

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(MARK ONE)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarter ended September 30, 2020

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 001-38417

OPES ACQUISITION CORP.

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

82-2418815

(I.R.S. Employer
Identification No.)

**4218 NE 2nd Avenue
Miami, Florida 33137**

(Address of principal executive offices)

(305) 573-3900

(Issuer's telephone number)

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|-------------------|---|
| Units, each consisting of one share of common stock and one redeemable warrant | OPESU | The Nasdaq Stock Market LLC |
| Common stock, par value \$0.0001 per share | OPES | The Nasdaq Stock Market LLC |
| Redeemable warrants, each exercisable for one share of common stock at an exercise price of \$11.50 per share | OPESW | The Nasdaq Stock Market LLC |

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See definitions of "large accelerated filer", "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer Smaller reporting company
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of November 12, 2020, 7,862,572 shares of common stock, par value \$0.0001 per share, were issued and outstanding.

OPES ACQUISITION CORP.
FORM 10-Q FOR THE QUARTER ENDED SEPTEMBER 30, 2020

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PART I - FINANCIAL INFORMATION

OPES ACQUISITION CORP.
CONDENSED BALANCE SHEETS

| | September 30, 2020 (unaudited) | December 31, 2019 |
|--|--------------------------------------|-----------------------------|
| ASSETS | | |
| Current Assets | | |
| Cash | \$ 10,962 | \$ 17,862 |
| Prepaid income taxes | 215,073 | 67,045 |
| Prepaid expenses | 19,125 | 10,278 |
| Total Current Assets | <u>245,160</u> | <u>95,185</u> |
| Deferred tax asset | 77,423 | 52,268 |
| Marketable securities held in Trust Account | <u>48,401,503</u> | <u>94,541,286</u> |
| TOTAL ASSETS | <u>\$ 48,724,086</u> | <u>\$ 94,688,739</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities | | |
| Account payable and accrued expenses | \$ 725,718 | \$ 329,552 |
| Advance from related party | — | 56,194 |
| Total Current Liabilities | <u>725,718</u> | <u>385,746</u> |
| Convertible promissory notes | 1,123,131 | 719,904 |
| Promissory notes – related parties | <u>1,642,599</u> | <u>630,795</u> |
| Total Liabilities | <u>3,491,448</u> | <u>1,736,445</u> |
| Commitments | | |
| Common stock subject to possible redemption, 3,764,625 and 8,363,100 shares at redemption value as of September 30, 2020 and December 31, 2019, respectively | <u>40,232,637</u> | <u>87,952,287</u> |
| Stockholders' Equity | | |
| Preferred stock, \$0.0001 par value; 10,000,000 authorized; none issued and outstanding | — | — |
| Common stock, \$0.0001 par value; 100,000,000 shares authorized; 4,097,947 and 3,946,146 issued and outstanding (excluding 3,764,625 and 8,363,100 shares subject to possible redemption) as of September 30, 2020 and December 31, 2019, respectively | 410 | 395 |
| Additional paid-in capital | 3,368,432 | 2,817,313 |
| Retained earnings | <u>1,631,159</u> | <u>2,182,299</u> |
| Total Stockholders' Equity | <u>5,000,001</u> | <u>5,000,007</u> |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | <u>\$ 48,724,086</u> | <u>\$ 94,688,739</u> |

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

OPES ACQUISITION CORP.
CONDENSED STATEMENTS OF OPERATIONS
(Unaudited)

