DELIC CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS
AS AT AND FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020

DELIC CORP.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT
(Unaudited - Expressed in US dollars)

AS AT	Note		September 30, 2020		December 31, 2019
ASSETS					
Current					
Cash		$	226,082	$	691,298
Accounts receivable	7		46,801		-
Total current assets			272,883		691,298
Fixed assets	4		3		3
Total assets			272,886		691,301
LIABILITIES AND SHAREHOLDERS' DEFICIT					
Current					
Accounts payable and accrued liabilities		$	51,597	$	51,344
Convertible loans	**6**		-		850,000
Total liabilities			51,597		901,344
Shareholders' equity (deficit)					
Share capital		5	378,100		100
Reserves		5	29,888		-
Accumulated deficit			(186,699)		(210,143)
Total shareholders' equity (deficit)			221,289		(210,043)
Total liabilities and shareholders' equity (deficit)		$	272,886	$	691,301

Note 1 - Nature of Operations and Going Concern

On behalf of the Board of Directors on November 26, 2020

/s/ Jackee Stang

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

DELIC CORP.
CONDENSED INTERIM STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
(Unaudited - Expressed in US dollars)

	Note	For the three months ended September 30, 2020	For the three months ended September 30, 2019	For the nine months ended September 30, 2020	For the initial period from incorporation on March 7, 2019 to September 30, 2019
REVENUE					
Sales revenue		$ 588	$ -	$ 73,552	$ -
Refunds		(1,500)	-	(1,500)	-
Net sales		(912)	-	72,052	-
COST OF SALES		5,000	-	5,000	-
GROSS PROFIT		(5,912)	-	67,052	-
EXPENSES					
Advertising and promotion		25,305	8,985	111,597	9,295
Contractors		55,978	13,765	105,221	19,182
Professional fees		10,435	22,954	46,923	22,954
Website development		15,799	15,250	40,333	29,859
General and administrative		(929)	2,934	20,092	5,282
Share-based payments	5	29,888	-	29,888	-
Total expenses		(136,476)	(63,887)	(354,054)	(86,571)
Loss before other item		$ (135,888)	$ (63,887)	$ (287,002)	$ (86,571)
Other item:					
Interest income		-	300	1,440	300
Gain on debt conversion	6	309,006	-	309,006	-
Income (loss) and comprehensive loss for the period		$ 173,118	$ (63,587)	$ 23,444	$ (86,271)
Basic and diluted income (loss) per common share		$ 0.58	$ (0.76)	$ 0.08	$ (1.03)
Weighted average number of common shares outstanding		300,000	83,808	300,000	83,808

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

DELIC CORP.
CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
(Unaudited - Expressed in US dollars)

		Share Capital				
	Note	**Number**	**Amount**	**Reserves**	**Deficit**	**Total**
Balance, March 7, 2019		-	$ -	$ -	$ -	$ -
Incorporators shares	5	97,000	97	-	-	97
Shares issued for acquisition	5	3,000	3	-	-	3
Net loss for the period		-	-	-	(86,271)	(86,271)
Balance, September 30, 2019		100,000	$ 100	$ -	(86,271)	$ (86,171)
Balance, December 31, 2019		100,000	$ 100	$ -	$ (210,143)	$ (210,043)
Shares issued on conversion of convertible loans	5	74,600	140,994	-	-	140,994
Shares issued upon private placement	5	125,400	237,006	-	-	237,006
Share-based payments	5	-	-	29,888	-	29,888
Net loss for the period		-	-	-	23,444	23,444
Balance, September 30, 2020		300,000	$ 378,100	$ 29,888	$ (186,699)	$ 221,289

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

DELIC CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited - Expressed in US dollars)

	For the nine months ended September 30, 2020	For the initial period from incorporation on March 7, 2019 to September 30, 2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss) for the period	$ 23,444	$ (86,271)
Share-based payments	29,888	-
Gain on debt conversion	(309,006)	-
	(255,674)	(86,271)
Changes in non-cash working capital items:		
Accounts receivable	(46,801)	-
Accounts payable and accrued liabilities	253	11,861
Cash used in operating activities	(302,222)	(74,410)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds received from/repayment of convertible loan	(400,000)	850,000
Proceeds received from issuance of shares	237,006	100
Cash provided by (used in) financing activities	(162,994)	850,100
Change in cash during the period	(465,216)	775,690
Cash, beginning of period	691,298	-
Cash, end of period	$ 226,082	$ 775,690

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Delic Corp. (the "Company") was incorporated in Delaware on March 7, 2019. The Company's office is located at 77 W. Washington Street, Chicago, IL, 60602. The Company specializes in education, content and events about psychoactive compounds.

