of new standards, and amendments to standards and interpretations, are not yet effective for the period ended July 31, 2021, and have not been applied in preparing these condensed interim consolidated financial statements. Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company’s consolidated financial statements.

3. RELATED PARTY TRANSACTIONS

As at April 30, 2020, \$131,739 was owed to an individual connected with Hydro Power Technologies Inc., which was non-interest bearing, unsecured, and carried no fixed terms of repayment. During the year ended April 30, 2021, the amount was repaid in full.

During the year ended April 30, 2021, the Company received a promissory note of \$139,000 from a company with a common director, and as at July 31, 2021, the balance owing was \$138,200 (April 30, 2021 - \$138,200). The promissory note is non-interest bearing, unsecured, and carries no fixed terms of repayment.

The Company leases office space from a company with a common director. During the period ended July 31, 2021, the Company paid office rent of \$1,200 (2020 - \$1,260) to this company.

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NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIODS ENDED JULY 31, 2021 AND 2020

(Expressed in Canadian Dollars)

4. SHARE CAPITAL

a) Authorized

Unlimited common shares, without par value

b) Issued

During the period ended July 31, 2021 and year ended April 30, 2021, no common shares were issued.

c) Shares held in escrow

As at July 31, 2021 and April 30, 2021, the Company had 1,100,000 shares held in escrow.

d) Stock Options and Warrants

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with TSX-V requirements, grant to directors, officers, employees and technical consultants of the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Such options will be exercisable for a period of up to 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

As at July 31, 2021 and April 30, 2021, no stock options and warrants were outstanding.

5. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support its Qualifying Transaction if and when a suitable acquisition is identified. If and when the Company identifies a suitable candidate for its Qualifying Transaction, the closing will be dependent on both funds already available and external financing to fund the acquisition.

The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements. There have been no changes to the Company's capital management policy in the period ended.

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NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIODS ENDED JULY 31, 2021 AND 2020

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6. FINANCIAL INSTRUMENTS

As of July 31, 2021, the Company is subject to the following risks with respect to its financial instruments:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. As the Company's cash is held in one bank, there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. As of July 31, 2021, the Company's exposure to credit risk is minimal.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's ability to continue to meet its liabilities when due, beyond the current cash balance, is dependent on future support of shareholders through equity offerings. There is no assurance of continued access to significant equity funding. As at July 31, 2021, the Company had cash of \$125,799 to settle liabilities of \$147,182 due within 12 months.

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or value of its holdings or financial instruments. The Company's activities have only been transacted in Canadian dollars since incorporation; in addition, the Company carries no interest-bearing debt. As such, the Company has minimal market risks facing it at present.

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7. QUALIFYING TRANSACTION

Hydro Power

On December 19, 2013, the Company entered into a non-binding letter of intent with Hydro Power Technologies, Inc. ("Hydro Power") (the "Hydro LOI"), a corporation existing under the laws of Ontario, Canada, which outlines the general terms and conditions pursuant to which the Company and Hydro Power will be willing to complete a transaction that will result in a reverse take-over of the Company by the shareholders of Hydro Power. As part of the qualifying transaction process, the Company entered into a sponsorship agreement with a qualified sponsor. Per this agreement, the Company was required to pay \$25,000 in sponsorship fees, pay additional related legal fees, and issue 50,000 shares of the resulting issuer. As at July 31, 2020, the Company had paid \$26,685 in related fees and prepaid additional sponsorship and legal fees of \$20,425. These deferred financing changes were included in prepaids during fiscal year 2020.

In May 2020, the Company and Hydro Power agreed to terminate the Hydro LOI. Pursuant to the Hydro LOI, Hydro Power had placed \$70,000 with the Company's legal counsel in trust to cover legal expenses in connection with the qualifying transaction. During the year ended April 30, 2021, and in advance of the formal termination agreement, the remaining balance in the trust account in the amount of \$49,755 was transferred to the Company and has been recognized as a gain on termination of qualifying transaction. During the year ended April 30, 2021, the prepaid sponsorship and legal fees of \$20,425 were expensed by the Company.

Good Gamer

On January 26, 2021, the Company entered into an amalgamation agreement (the "Definitive Agreement") with Good Gamer Corp. (the "Target" or "Good Gamer"), a British Columbia based fantasy sports and Esports real-money gaming platform, and 1285860 B.C. Ltd. (the "Crescent Sub"), a wholly owned subsidiary of the Company, whereby Crescent will acquire all of the issued and outstanding securities of Good Gamer (the "Proposed Transaction"). The Proposed Transaction will be a reverse takeover of the Company by the Target and its shareholders.

The Proposed Transaction will be effected by way of a three-cornered amalgamation among the Company, Good Gamer, and Crescent Sub. Pursuant to the Proposed Transaction, holders of the issued and outstanding common shares of the Target (the "Target Shares") will receive one Crescent Share for each Target Share held (the "Exchange Ratio"). It is anticipated that approximately 40,414,088 Crescent Shares will be issued under the Proposed Transaction (consisting of 30,414,088 currently issued Good Gamer Shares and 10,000,000 Good Gamer Shares issuable on conversion of the Subscription Receipts). Pursuant to the Proposed Transaction, all existing securities convertible into Target Shares shall be exchanged, based on the Exchange Ratio, for similar securities to purchase Crescent Shares on substantially similar terms and conditions.

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(Expressed in Canadian Dollars)

7. QUALIFYING TRANSACTION (continued)

Good Gamer (continued)

In connection with the Proposed Transaction, Good Gamer completed a private placement of 10,000,000 subscription receipts at a price of \$0.40 per subscription receipt for proceeds of \$4,000,000 (the "Subscription Recipients").

On or immediately prior to the completion of the Proposed Transaction, it is anticipated that: (i) the Company will effect a name change to such name as may be determined by the Target; and (ii) the Company will consolidate the issued and outstanding common shares in the capital of the Company on 1-for-5 basis (the "Credent Shares").

Prior to closing of the Proposed Transaction, the Company is to settle \$84,800 of the \$139,000 corporate indebtedness by issuing 212,000 post-consolidation Credent Shares (the "Debt Conversion"). Upon closing, the 212,000 post-consolidation Credent Shares issued under the Debt Conversion will be held in escrow.

In conjunction with closing of the Proposed Transaction, the Company will issue 1,000,000 common shares and 1,000,000 share purchase warrants to an arm's length party as a finder's fee, subject to Exchange approval.