| | Three Month Ended September 30, | | Nine Month Ended September 30, | |
|---|------------------------------------|-------------------|-----------------------------------|---------------------|
| | 2020 | 2019 | 2020 | 2019 |
| Operating costs | \$ 361,978 | \$ 157,429 | \$ 922,544 | \$ 571,946 |
| Loss from operations | (361,978) | (157,429) | (922,544) | (571,946) |
| Other income: | | | | |
| Interest income | 11,160 | 621,666 | 346,727 | 2,010,319 |
| Unrealized (loss) gain on marketable securities held in Trust Account | (289) | (13,259) | (478) | 5,704 |
| Other income, net | 10,871 | 608,407 | 346,249 | 2,016,023 |
| (Loss) income before income taxes | (351,107) | 450,978 | (576,295) | 1,444,077 |
| Benefit (provision) for income taxes | 7,676 | (114,278) | 25,155 | (442,827) |
| Net (loss) income | \$ (343,431) | \$ 336,700 | \$ (551,140) | \$ 1,001,250 |
| Weighted average shares outstanding, basic and diluted ⁽¹⁾ | 4,069,685 | 3,800,351 | 4,016,420 | 3,796,787 |
| Basic and diluted net loss per common share⁽²⁾ | \$ (0.08) | \$ (0.02) | \$ (0.18) | \$ (0.09) |

(1) Excludes an aggregate of up to 3,764,625 and 8,693,122 shares subject to possible redemption at September 30, 2020 and 2019, respectively.

(2) Net loss per share – basic and diluted excludes income attributable to common stock subject to possible redemption of \$0 and \$418,858 for the three ended September 30, 2020 and 2019, respectively and \$183,478 and \$1,342,216 for the nine ended September 30, 2020 and 2019, respectively.

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

OPES ACQUISITION CORP.
CONDENSED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(Unaudited)

THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2020

| | <u>Common Stock</u> | | <u>Additional Paid-in Capital</u> | <u>Retained Earnings</u> | <u>Total Stockholders' Equity</u> |
|--|---------------------|---------------|---|------------------------------|---|
| | <u>Shares</u> | <u>Amount</u> | | | |
| Balance – January 1, 2020 | 3,946,146 | \$ 395 | \$ 2,817,313 | \$ 2,182,299 | \$ 5,000,007 |
| Change in value of common stock subject to possible redemption | 86,697 | 8 | 15,845 | — | 15,853 |
| Net loss | — | — | — | (15,852) | (15,852) |
| Balance – March 31, 2020 | 4,032,843 | 403 | 2,833,158 | 2,166,447 | 5,000,008 |
| Change in value of common stock subject to possible redemption | 36,842 | 4 | 191,849 | — | 191,853 |
| Net loss | — | — | — | (191,857) | (191,857) |
| Balance – June 30, 2020 | 4,069,685 | 407 | 3,025,007 | 1,974,590 | 5,000,004 |
| Change in value of common stock subject to possible redemption | 28,262 | 3 | 343,425 | — | 343,428 |
| Net loss | — | — | — | (343,431) | (343,431) |
| Balance – September 30, 2020 | 4,097,947 | \$ 410 | \$ 3,368,432 | \$ 1,631,159 | \$ 5,000,001 |

THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2019

| | <u>Common Stock</u> | | <u>Additional Paid-in Capital</u> | <u>Retained Earnings</u> | <u>Total Stockholders' Equity</u> |
|--|---------------------|---------------|---|------------------------------|---|
| | <u>Shares</u> | <u>Amount</u> | | | |
| Balance – January 1, 2019 | 3,789,558 | \$ 379 | \$ 3,979,089 | \$ 1,020,535 | \$ 5,000,003 |
| Change in value of common stock subject to possible redemption | 10,775 | 1 | (380,236) | — | (380,235) |
| Net income | — | — | — | 380,241 | 380,241 |
| Balance – March 31, 2019 | 3,800,333 | 380 | 3,598,853 | 1,400,776 | 5,000,009 |
| Change in value of common stock subject to possible redemption | 18 | — | (284,317) | — | (284,317) |
| Net income | — | — | — | 284,309 | 284,309 |
| Balance – June 30, 2019 | 3,800,351 | 380 | 3,314,536 | 1,685,085 | 5,000,001 |
| Change in value of common stock subject to possible redemption | 43,774 | 4 | (336,700) | — | (336,696) |
| Net income | — | — | — | 336,700 | 336,700 |
| Balance – September 30, 2019 | 3,844,124 | \$ 384 | \$ 2,977,836 | \$ 2,021,785 | \$ 5,000,005 |

