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**FOCUSED CAPITAL II CORP.  
(A CAPITAL POOL COMPANY)  
CONDENSED INTERIM FINANCIAL STATEMENTS  
THREE MONTHS ENDED SEPTEMBER 30, 2017  
(EXPRESSED IN CANADIAN DOLLARS)  
(UNAUDITED)**

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**NOTICE TO READER**

The accompanying unaudited condensed interim financial statements of Focused Capital II Corp. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements have not been reviewed by the Company's auditors.

**Focused Capital II Corp.**  
**Condensed Interim Statements of Financial Position**  
**(Expressed in Canadian Dollars)**  
**(Unaudited)**

	As at September 30, 2017	As at June 30, 2017
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 418,382	\$ 423,122
Prepays and other assets	1,413	1,413
<b>Total assets</b>	<b>\$ 419,795</b>	<b>\$ 424,535</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 12,193	\$ 9,658
<b>Total liabilities</b>	<b>12,193</b>	<b>9,658</b>
<b>Equity</b>		
Share capital (note 3)	643,779	643,779
Contributed surplus	125,001	125,001
Deficit	(361,178)	(353,903)
<b>Total equity</b>	<b>407,602</b>	<b>414,877</b>
<b>Total liabilities and equity</b>	<b>\$ 419,795</b>	<b>\$ 424,535</b>

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

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**Focused Capital II Corp.****Condensed Interim Statements of Comprehensive Loss****(Expressed in Canadian Dollars)****(Unaudited)**

	<b>Three Months Ended September 30,</b>	
	<b>2017</b>	<b>2016</b>
<b>Expenses</b>		
General and administrative (note 6)	\$ 7,275	\$ 4,768
<b>Net loss and comprehensive loss for the period</b>	<b>\$ (7,275)</b>	<b>\$ (4,768)</b>
<b>Basic and diluted net loss for the period (note 5)</b>	<b>\$ (0.01)</b>	<b>\$ (0.00)</b>
<b>Weighted average number of common shares outstanding</b>	<b>1,250,000</b>	<b>1,250,000</b>

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

**Focused Capital II Corp.**  
**Condensed Interim Statements of Changes in Equity**  
**(Expressed in Canadian Dollars)**  
**(Unaudited)**

	<u>Share Capital</u>				
	Number of shares	Amount	Contributed surplus	Deficit	Total
<b>Balance, June 30, 2016</b>	5,000,000	\$ 643,779	\$ 125,001	\$ (298,634)	\$ 470,146
Net loss and comprehensive loss for the period	-	-	-	(4,768)	(4,768)
<b>Balance, September 30, 2016</b>	5,000,000	\$ 643,779	\$ 125,001	\$ (303,402)	\$ 465,378

	<u>Share Capital</u>				
	Number of shares	Amount	Contributed surplus	Deficit	Total
<b>Balance, June 30, 2017</b>	5,000,000	\$ 643,779	\$ 125,001	\$ (353,903)	\$ 414,877
Net loss and comprehensive loss for the period	-	-	-	(7,275)	(7,275)
<b>Balance, September 30, 2017</b>	5,000,000	\$ 643,779	\$ 125,001	\$ (361,178)	\$ 407,602

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

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**Focused Capital II Corp.**  
**Condensed Interim Statements of Cash Flows**  
**(Expressed in Canadian Dollars)**  
**(Unaudited)**

	<b>Three Months Ended</b>	
	<b>September 30,</b>	
	<b>2017</b>	<b>2016</b>
<b>Operating activities</b>		
Net loss for the period	\$ (7,275)	\$ (4,768)
Non-cash working capital items:		
Accounts payable and accrued liabilities	2,535	553
<b>Net cash used in operating activities</b>	<b>(4,740)</b>	<b>(4,215)</b>
<b>Net change in cash</b>	<b>(4,740)</b>	<b>(4,215)</b>
<b>Cash, beginning of period</b>	<b>423,122</b>	<b>478,466</b>
<b>Cash, end of period</b>	<b>\$ 418,382</b>	<b>\$ 474,251</b>

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

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## **Focused Capital II Corp.**

### **Notes to Condensed Interim Financial Statements**

**Three Months Ended September 30, 2017**

**(Expressed in Canadian Dollars)**

**(Unaudited)**

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#### **1. Business of the Company**

Focused Capital II Corp. (the "Company") was incorporated pursuant to the provisions of the *Business Corporations Act* (Ontario) on July 13, 2011.