On October 21, 2020, the Company entered into a definitive agreement with Molystar Resources Inc. ("Molystar") and Eception Ventures Ltd. ("Eception") pursuant to which the Company, Molystar and Eception completed a business combination pursuant to which Molystar would acquire the Company and Eception (the "Amalgamation"). Concurrent with the Amalgamation, the Company and Molystar completed a subscription receipt financing by issuing 17,377,500 subscription receipts at $0.20 per subscription receipt for gross proceeds of $3,475,500 (the "Private Placement"). The Amalgamation and Private Placement is together known as the transaction (the "Transaction"), whereby the shareholders of the Company became shareholders of the combined entity (the "Resulting Company") with the Resulting Company common shares being listed on the Canadian Securities Exchange (the "CSE"). Molystar and Eception's principal business activity is the identification and evaluation of companies, assets or businesses with a view to completing a business transaction.

The Resulting Company will continue to carry on the business of the Company, under the new name "Delic Holdings Inc.". The Transaction is an arm's length transaction and constituted a reverse takeover of Molystar by the Company pursuant to policies of the CSE.

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the Company's environment and in the global markets, possible disruption in supply chains, and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on the Company's activities. The extent of the impact of this outbreak and related containment measures on the Company's activities cannot be reliably estimated at the date of approval of these financial statements.

To date, the Company has incurred losses and further losses are anticipated as the Company further develops its business. The continuing operations of the Company are dependent upon its ability to generate profitable operations in the future, and to continue to secure additional financing. There can be no assurance that the Company will be successful in its efforts to raise additional financing or if financing is available that it will be on terms that are acceptable to the Company. The Company anticipates it has sufficient funding for the ensuing 12 months.

2. BASIS OF PRESENTATION

Statement of Compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

These condensed interim financial statements follow the same accounting policies and methods of application as the Company's audited financial statements for the year ended December 31, 2019. The policies applied in these condensed interim financial statements are based on IFRS issued as of the date the Board of Directors approved the financial statements. These condensed interim financial statements should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2019.

2. BASIS OF PRESENTATION (continued)

These condensed interim financial statements are presented in US dollars and all financial amounts, other than per-share amounts, are rounded to the nearest dollar. The functional currency of the Company is the US dollar.

a. Basis of measurement

These condensed interim financial statements have been prepared using the measurement basis specified by IFRS for each type of asset, liability, revenue and expense.

b. Significant judgments, estimates and assumptions

The preparation of the Company's 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 and disclosures of contingent assets and liabilities at the date of the condensed interim financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

Critical judgements exercised in applying accounting polices that have the most significant effect on the amounts recognized in the financial statements are as follows:

Determination of functional currency

The Company determines the functional currency through an analysis of several indicators such as expenses and cash flow, financing activities, retention of operating cash flows, and frequency of transactions within the reporting entity.

Going concern

The preparation of the condensed interim financial statements requires management to make judgments regarding the going concern of the Company as previously discussed in note 1.

Impairment of long-lived assets

The Company performs impairment testing annually for long-lived assets as well as when circumstances indicate that there may be impairment for these assets. Management judgement is involved in determining if there are circumstances indicating that testing for impairment is required, and in identifying cash generating units ("CGU") for the purpose of impairment testing.

The Company assesses impairment by comparing the recoverable amount of a long-lived asset, CGU, or CGU group to its carrying value. The recoverable amount is defined as the higher of: (i) value in use; or (ii) fair value less cost to sell. The determination of the recoverable amount involves management judgement and estimation. These estimates and assumptions could affect the Company's future results if the current estimates of future performance and fair values change.

Estimation Uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty that could impact the carrying amount of assets and liabilities:

2. BASIS OF PRESENTATION (continued)

b. Significant judgments, estimates and assumptions (continued)

Depreciation and amortization

The Company's equipment and finite-life intangible assets are depreciated and amortized using the straight-line method, taking into account the estimated useful lives of the assets and residual values. Changes to these estimates may affect the carrying value of these assets, net earnings, and comprehensive income (loss) in future periods.

Income taxes

Provisions for income 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 originally recorded, such differences will affect the tax provisions in the period in which such determination is made.

3. NEW ACCOUNTING POLICY

Revenue recognition

The Company's revenue is comprised of revenue from ticket sales and sponsorships for industry events that focus on facilitating education on psychedelics. In accordance with IFRS 15 *Revenue from Contracts with Customers*, the Company uses the following five-step contract-based analysis of transactions to determine if, when and how much revenue can be recognized:

1. Identify the contract with a customer;
2. Identify the performance obligation(s) in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligation(s) in the contract; and
5. Recognize revenue when or as the Company satisfies the performance obligation(s).

Revenue from the sale of tickets and sponsorship is recognized when the event, organized by the Company, has been completed as the Company generally satisfies its performance obligation upon completion of the events.

4. ACQUISITION

On May 15, 2019, the Company entered into an asset purchase agreement with Evolver Holdings, Inc. (the "Agreement") whereby the Company acquired trademarks and a website (the "Assets") through the issuance of 3,000 common shares of the Company. The fair value of the common shares issued to acquire the Assets is determined to be $3 as at December 31, 2019.

