

Green Rise Capital Corporation

Condensed Interim Financial Statements
(Unaudited)

September 30, 2018

(expressed in Canadian dollars)

Notice of No Auditor Review of Condensed Interim Financial Statements

Under National Instrument 51-102, Continuous Disclosure Obligations, if an auditor has not performed a review of condensed interim financial statements, they must be accompanied by a notice indicating that such financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of Green Rise Capital Corporation (the Corporation) have been prepared by and are the responsibility of the Corporation's management. The Corporation's independent auditor has not performed a review of these condensed interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of condensed interim financial statements by an entity's auditor.

Green Rise Capital Corporation
Condensed Interim Statement of Financial Position
(Unaudited)

(expressed in Canadian dollars)

	September 30, 2018	December 31, 2017
	\$	\$
Assets		
Current assets		
Cash	467,159	625,203
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	23,128	150,424
Shareholders' Equity		
Share capital (note 4)	621,442	621,442
Contributed surplus (notes 7 and 8)	24,050	24,050
Deficit	(201,461)	(170,713)
	444,031	474,779
	467,159	625,203

General information (note 1)

Approved by the Board of Directors

"Lal Narang"

Lal Narang, Director

"Vincent Narang"

Vincent Narang, Director

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

Green Rise Capital Corporation

Condensed Interim Statement of Net Loss and Comprehensive Loss

(Unaudited)

(expressed in Canadian dollars)

	Three months ended September 30, 2018 \$	Three months ended September 30, 2017 \$	Nine months ended September 30, 2018 \$	Period from June 9, 2017 to September 30, 2017 \$
Revenue	-	-	-	-
Expenses				
Professional fees	10,616	9,900	30,748	9,900
Loss for the period before income taxes	(10,616)	(9,900)	(30,748)	(9,900)
Provision for income taxes	-	-	-	-
Net loss and comprehensive loss for the period	(10,616)	(9,900)	(30,748)	(9,900)
Loss per share - basic and diluted	-	-	-	-
Weighted average number of shares outstanding	11,375,000	1,096,386	11,375,000	1,096,386

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

Green Rise Capital Corporation

Condensed Interim Statement of Changes in Shareholders' Equity (Unaudited)

(expressed in Canadian dollars)

	Number of shares	Amount \$	Contributed surplus \$	Deficit \$	Total \$
Balance – January 1, 2018	11,375,000	621,442	24,050	(170,713)	474,779
Net loss and comprehensive loss for the period	-	-	-	(30,748)	(30,748)
Balance – September 30, 2018	<u>11,375,000</u>	<u>621,442</u>	<u>24,050</u>	<u>(201,461)</u>	<u>444,031</u>
Balance – June 9, 2017	-	-	-	-	-
Shares issued during the period	9,100,000	455,000	-	-	455,000
Net loss and comprehensive loss for the period	-	-	-	(9,900)	(9,900)
Balance – September 30, 2018	<u>9,100,000</u>	<u>455,000</u>	<u>-</u>	<u>(9,900)</u>	<u>445,100</u>

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

Green Rise Capital Corporation
 Condensed Interim Statement of Cash Flows
 (Unaudited)

(expressed in Canadian dollars)

	Nine months ended September 30, 2018 \$	Period from June 9, 2017 to September 30, 2017 \$
Cash provided by (used in)		
Operating activities		
Net loss and comprehensive loss for the period	(30,748)	(9,900)
Changes in non-cash working capital items		
Accounts payable and accrued liabilities	(127,296)	4,250
	<u>(158,044)</u>	<u>(5,650)</u>
Financing activities		
Issuance of shares for cash consideration	<u>-</u>	<u>455,000</u>
Increase/(decrease) in cash during the period	(158,044)	449,350
Cash - Beginning of period	<u>625,203</u>	<u>-</u>
Cash - End of period	<u>467,159</u>	<u>449,350</u>

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

1 Organization and nature of operations

Green Rise Capital Corporation (the Corporation or Green Rise) was incorporated on June 9, 2017 under the Business Corporations Act (Ontario) and is domiciled in Canada. The Corporation's head office is located at 199 Bay Street, Suite 400, Toronto, Ontario, Canada M5L 1A9. Its common shares are listed on the TSX Venture Exchange (the Exchange) trading under the symbol "GRCC".