The Company is classified as a Capital Pool Company as defined pursuant to Policy 2.4 ("Policy 2.4") of the TSX Venture Exchange (the "Exchange"). The Company's principal purpose is the identification and evaluation of assets or businesses with a view to acquisition or participation therein subject to acceptance by the Exchange and in certain cases shareholders' approval.

On December 31, 2013, the common shares of the Company were suspended from trading on the Exchange for failure to complete a Qualifying Transaction within 24 months from the date of its listing on the Exchange pursuant to Policy 2.4. The Exchange gave the Company until April 2, 2014 (90 days) to complete a Qualifying Transaction or receive the necessary shareholder approvals to transfer to the NEX trading board of the Exchange. On March 26, 2014, the Company received shareholder approval to (i) cancel one-half of its seed shares (being 1,250,000 common shares) purchased by Non-Arm's Length Parties (as such term is defined by the Exchange), and (ii) apply to transfer the listing of the Company's common shares from the Exchange to the NEX trading board of the Exchange. On March 31, 2014, 1,250,000 seed shares held by Non-Arm's Length Parties were cancelled and on April 9, 2014, the Company's listing was transferred to the NEX trading board, and the Company's stock symbol changed from FAV.P to FAV.H.

These unaudited condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The unaudited condensed interim financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

These unaudited condensed interim financial statements were authorized for issue by the Board of Directors on October 25, 2017.

The Company's head office and registered and records office address is 1 Adelaide Street East, 21st Floor, Toronto, Ontario, Canada M5C 2V9.

#### **2. Significant accounting policies**

##### *Statement of compliance*

The Company applies IFRS as issued by the International Accounting Standards Board. These unaudited condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, these unaudited condensed interim financial statements do not include all of the information and footnotes required by IFRS for complete financial statements for year end reporting purposes.

##### *Basis of presentation*

The accounting policies and methods applied by the Company in these unaudited condensed interim financial statements are the same as those applied by the Company in its most recent annual financial statements as at and for the year ended June 30, 2017.

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. In the current circumstances, it does not expect any of these to have a material impact on the unaudited condensed interim financial statements.

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## Focused Capital II Corp.

Notes to Condensed Interim Financial Statements  
Three Months Ended September 30, 2017  
(Expressed in Canadian Dollars)  
(Unaudited)

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### 3. Share capital

#### a) Authorized share capital

At September 30, 2017, the authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

#### b) Common shares issued

At September 30, 2017, the issued share capital amounted to \$643,779. The change in issued share capital for the periods were as follows:

	Number of Common Shares	Amount
Balance, June 30, 2016 and September 30, 2016	5,000,000	\$ 643,779
Balance, June 30, 2017 and September 30, 2017	5,000,000	\$ 643,779

The Company has a diversified base of investors. To the knowledge of the Company, there were no shareholders who held or controlled more than 10% of the Company's common shares.

### 4. Stock options

The Company issued stock options to acquire common shares as follows:

	Number of Stock Options	Weighted Average Exercise Price (\$)
Balance, June 30, 2016 and September 30, 2016	625,000	0.20

	Number of Stock Options	Weighted Average Exercise Price (\$)
Balance, June 30, 2017 and September 30, 2017	450,000	0.20

The following table reflects the actual stock options issued and outstanding as of September 30, 2017:

Expiry Date	Exercise Price (\$)	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (Exercisable)	Number of Options Unvested
December 20, 2021	0.20	4.22	450,000	450,000	-

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## Focused Capital II Corp.

### Notes to Condensed Interim Financial Statements

Three Months Ended September 30, 2017

(Expressed in Canadian Dollars)

(Unaudited)

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#### 5. Net loss per share

The calculation of basic and diluted loss per share for the three months ended September 30, 2017 was based on the loss attributable to common shareholders of \$7,275 (three months ended September 30, 2016 - loss of \$4,768) and the weighted average number of common shares outstanding of 1,250,000 (three months ended September 30, 2016 - 1,250,000).

Diluted loss per share did not include the effect of 450,000 stock options (September 30, 2016 - 625,000) as they are anti-dilutive.

The seed common shares are considered contingently returnable until the Company completes a Qualifying Transaction and accordingly, they are not considered to be outstanding shares for purposes of loss per share calculations.

#### 6. General and administrative

	Three Months Ended September 30,	
	2017	2016
Administrative	\$ 566	\$ 471
Professional fees and disbursements	4,303	1,981
Transfer agent, listing and filing fees	2,406	2,316
	<u>\$ 7,275</u>	<u>\$ 4,768</u>

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