5. SHARE CAPITAL

a. Authorized Share Capital

The Company is authorized to issue the following:

1,000,000 common shares with a par value of $0.001; and
1,000,000 preferred shares with a par value of $0.001.

b. Shares Issued

Period ended September 30, 2020:

The Company repaid the convertible loans, described in Note 6, and satisfied certain equity obligations under such loans, through a cash repayment of $400,000 and the issuance of 74,600 common shares. As part of the conversion, the Company recognized a gain of $309,006 in the condensed interim statement of income and comprehensive income for the period.

The Company issued 125,400 common shares at a price of $1.89 for gross proceeds of $237,006.

Period ended December 31, 2019:

The Company issued 97,000 incorporation shares at a deemed price of $0.001 for a total value of $100.

The Company issued 3,000 common shares at a deemed price of $0.001 for a total value of $3 pursuant to the asset purchase agreement described in Note 4.

c. Reserves

The Company entered into a consulting agreement (the "Agreement") in exchange for investor relations and consulting services in conjunction with the Proposed Transaction. The terms of the Agreement are such that the consultant will receive common shares of the Company accrued monthly at $7,472 per month. Accordingly, the Company has recognized $29,888 as share-based payments in the condensed interim statement of income and comprehensive income.

6. CONVERTIBLE LOANS

During the period ended December 31, 2019, the Company issued convertible loans for gross proceeds of $850,000. The convertible loans are non-interest bearing, unsecured and due eighteen months following the date of issuance.

The convertible loans are convertible into a variable number of the Company's preferred or common shares subject to underlying events pursuant to the convertible loan agreements. As a result of the variable number of shares on conversion, management has determined that the convertible loans contain an embedded derivative. The Company is unable to determine the fair value of the embedded derivatives due to the uncertainty of the underlying events. As a result, no value has been allocated to the embedded derivatives. The convertible loans were converted during the period (Note 5).

7. RELATED PARTY TRANSACTIONS

Related party transactions not otherwise described in these condensed interim financial statements are shown below. The remuneration of the Company's directors and other members of key management include the President and CFO who have the authority and responsibility for planning, directing and controlling the activities of the Company.

During the nine months ended September 30, 2020, the Company paid $18,684 (2019 - $Nil) to the CFO of the Company. These amounts, including other costs associated with the Company's public listing, are reimbursable from Molystar once the Proposed Transaction is completed.

8. FINANCIAL INSTRUMENTS

The Company is exposed to certain financial risks as listed below. There has been no change in the exposure to risk, nor its objectives, policies and processes for managing the risk from the prior year. Disclosures relating to exposure to risks, in particular credit risk, liquidity risk, foreign exchange risk and interest rate risk are provided below.

Fair Values

At September 30, 2020, the Company's financial assets and liabilities approximate fair value due to their short-term to maturity

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are not observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

Assets and liabilities measured at fair value on a recurring basis are presented on the Company's statement of financial position as at September 30, 2020 as follows:

	Fair Value Measurements Using			
	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $	Balance as at June 30, 2020 $
Cash and cash equivalent	226,082	–	–	226,082
Accounts receivable	46,801	–	–	46,801

The fair values of other financial instruments, which include accounts payable, approximate their carrying values due to the nature and relatively short-term maturity of these instruments.

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's financial instruments that are exposed to concentrations of credit risk are primarily cash and shareholder loans. The Company limits its exposure to credit risk with respect to cash by investing available cash with major US banks. Management's assessment of the Company's exposure to credit risk is low.

The Company's cash is not subject to any external restrictions.

8. FINANCIAL INSTRUMENTS (continued)

Liquidity Risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. As at September 30, 2020, the Company has working capital of $221,286 (2019 - $639,954, excluding convertible loans of $850,000). The Company may seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2020, the Company had cash of $226,082 (2019 - $691,298) and accounts payable and accrued liabilities of $51,597 (2019 - $51,344).

Market Risk

Market risk incorporates a range of risks. Movements in risk factors, such as market price risk and currency risk, affect the fair values of financial assets and liabilities. At September 30, 2020, the Company is not exposed to significant market risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk is minimal.

9. CAPITAL MANAGEMENT

As at September 30, 2020, the Company's capital is composed of shareholders' equity. The Company's primary objectives, when managing its capital, are to maintain adequate levels of funding to support operations of the Company and to maintain corporate and administrative functions.

The Company defines capital as items included in shareholders' equity, consisting of the issued common stock. The capital structure of the Company is managed to provide sufficient funding for operating activities. Funds are primarily secured through a combination of equity capital raised by way of private placements and short-term debt. There can be no assurances that the Company will be able to continue raising equity capital and short-term debt in this manner. The Company invests all capital that is surplus to its immediate needs in short-term, liquid and highly rated financial instruments, such as cash and other short-term deposits, which are all held with major financial institutions.

There were no changes to the Company's approach to capital management during the period ended September 30, 2020. The Company is not subject to external capital requirements.