

Soleil Capital Corp.
Condensed Interim Financial Statements
For the three months ended February 28, 2017

NOTICE OF NO AUDITOR REVIEW OF INTERIM 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 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 and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these condensed interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Professional Accountants for a review of interim financial statements by the entity's auditor.

Soleil Capital Corp.
Condensed Interim Statements of Financial Position
As at

	February 28, 2017 (unaudited)	November 30, 2016 (Audited)
Assets		
Current		
Cash	\$ 918,165	\$ 103,475
Deferred financing costs <i>(Note 5)</i>	-	22,525
Total Assets	\$ 918,165	\$ 126,000
Liabilities		
Current		
Accounts payable and accruals	1,800	6,000
Shareholders' Equity		
Share capital <i>(Note 6)</i>	\$ 870,604	\$ 120,000
Contributed surplus <i>(Note 6)</i>	170,940	-
Deficit	(125,179)	-
	916,365	120,000
Total Liabilities and Shareholders' Equity	\$ 918,165	\$ 126,000

Nature of operations *(Note 1)*

Approved on behalf of the Board

(signed) Michael Labiak
Director

(signed) Michael Thomson
Director

Soleil Capital Corp.
Condensed Interim Statement of Net Loss and Comprehensive Loss
For the three month period ended,

February 28, 2017

Expenses

General and administrative	\$	17,073
Share-based compensation <i>(Note 6)</i>		108,106
Loss and comprehensive loss for the period	\$	125,179

Basic and diluted loss per share	(0.03)
Weighted average common shares outstanding <i>(Note 6)</i>	3,666,667

Soleil Capital Corp.
Condensed Interim Statement of Changes in Shareholders' Equity
For the period from incorporation on October 19, 2016 to February 28, 2017

	Share Capital (\$)	Contributed Surplus (\$)	Deficit (\$)	Shareholders' Equity (\$)
As at incorporation on October 19, 2016	-	-	-	-
Share issuance (Note 6)	120,000	-	-	120,000
As at November 30, 2016	120,000	-	-	120,000
Share issuance (Note 6)	750,604	-	-	750,604
Option issuance (Note 6)	-	170,940	-	170,940
Net loss and comprehensive loss	-	-	(125,179)	(125,179)
As at February 28, 2017	870,604	170,940	(125,179)	916,365

Soleil Capital Corp.
Condensed Interim Statement of Cash Flows
For the three month period ended February 28, 2017

Cash provided by (used in) the following activities:

Operating Activities

Net loss and comprehensive loss	\$ (125,179)
Accounts payable and accruals	(4,200)
Share-based payment expense	108,106
Fair value of charitable options	6,468
Cash used in operating activities	<u>(14,805)</u>

Financing activities

Issuance of common shares, net of cash issuance costs (Notes 5,6)	829,495
Cash provided by financing activities	<u>829,495</u>

Increase in cash resources	814,690
Cash resources, beginning of period	103,475
Cash resources, end of period	<u>\$ 918,165</u>

1. Incorporation and operations

Soleil Capital Corp. (the "Company") was incorporated on October 19, 2016 by Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (British Columbia). The Company is classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange"). The principal business of the Company is to identify and evaluate assets or businesses with a view to potentially acquire them or an interest therein by completing a purchase transaction, by exercising of an option or by any concomitant transaction. The purpose of such an acquisition is to satisfy the related conditions of a qualifying transaction under the Exchange rules. The head office and registered office of the Company is located at 301 – 1665 Ellis Street, Kelowna, British Columbia, V1Y 2B3.

The Company issued 2,400,000 common shares for an amount of \$120,000 and on December 19, 2016 the Company's prospectus for an Initial Public Offering ("IPO") of the Company's common shares was receipted by the regulatory authorities. The IPO closed on January 26, 2017 and a total of 10,000,000 common shares were issued at a price of \$0.10 per common share. The Company's shares commenced trading on January 30, 2017 under the symbol SOLE.P.