The principal business of the Corporation is the identification and evaluation of assets or businesses for the purpose of completing a qualifying transaction.

2 Basis of presentation

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim financial statements should be read in conjunction with the audited annual financial statements for the period ended December 31, 2017. These condensed interim financial statements were approved by the board of directors on November 29, 2018.

3 Summary of significant accounting policies

The significant accounting policies adopted by the Corporation in the preparation of its condensed interim financial statements are set out below.

Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention.

Foreign currency translation

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

Per share information

Basic earnings per share are computed by dividing the net earnings or loss attributable to shareholders of the Corporation by the weighted average number of shares outstanding during the period. Diluted earnings per share, where applicable, are calculated by adjusting the weighted average number of common shares outstanding for dilutive instruments by applying the treasury stock method.

Accounting standards, interpretations and amendments to existing standards not yet effective

The Corporation does not believe that any recently issued, but not yet effective, accounting standards if currently adopted would have a material effect on the accompanying condensed interim financial statements.

Cash

Cash includes cash held in trust by the Corporation's legal counsel.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Corporation prior to the end of the financial period, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period-end. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

Income taxes

The Corporation follows the asset and liability method of accounting for income taxes. Income tax is recognized in profit or loss except to the extent it relates to items recognized in equity, in which case the income tax is also recognized in equity. Current tax assets and liabilities are recognized at the amount expected to be paid or received from tax authorities using rates enacted or substantively enacted at the date of the condensed interim statement of financial position. Deferred tax assets and liabilities are recognized at the tax rates enacted or substantively enacted at the date of the condensed interim statement of financial position for the years that an asset is expected to be realized or a liability is expected to be settled. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be generated and available for the asset to be utilized against. As at September 30, 2018 and December 31, 2017, no deferred tax asset has been recognized, as it is not probable that future taxable profit will be generated.

Share-based compensation

The fair value of warrants and stock options awarded is measured at the date granted using the Black-Scholes option pricing model and charged to the condensed interim statement of net loss and comprehensive loss as it vests.

Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issuance of shares are recognized as a deduction from equity.

Critical accounting judgments, estimates and assumptions

The preparation of these condensed interim financial statements requires the Corporation to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates and assumptions affect the Corporation's reported amounts of assets, liabilities, revenues and other items in net earnings, and the related disclosure of contingent assets and liabilities, if any. The Corporation evaluates its estimates on an ongoing basis. Such estimates are based on historical experience and on various other assumptions that the Corporation believes are reasonable under the circumstances, and these estimates form the basis for making judgments about the carrying value of assets and liabilities and the reported amounts of

revenues and other items in net earnings that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Standard adopted

On January 1, 2018, the Corporation adopted the new rules under IFRS 9, Financial Instruments (IFRS 9), which simplifies the measurement and classification of financial assets by reducing the number of measurement categories in International Accounting Standard 39, Financial Instruments - Recognition and Measurement. The new standard also provides for a fair value option in the designation of a non-derivative financial liability and its related classification and measurement, as well as for a new hedge accounting model more closely aligned with risk management activities undertaken by entities. Under the new rules, the Corporation's financial assets and financial liabilities are all subsequently measured at amortized cost. The adoption of IFRS 9 by the Corporation had no impact on the condensed interim financial statements.

4 Share capital

The Corporation is authorized to issue an unlimited number of shares of one class designated as common shares, without nominal or par value.