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

OPES ACQUISITION CORP.
CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)

| | Nine Months Ended | |
|--|----------------------------|----------------------------|
| | September 30, | |
| | 2020 | 2019 |
| Cash Flows from Operating Activities: | | |
| Net (loss) income | \$ (551,140) | \$ 1,001,250 |
| Adjustments to reconcile net (loss) income to net cash used in operating activities: | | |
| Interest earned on marketable securities held in Trust Account | (346,727) | (2,010,319) |
| Unrealized loss (gain) on marketable securities held in Trust Account | 478 | (5,704) |
| Deferred tax benefit | (25,155) | (21,361) |
| Changes in operating assets and liabilities: | | |
| Prepaid expenses | (8,847) | 62,845 |
| Prepaid income taxes | (148,028) | (71,224) |
| Accounts payable and accrued expenses | 396,166 | 58,621 |
| Income taxes payable | — | (14,852) |
| Net cash used in operating activities | <u>(683,253)</u> | <u>(1,000,744)</u> |
| Cash Flows from Investing Activities: | | |
| Investment of cash in Trust Account | (991,999) | (306,935) |
| Cash withdrawn from Trust Account to pay franchise taxes and income taxes | 309,515 | 809,284 |
| Cash withdrawn from Trust Account to pay redeeming stockholders | 47,168,516 | 23,594,187 |
| Net cash provided by investing activities | <u>46,486,032</u> | <u>24,096,536</u> |
| Cash Flows from Financing Activities: | | |
| Proceeds from convertible promissory notes | 403,227 | — |
| Proceeds from promissory notes – related parties | 955,610 | 306,935 |
| Redemption of common stock | (47,168,516) | (23,594,187) |
| Net cash used in financing activities | <u>(45,809,679)</u> | <u>(23,287,252)</u> |
| Net Change in Cash | (6,900) | (191,460) |
| Cash – Beginning | 17,862 | 205,638 |
| Cash – Ending | <u>\$ 10,962</u> | <u>\$ 14,178</u> |
| Supplemental cash flow information: | | |
| Cash paid for income taxes | \$ 148,027 | \$ 550,264 |
| Non-cash investing and financing activities: | | |
| Change in value of common stock subject to possible redemption | \$ (551,134) | \$ 1,001,248 |
| Conversion of advances to promissory notes – related parties | \$ 56,194 | \$ — |

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

OPES ACQUISITION CORP.
NOTES TO CONDENSED FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
(Unaudited)

NOTE 1. DESCRIPTION OF ORGANIZATION AND BUSINESS OPERATIONS

Opes Acquisition Corp. (the “Company”) is a blank check company incorporated in Delaware on July 24, 2017. The Company was formed for the purpose of entering into a merger, share exchange, asset acquisition, stock purchase, recapitalization, reorganization or other similar business transaction with one or more operating businesses or entities (a “Business Combination”).

All activity through September 30, 2020 relates to the Company’s formation, its initial public offering (“Initial Public Offering”), which is described below, and, since the closing of the Initial Public Offering, the search for a prospective initial Business Combination target and the proposed acquisition of BurgerFi International LLC (“BurgerFi”), as discussed in Note 8.

The registration statement for the Company’s Initial Public Offering was declared effective on March 13, 2018. On March 16, 2018, the Company consummated the Initial Public Offering of 10,000,000 units (“Units” and, with respect to the common stock included in the Units sold, the “Public Shares”), generating gross proceeds of \$100,000,000, which is described in Note 4.

Simultaneously with the closing of the Initial Public Offering, the Company consummated the sale of 400,000 units (the “Private Placement Units”) at a price of \$10.00 per unit in a private placement to Axis Public Ventures S. de R.L. de C.V. (“Axis Public Ventures”), an affiliate of Axis Capital Management (the “Sponsor”), Lion Point Capital (“Lion Point”) and the other stockholders of the Company prior to the Initial Public Offering (“Initial Stockholders”), generating gross proceeds of \$4,000,000, which is described in Note 5.