Where an acquisition or participation is warranted, additional funding may be required. The ability of the Company to fund its potential future operations and commitments is dependent upon the ability of the Company to obtain additional financing.

There is no assurance that the Company will identify a business or asset that warrants acquisition or participation within the time limitations permissible under the policies of the Exchange, at which time the Exchange may suspend or de-list the Company's shares from trading.

The condensed interim financial statements of the Company for the period ended February 28, 2017 were authorized for issue in accordance with a resolution of the directors on April 11, 2017.

2. Basis of preparation

Statement of compliance

The condensed interim financial statements for the period ended February 28, 2017 have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), including IAS 34 Interim Financial Reporting. These condensed interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the Company's November 30, 2016 financial statements

Basis of measurement

These condensed interim financial statements are stated in Canadian dollars and were prepared on a going concern basis, under the historical cost convention, except for certain cash flow information and share based compensation.

Use of estimates and judgments

The preparation of condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. Areas where estimates are significant to the condensed interim financial statements are disclosed in Note 4

Functional and presentation currency

These condensed interim financial statements are presented in Canadian dollars, which is the Company's functional currency.

3. Significant accounting policies

These condensed interim financial statements have been prepared, for all periods presented, following the same accounting policies and methods of computation as the financial statement for period ended November 30, 2016.

Accounting standards issued but not yet applied

The Company has reviewed amendments to accounting pronouncements that have been issued but are not yet effective, and determined that the following may have a future impact on the Company.

IFRS 9 Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments which replaces IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes requirements for recognition and measurement, impairment, de-recognition and general hedge accounting. IFRS 9 is effective for annual period beginning on or after January 1, 2018.

IFRS 15 Revenue from Contracts with Customers

In May 2014, the International Accounting Standards Board ("IASB") issued IFRS 15 Revenue from Contracts with Customers which specifies how and when an entity will recognize revenue as well as requiring entities to provide users of financial statements with more informative, relevant disclosures. IFRS 15 is effective for annual period beginning on or after January 1, 2018.

IFRS 16 Leases

In January 2016, the IASB issued IFRS 16 Leases which replaces the previous leases standard, IAS 17 Leases. IFRS 16 eliminates the classification of leases as either operating leases or finance leases as is required by IAS 17 and, instead, introduces a single lessee accounting model. Lessors continue to classify leases as operating leases or finance leases, and account for those two types of leases differently. IFRS 16 is effective for periods beginning on or after January 1, 2019.

4. Significant accounting estimates and assumptions

Estimates

The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the amounts recognized in the financial statements are:

Fair value of financial instruments

The estimated fair value of financial assets and liabilities, by their very nature, are subject to measurement uncertainty.

Taxes

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Judgements

Financial instruments

The Company is required to classify its various financial instruments into certain categories for the financial

instruments' initial and subsequent measurement. This classification is based on management's judgement as to the purpose of the financial instrument and to which category is most applicable.

Taxes

The Company recognizes deferred tax assets to the extent that it is probable that future taxable profits will be available to utilize the Company's deductible temporary differences which are based on management's judgement on the degree of future taxable profits. To the extent that future taxable profits differ significantly from the estimates impacts the amount of the deferred tax assets management judges is probable.

Stock options

The Company records stock-based payments based on management's judgement regarding timing of completion of the Qualifying Transaction.

5. Deferred financing costs

Deferred financing costs, consisting of professional and agency fees, were incurred for the public offering (Note 6). As the shares were issued during the period ended February 28, 2017, the balance was reclassified from deferred financing costs to share issuance costs.