Issued and outstanding as at September 30, 2018 and December 31, 2017

	Shares	Amount \$
Common shares issued at \$0.05 per share	9,100,000	455,000
Common shares issued at \$0.10 per share	2,275,000	227,500
Transaction costs	-	(61,058)
	11,375,000	621,442

On June 9, 2017 and August 21, 2017, the Corporation issued 1 common share and 9,099,999 common shares, respectively, at \$0.05 per share for total consideration of \$455,000. On November 29, 2017, the Corporation completed its initial public offering and sold 2,275,000 common shares at a price of \$0.10 per share for gross proceeds of \$227,500, net of transaction costs of \$61,058, including broker warrants of \$13,937. All proceeds are held in trust. The proceeds raised may only be used to identify and evaluate assets or business for future investment, with the exception that not more than the lesser of 30% of the gross proceeds realized or \$210,000 may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Corporation. These restrictions may apply until completion of a qualifying transaction by the Corporation as defined under the policies of the Exchange.

5 Financial instruments

The Corporation's financial instruments consist of cash and accounts payable and accrued liabilities, all of which are classified as loans and receivables. These amounts are recognized initially at fair value and subsequently measured at amortized cost. The fair value of these amounts approximates their carrying value.

Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Corporation to concentrations of credit risk consist of cash.

Liquidity risk

Liquidity risk is the risk the Corporation will not have the financial resources required to meet its financial obligations as they come due. The Corporation manages this risk by ensuring it has sufficient cash on hand to meet obligations as they come due by forecasting cash flows from operations, cash required for investing activities and cash from financing activities. As at September 30, 2018, the Corporation had cash of \$467,159, which pursuant to Policy 2.4 of the Exchange and subject to the exception described in note 4, is restricted to settle liabilities arising from its activities related to the identification and evaluation of assets or businesses for the purpose of completing a qualifying transaction. The Corporation is not subject to significant liquidity risk.

6 Capital management

The Corporation's capital currently consists of common shares. The Corporation's capital management objectives are to safeguard its ability to continue as a going concern and to have sufficient capital to be able to identify, evaluate and then acquire an interest in assets or businesses. The Corporation does not have any externally imposed capital requirements to which it is subject, except as described in note 4. The Corporation manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Corporation may attempt to issue new shares.

7 Warrants

The warrants outstanding as at September 30, 2018 and December 31, 2017 are set out below:

Exercise price \$	Number	Value \$
0.10	182,000	13,937
0.10	182,000	13,937

Pursuant to the completion of the initial public offer, which closed on November 29, 2017, the Corporation issued to Haywood Securities Inc. a total of 182,000 share purchase warrants exercisable at a price of \$0.10 per share and expiring 24 months from the closing date of the offering. All warrants are exercisable on issuance, as there are no vesting conditions attached. The fair value of these warrants was estimated using the Black-Scholes option pricing model with the following weighted average assumptions:

- risk-free interest rate of 1.43%;
- expected dividend yield of nil%;
- expected volatility of 100%; and
- expected term of two years,

which yielded an estimated weighted average fair value of \$0.08 per warrant.

On October 10, 2018, 13,960 share purchase warrants were exercised. Pursuant to the exercise, 13,960 common shares of the Corporation were issues for an aggregate purchase price of \$1,369.

8 Share-based compensation

The options outstanding as at September 30, 2018 and December 31, 2017 are set out below:

Exercise price \$	Number	Value \$
0.10	100,000	10,113
0.10	100,000	10,113

Pursuant to the completion of the initial public offer, which closed on November 29, 2017, the Corporation issued a director 100,000 share purchase options exercisable at a price of \$0.10 per share and expiring five years from the closing date of the offering. All options are exercisable on issuance, as there are no vesting conditions attached. The fair value of these warrants was estimated using the Black-Scholes option pricing model with the following weighted average assumptions:

- risk-free interest rate of 1.43%;
- expected dividend yield of nil%;
- expected volatility of 100%;
- expected term of five years; and
- expected forfeiture rate of 0%,

which yielded an estimated weighted average fair value of \$0.10 per option.

9 Related party transactions

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Corporation, directly or indirectly. Key management personnel include the Corporation's executive officers and members of its board of directors. The Corporation did not incur any related party transactions during the three and nine month periods ended September 30, 2018.