Following the closing of the Initial Public Offering on March 16, 2018, an amount of \$101,000,000 (\$10.10 per Unit) from the net proceeds of the sale of the Units in the Initial Public Offering and the Private Placement Units was placed in a trust account (“Trust Account”) which may be invested only in U.S. government securities, within the meaning set forth in Section 2(a)(16) of the Investment Company Act of 1940, as amended (the “Investment Company Act”), with a maturity of 180 days or less or in any open-ended investment company that holds itself out as a money market fund selected by the Company meeting the conditions of Rule 2a-7 of the Investment Company Act, as determined by the Company, until the earlier of: (i) the consummation of a Business Combination or (ii) the distribution of the Trust Account upon failure to consummate a Business Combination, as described below.

On March 20, 2018, in connection with the underwriters’ exercise of their over-allotment option in full, the Company consummated the sale of an additional 500,000 Units, and the sale of an additional 45,000 Private Placement Units each at \$10.00 per unit, generating total gross proceeds of \$15,450,000. Following the closing, an additional \$15,150,000 of the net proceeds (\$10.10 per Unit) was placed in the Trust Account, resulting in \$16,150,000 (\$10.10 per Unit) held in the Trust Account.

Transaction costs amounted to \$2,731,946, consisting of \$2,300,000 of underwriting fees and \$431,946 of other costs. As of September 30, 2020, cash of \$10,962 was held outside of the Trust Account and is available for working capital purposes.

The Company’s management has broad discretion with respect to the specific application of the net proceeds of the Initial Public Offering and private placement of Private Placement Units, although substantially all of the net proceeds are intended to be applied generally toward consummating a Business Combination. The Company’s initial Business Combination must be with one or more target businesses that together have a fair market value equal to at least 80% of the balance in the Trust Account (net of taxes payable) at the time of the signing an agreement to enter into a Business Combination. The Company will only complete a Business Combination if the post-Business Combination company owns or acquires 50% or more of the outstanding voting securities of the target or otherwise acquires a controlling interest in the target sufficient for it not to be required to register as an investment company under the Investment Company Act. There is no assurance that the Company will be able to successfully effect a Business Combination.

The Company will provide its stockholders with the opportunity to redeem all or a portion of their Public Shares upon the completion of a Business Combination either (i) in connection with a stockholder meeting called to approve the Business Combination or (ii) by means of a tender offer. The decision as to whether the Company will seek stockholder approval of a Business Combination or conduct a tender offer will be made by the Company, solely in its discretion. The stockholders will be entitled to redeem their shares for a pro rata portion of the amount then on deposit in the Trust Account (\$10.10 per share, plus any pro rata interest earned on the funds held in the Trust Account and not previously released to the Company to pay its franchise and income tax obligations). There will be no redemption rights upon the completion of a Business Combination with respect to the Company’s warrants.

OPES ACQUISITION CORP.
NOTES TO CONDENSED FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
(Unaudited)

The Company will proceed with a Business Combination only if the Company has net tangible assets of at least \$5,000,001 upon consummation of such Business Combination and, solely if the Company seeks stockholder approval, a majority of the outstanding shares voted are voted in favor of the Business Combination. If a stockholder vote is not required by law and the Company does not decide to hold a stockholder vote for business or other legal reasons, the Company will, pursuant to its Amended and Restated Certificate of Incorporation, conduct the redemptions pursuant to the tender offer rules of the Securities and Exchange Commission (“SEC”), and file tender offer documents with the SEC prior to completing a Business Combination. If, however, stockholder approval of the transaction is required by law, or the Company decides to obtain stockholder approval for business or other legal reasons, the Company will offer to redeem shares in conjunction with a proxy solicitation pursuant to the proxy rules and not pursuant to the tender offer rules. If the Company seeks stockholder approval in connection with a Business Combination, the Company’s Initial Stockholders, and transferees of the shares held by the Initial Stockholders, have agreed to (a) vote their Founder Shares (as defined in Note 6), Placement Shares (as defined in Note 5) and any Public Shares held by them in favor of approving a Business Combination and (b) not to convert any shares in connection with a stockholder vote to approve a Business Combination (or to sell any shares in any tender offer in connection with a Business Combination). Additionally, each public stockholder may elect to redeem their Public Shares irrespective of whether they vote for or against the proposed Business Combination.