6. Share capital

Authorized

Unlimited number of Class A voting Common Shares, without nominal or par value
 Unlimited number of Class B non-voting Preferred shares issuable in series

Issued Common Shares

	Number of Shares	\$
Issued on incorporation on October 19, 2016	1	-
Issued for cash (i)	2,399,999	120,000
As at November 30, 2016	2,400,000	120,000
Issued for cash (ii)	10,000,000	1,000,000
Share issuance costs (ii)	-	(249,396)
As at February 28, 2017	12,400,000	870,604

- i) During the period ended November 30, 2016, the Company issued 2,400,000 common shares of the Company at a price of \$0.05 per share.
- ii) During the period ended February 28, 2017, the Company completed its initial public offering and raised gross proceeds of \$1,000,000 through the issuance of 10,000,000 common shares at a price of \$0.10 per share. Included in share issuance costs is \$56,366 of costs related to agent options.

6. Share capital (continued from previous page)

Escrow

The Company has 2,400,000 common shares subject to an escrow agreement whereby 10% of the shares will be released from escrow upon the issuance of the Final Exchange Bulletin. An additional 15% of the escrowed common shares will be released on each six-month anniversary thereafter unless otherwise permitted by the Exchange. Common shares issued upon the exercise of options held by officers and directors are subject to the same escrow conditions to the extent of options exercised prior to the completion of a Qualifying Transaction.

Stock options

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 the Exchange requirements, grant to directors, officers, employees and consultants to 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. However, other than in connection with a Qualifying Transaction (as defined in Exchange Policy 2.4), during the time that the Company is a CPC, the aggregate number of common shares issuable upon exercise of all options granted under the Option Plan shall not exceed 10% of the common shares of the Company issued and outstanding at the closing of the Company's initial public offering. Such options will be exercisable for a period of up to ten years from the date of grant.

	Number of options	Weighted average
	(#)	exercise price
		(\$)
As at November 30, 2016	-	-
Issued to directors and officers	1,170,000	0.10
Issued to agents	1,000,000	0.10
Issued to charitable organization	70,000	0.10
As at February 28, 2017	2,240,000	0.10

The Black-Scholes option pricing model was used to estimate the fair value of options on the date of grant using the following assumptions:

	Expi ry (year)	Risk- free interest rate (%)	Expected life (years)	Expected dividend yield (%)	Expected volatility (%)	Forfeiture Rate (%)
Directors and officers	2026	1.50	10.0	0.0	110	0.0
Agent	2018	0.80	2.0	0.0	110	0.0
Charity	2026	1.50	10.0	0.0	110	0.0

The fair value of the options granted to charitable organizations of \$6,468 has been included in general and administrative expenses on the statement of net loss and comprehensive loss. The fair value of the options granted to directors and officers of \$108,106 is included in share-based payment expense on the statement of net loss and comprehensive loss.

7. Capital disclosures

The Company's capital consists of share capital. The Company's objective for managing capital is to maintain sufficient capital to identify, evaluate and complete an acquisition or other transaction as disclosed in Note 1.

The Company sets the amount of capital in relation to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets.

The Company's objectives when managing capital are:

- i. to maintain a flexible capital structure, which optimizes the cost of capital at acceptable risk; and,
- ii. to maintain investor, creditor and market confidence in order to sustain the future development of the business.

The Company is not subject to any externally or internally imposed capital requirements at period end.

8. Financial instruments

The Company, as part of its operations, carries financial instruments consisting of cash and accounts payable and accruals. It is management's opinion that the Company is not exposed to significant credit, interest, or currency risks arising from these financial instruments except as otherwise disclosed.

Fair value

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. The Company classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

- Level 1: Fair value measurements are those derived from quoted prices (unadjusted) in the active market for identical assets or liabilities.
- Level 2: Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
- Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

The fair value of cash is determined on level 1 inputs. The carrying amount of cash and accounts payable and accruals approximates their fair values due to the short-term maturities of these items.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at February 28, 2017, the Company had a cash balance of \$918,165 to cover liabilities of \$1,800.

8. Financial instruments *(continued from previous page)*

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 commodity and equity prices.

i. Interest rate risk

The Company has cash balances and no interest-bearing debt

ii. Foreign currency risk

The Company does not have assets or liabilities in foreign currency.

iii. Commodity risk

The Company is not exposed to commodity price risk.