

**Ring the Bell Capital Corp
(A Capital Pool Company)**

**Financial Statements
(Expressed in Canadian Dollars)**

December 31, 2017

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Ring the Bell Capital Corp.

We have audited the accompanying financial statements of Ring the Bell Capital Corp., which comprise the statement of financial position as at December 31, 2017, and the statements of comprehensive loss, changes in shareholders' equity, and cash flows for the period from incorporation on June 28, 2017 to December 31, 2017, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Ring the Bell Capital Corp. as at December 31, 2017 and its financial performance and its cash flows for the period from incorporation on June 28, 2017 to December 31, 2017 in accordance with International Financial Reporting Standards.



Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about Ring the Bell Capital Corp.'s ability to continue as a going concern.

“DAVIDSON & COMPANY LLP”

Vancouver, Canada

Chartered Professional Accountants

April 13, 2018

RING THE BELL CAPITAL CORP.
(A Capital Pool Company)

STATEMENT OF COMPREHENSIVE LOSS

(Expressed in Canadian Dollars)

Period from Incorporation on June 28, 2017 to December 31, 2017

Expenses

Professional fees	\$	8,500
Registration and filing		5,650
Office and miscellaneous		389

Total expenses (14,539)

Loss and comprehensive loss \$ (14,539)

Loss per common share \$ (0.01)

Weighted average number of common shares outstanding 1,626,922

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

RING THE BELL CAPITAL CORP.
(A Capital Pool Company)
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

	Share Capital		Deficit	Total
	Shares	Amount		
Incorporation shares	20	\$ 1	\$ –	\$ 1
Shares issued for cash	4,700,000	235,000	–	235,000
Loss for the period	–	–	(14,539)	(14,539)
Balance, December 31, 2017	4,700,020	\$ 235,001	\$ (14,539)	\$ 220,462

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

RING THE BELL CAPITAL CORP.
(A Capital Pool Company)
STATEMENT OF CASH FLOWS
(Expressed in Canadian Dollars)
Period from Incorporation on June 28, 2017 to December 31, 2017

	2016
CASH FLOWS FROM OPERATING ACTIVITIES	
Loss for the period	\$ (14,539)
Changes in non-cash working capital items:	
Accounts payable and accrued liabilities	8,500
Net cash used in operating activities	(6,039)
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from share issuances	235,001
Deferred financing costs	(16,780)
Net cash provided by financing activities	218,221
Change in cash	212,182
Cash, beginning of the period	–
Cash, end of the period	\$ 212,182

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

1. NATURE OF OPERATIONS

Ring the Bell Capital Corp. (the "Company") was incorporated under the Canada Business Corporations Act on June 28, 2017. The Company completed its Initial Public Offering ("IPO") on March 6, 2018 and is classified as a Capital Pool Company ("CPC") as defined by the TSX Venture Exchange ("TSX-V") (Note 9). The principal business of the Company is the identification and evaluation of assets or a business ("Qualifying Transaction") and, once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities.

The Company's head office, principal address and registered and records office is located at Suite 4100, 66 Wellington Street West, Toronto, Ontario, Canada, M5K 1B7.

These financial statements were authorized for issue by the Board of Directors on April 13, 2018.

These financial statements have been prepared 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 Company's continuing operations, as intended, are dependent upon its ability to identify, evaluate and negotiate an acquisition of, a participation in or an interest in properties, assets or businesses within 24 months of listing on the TSX-V.

There is no assurance that the Company will complete a Qualifying Transaction within twenty-four months from the date the Company's shares are listed on the TSX-V, at which time the TSX-V may suspend or de-list the Company's shares from trading.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. These financial statements have been prepared on a historical cost basis, except for financial instruments classified at fair value through profit or loss, which are stated at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Significant Accounting Estimates and Judgments

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There have been no significant judgements made by management in the application of IFRS that have a significant effect on these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Deferred financing costs

Costs directly identifiable with the raising of capital will be charged against the related share capital. Costs related to shares not yet issued are recorded as deferred financing costs. These costs will be deferred until the issuance of the shares to which the costs relate, at which time the costs will be charged against the related share capital or charged to operations if the shares are not issued.

Financial Instruments

Financial assets

The Company classifies its financial assets into one of the following categories as follows:

Fair value through profit or loss - This category comprises derivatives and financial assets acquired principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss. The Company classifies cash as fair value through profit or loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortized cost using the effective interest method less any provision for impairment.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method less any provision for impairment.

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized in other comprehensive income (loss).

Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from accumulated other comprehensive income (loss) and recognized as a profit or loss.

All financial assets except those measured at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is objective evidence of impairment as a result of one or more events that have occurred after initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

Financial liabilities

The Company classifies its financial liabilities into one of two categories as follows:

Fair value through profit or loss - This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities: This category consists of liabilities carried at amortized cost using the effective interest method, and includes accounts payable and accrued liabilities.

As at December 31, 2017, the Company does not have any derivative financial assets and liabilities.

2. SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case the income tax is also recognized directly in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

In general, deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except, in the case of subsidiaries, where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets and liabilities are presented as non-current.

Loss per Share

Basic earnings (loss) per share is computed by dividing net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants and convertible loan, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and the convertible loans were converted and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. For the periods presented, the calculations proved to be anti-dilutive.

3. NEW ACCOUNTING STANDARDS NOT YET ADOPTED

IFRS 9 Financial Instruments ("IFRS 9") was issued by the IASB on July 24, 2014 and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 utilizes a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Final amendments released on July 24, 2014 also introduce a new expected loss impairment model and limited changes to the classification and measurement requirements for financial assets. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. The Company has assessed that this standard will not have a significant impact on its financial statements.

4. DEFERRED FINANCING COSTS

The Company has entered into a Letter Agreement with Richardson GMP Limited (the "Agent") dated October 16, 2017 whereby the Company agreed to offer, through the Agent, a minimum of 3,000,000 common shares at a price of \$0.10 per share (Note 9). At December 31, 2017 the Company had paid \$16,780 to the Agent which has been recorded as deferred financing costs.

5. SHARE CAPITAL

Authorized: an unlimited number of common shares with no par value.

Issued: 4,700,020 common shares.

On incorporation, dated June 28, 2017, the Company issued 20 shares for \$1. The Company issued an additional 4,700,000 shares at a price of \$0.05 per share for gross proceeds of \$235,000 pursuant to a private placement. All common shares issued are subject to escrow restrictions upon the completion of the IPO and will be released from escrow in tranches over 36 months from its listing on the TSX-V.

6. FINANCIAL RISK MANAGEMENT

The Company is exposed to a variety of risks related to financial instruments. The Board approves and monitors the risk management processes. The principal types of risk exposure and the way in which they are managed are as follows:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The Company has deposited the cash with its bank from which management believes the risk of loss is remote.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when due. Accounts payable and accrued liabilities are due within the current operating period. The Company has a sufficient cash balance to settle current liabilities.

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 the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

The Company's operations and financing activities are conducted in Canadian dollars and as a result, the Company is not subject to significant exposure to market risks from changes in foreign currency rates.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is currently not exposed to any interest rate risk as cash is held in a non-interest bearing account and the Company does not hold any interest bearing liabilities.

Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either

6. FINANCIAL RISK MANAGEMENT, CONTINUED

directly or indirectly; and

- Level 3 - Inputs that are not based on observable market data.

The fair value of the Company's accounts payable and accrued liabilities approximates their carrying value because of the short-term nature of the financial instruments. The Company's cash is measured at fair value using Level 1 inputs.

7. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which will allow it to pursue the completion of a Qualifying Transaction. Therefore, the Company monitors the level of risk incurred in its expenditures relative to its capital structure.

The Company considers its capital structure to consist of components of shareholders' equity. The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the potential underlying assets. To maintain or adjust the capital structure, the Company may issue new equity if available on favourable terms and approved by the TSX-V.

As a CPC, the Company is subject to externally imposed cash restrictions as outlined in TSX-V Policy 2.4. The proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or \$235,000 may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company.

8. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

Loss before income taxes	\$ (14,539)
Expected income tax-recovery	4,000
Unrecognized benefit of non-capital losses	(4,000)
Total income tax recovery	\$ -

In September 2017, the British Columbia (BC) Government proposed changes to the general corporate income tax rate to increase the rate from 11% to 12% effective January 1, 2018 and onwards. This change in tax rate was substantively enacted on October 26, 2017. The relevant deferred tax balances have been remeasured to reflect the increase in the Company's combined Federal and Provincial (BC) general corporate income tax rate from 26% to 27%.

The significant components of the Company's unrecognized tax assets are as follows:

Non-capital loss carryforwards	\$ 14,000
--------------------------------	-----------

The Company has available for deduction against future taxable income non-capital losses of approximately \$14,000. These losses, if not utilized, will expire in 2037.

RING THE BELL CAPITAL CORP.
(A Capital Pool Company)

Notes to the Financial Statements
(Expressed in Canadian Dollars)
As at December 31, 2017

9. SUBSEQUENT EVENTS

- i. On March 6, 2018 the Company completed its IPO for 8,000,000 common shares of the Company at a price of \$0.10 per share (the "Offering") for gross proceeds of \$800,000. In connection with the Offering the Company paid the Agent a commission equal to 10% of the gross funds raised from the Offering and a corporate finance fee of \$12,000, of which \$6,000 was previously paid. The Company has also granted the Agent warrants to acquire up to an aggregate of 800,000 common shares of the Company at a price of \$0.10 per common share exercisable at any time prior to March 6, 2020. The Company has granted the Agent the right of participation to provide up to twenty five percent of any further brokered equity financing expiring twelve months after the completion of the Company's Qualifying Transaction.

The common shares were listed on the TSX-V and commenced trading on March 9, 2018 under the stock symbol RTB.P.

- ii. The Company granted the directors and officers 1,000,000 incentive stock options exercisable at \$0.10 upon closing of the Offering, expiring on March 6, 2023.