The Company has until November 15, 2020 (or such later date as may be approved by stockholders) to consummate a Business Combination (the “Combination Period”). If the Company is unable to complete a Business Combination within the Combination Period, the Company will (i) cease all operations except for the purpose of winding up, (ii) as promptly as reasonably possible but no more than ten business days thereafter, redeem 100% of the outstanding Public Shares, at a per share price, payable in cash, equal to the aggregate amount then on deposit in the Trust Account, including interest earned (net of taxes payable), divided by the number of then outstanding Public Shares, which redemption will completely extinguish public stockholders’ rights as stockholders (including the right to receive further liquidation distributions, if any), subject to applicable law, and (iii) as promptly as reasonably possible following such redemption, subject to the approval of the remaining stockholders and the Company’s board of directors, proceed to commence a voluntary liquidation and thereby a formal dissolution of the Company, subject in each case to its obligations to provide for claims of creditors and the requirements of applicable law. The proceeds deposited in the Trust Account could, however, become subject to claims of creditors. Therefore, the actual per-share redemption amount could be less than \$10.10.

The Initial Stockholders, and transferees of the shares held by the Initial Stockholders, have (i) waived their redemption rights with respect to Founder Shares, Placement Shares and any Public Shares they may acquire, (ii) waived their rights to liquidating distributions from the Trust Account with respect to their Founder Shares and Placement Shares if the Company fails to consummate a Business Combination within the Combination Period and (iii) agreed that they will not propose any amendment to the Company’s Amended and Restated Certificate of Incorporation that would affect Public Stockholders’ ability to convert or sell their shares to the Company in connection with a Business Combination or affect the substance or timing of the Company’s obligation to redeem 100% of the Public Shares if the Company does not complete a Business Combination within the Combination Period unless the Company provides the Public Stockholders with the opportunity to redeem their shares in conjunction with any such amendment. However, the Initial Stockholders will be entitled to liquidating distributions with respect to any Public Shares acquired if the Company fails to consummate a Business Combination or liquidates within the Combination Period.

In order to protect the amounts held in the Trust Account, the Sponsor has agreed to be liable to the Company if and to the extent any claims by a vendor for services rendered or products sold to the Company, or a prospective target business with which the Company has discussed entering into a Business Combination agreement, reduce the amount of funds in the Trust Account below \$10.10 per share. This liability will not apply with respect to any claims by a third party who executed a waiver of any right, title, interest or claim of any kind in or to any monies held in the Trust Account or to any claims under the Company’s indemnity of the underwriters of the Proposed Offering against certain liabilities, including liabilities under the Securities Act of 1933, as amended (the “Securities Act”). Moreover, in the event that an executed waiver is deemed to be unenforceable against a third party, the Sponsor will not be responsible to the extent of any liability for such third-party claims. The Company will seek to reduce the possibility that the Sponsor will have to indemnify the Trust Account due to claims of creditors by endeavoring to have all vendors, service providers (except for the Company’s independent registered accounting firm), prospective target businesses or other entities with which the Company does business, execute agreements with the Company waiving any right, title, interest or claim of any kind in or to monies held in the Trust Account.

On September 16, 2019, the Company’s stockholders approved an amendment to its Amended and Restated Certificate of Incorporation (the “charter”) to extend the period of time for which the Company is required to consummate a Business Combination from September 16, 2019 to November 15, 2019 (the “Extension”). In connection with the approval of the extension, certain stockholders elected to redeem an aggregate of 2,282,753 shares of common stock, of which the Company paid cash in the aggregate amount of \$23,594,187, or approximately \$10.34 per share, to redeeming stockholders. In connection with the Extension, the Company deposited into the Trust Account \$0.0333 for each public share that was not redeemed in connection with the Extension, or an aggregate of approximately \$13,870, for such extension. The amounts deposited into the Trust Account was loaned to the Company by Lion Point. The loans are non-interest bearing, and due to be paid upon the consummation of a Business Combination. The loans will be forgiven if the Company is unable to consummate a Business Combination except to the extent of any funds held outside of the Trust Account.

OPES ACQUISITION CORP.
NOTES TO CONDENSED FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
(Unaudited)

On November 15, 2019, the Company's stockholders approved an amendment to its Amended and Restated Certificate of Incorporation to extend the period of time for which the Company is required to consummate a Business Combination from November 15, 2019 to January 15, 2020 (the "Second Extension"). In connection with the approval of the Second Extension, certain stockholders elected to redeem an aggregate of 228,001 shares of common stock, of which the Company paid cash in the aggregate amount of \$2,378,972, or approximately \$10.43 per share, to redeeming stockholders. In connection with the Second extension, the Company deposited into the Trust Account \$0.0325 for each public share that was not redeemed in connection with the Second Extension, or an aggregate of \$584,301, for such extension. The amount deposited into the Trust Account was loaned to the Company by an unrelated third party. The loan is non-interest bearing, and due to be paid upon the consummation of a Business Combination. The loan will be forgiven if the Company is unable to consummate a Business Combination except to the extent of any funds held outside of the Trust Account.

On January 15, 2020, the Company's stockholders approved an amendment to its Amended and Restated Certificate of Incorporation to extend the period of time for which the Company is required to consummate a Business Combination from January 15, 2020 to March 16, 2020 (the "Third Extension"). In connection with the approval of the Third Extension, certain stockholders elected to redeem an aggregate of 18,133 shares of common stock, of which the Company paid cash in the aggregate amount of \$190,800, or approximately \$10.52 per share, to redeeming stockholders. In connection with the Third Extension, the Company deposited into the Trust Account \$0.0325 for each public share that was not redeemed in connection with the Third Extension, or an aggregate of \$583,122, for such extension. A portion of the amount deposited into the Trust Account was loaned to the Company by an unrelated third party (\$291,561), a portion was loaned by EarlyBirdCapital, Inc. ("EarlyBirdCapital") (\$145,781) and a portion was loaned by Lionheart Management, LLC ("Lionheart"), an affiliate of Ophir Sternberg, the Chairman and CEO of the Company (\$145,780). The loans are non-interest bearing, and due to be paid upon the consummation of a Business Combination. The loans will be forgiven if the Company is unable to consummate a Business Combination except to the extent of any funds held outside of the Trust Account.

On March 16, 2020, the Company's stockholders approved an amendment to its Amended and Restated Certificate of Incorporation to extend the period of time for which the Company is required to consummate a Business Combination from March 16, 2020 to June 18, 2020 (the "Fourth Extension"). In connection with the approval of the Fourth Extension, certain stockholders elected to redeem an aggregate of 4,428,044 shares of common stock, of which the Company paid cash in the aggregate amount of \$46.97 million, or approximately \$10.61 per share, to redeeming stockholders. In connection with the Fourth Extension, the Company deposited into the Trust Account \$0.03 for each public share that was not redeemed in connection with the Fourth Extension, or an aggregate of \$408,876, for such extensions. The amounts deposited into the Trust Account were loaned to the Company by Lionheart. The loans are non-interest bearing, and due to be paid upon the consummation of a Business Combination. The loans will be forgiven if the Company is unable to consummate a Business Combination except to the extent of any funds held outside of the Trust Account.

On June 18, 2020, the Company's stockholders approved an amendment to its Amended and Restated Certificate of Incorporation to extend the period of time for which the Company is required to consummate a Business Combination from June 18, 2020 to September 16, 2020 (the "Fifth Extension"). In connection with the approval of the Fifth Extension, none of the Company's stockholders elected to redeem any of their shares of common stock.

On September 15, 2020, the Company's stockholders approved an amendment to its Amended and Restated Certificate of Incorporation to extend the period of time for which the Company is required to consummate a Business Combination from September 16, 2020 to November 15, 2020 (the "Sixth Extension"). In connection with the approval of the Sixth Extension, certain stockholders elected to redeem an aggregate of 497 shares of common stock, of which the Company paid cash in the aggregate amount of \$5,297, or approximately \$10.66 per share, to redeeming stockholders.

Nasdaq Notification

On January 2, 2020, the Company received a written notice (the "Notice") from the Listing Qualifications Department of The Nasdaq Stock Market ("Nasdaq") indicating that the Company is not in compliance with Listing Rule 5620(a), due to the Company's failure to hold an annual meeting of stockholders within twelve months of the end of the Company's fiscal year end. The Notice is only a notification of deficiency, not of imminent delisting, and has no current effect on the listing or trading of the Company's securities on the Nasdaq Capital Market. The Company submitted a plan of compliance with Nasdaq and Nasdaq granted the Company an extension until June 29, 2020 to regain compliance with the rule by holding an annual meeting of stockholders.

On July 6, 2020, the new management of the Company received a notice from Nasdaq that it did not hold the Annual Meeting by June 29, 2020 and, therefore, did not satisfy the requirements to regain compliance with Nasdaq Listing Rule 5620(a). The Company immediately took measures to schedule its Annual Meeting by filing a definitive proxy statement on Schedule 14A on July 2, 2020. The Annual Meeting was held on August 7, 2020. As set forth in the notice, Nasdaq has determined that it will initiate procedures to delist the Company's securities, unless the Company timely requests a hearing to appeal the decision to delist, which the Company has done. While the appeals process is pending, the Company's securities will continue to trade on Nasdaq. The Company expects that following the Annual Meeting it will have regained full compliance with the listing rules.

OPES ACQUISITION CORP.
NOTES TO CONDENSED FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
(Unaudited)

NOTE 2. LIQUIDITY AND GOING CONCERN

As of September 30, 2020, the Company had \$10,962 in its operating bank accounts, \$48,401,503 in securities held in the Trust Account to be used for a Business Combination or to repurchase or redeem its common stock in connection therewith and working capital deficit of \$625,631, which excludes prepaid income taxes and franchise and income taxes payable as the net amounts can be paid from the interest earned in the Trust Account. As of September 30, 2020, approximately \$1,231,000 of the amount on deposit in the Trust Account represented interest income, which is available to pay the Company's tax obligations.

The Company will need to raise additional capital through loans or additional investments from its Sponsor, stockholders, officers, directors, or third parties. The Company's officers, directors and Sponsor may, but are not obligated to, loan the Company funds, from time to time or at any time, in whatever amount they deem reasonable in their sole discretion, to meet the Company's working capital needs. Accordingly, the Company may not be able to obtain additional financing. If the Company is unable to raise additional capital, it may be required to take additional measures to conserve liquidity, which could include, but not necessarily be limited to, curtailing operations, suspending the pursuit of a potential transaction, and reducing overhead expenses. The Company cannot provide any assurance that new financing will be available to it on commercially acceptable terms, if at all. These conditions raise substantial doubt about the Company's ability to continue as a going concern through November 15, 2020, the date that the Company will be required to cease all operations, except for the purpose of winding up, if a Business Combination is not consummated. These financial statements do not include any adjustments relating to the recovery of the recorded assets or the classification of the liabilities that might be necessary should the Company be unable to continue as a going concern.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited condensed financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and in accordance with the instructions to Form 10-Q and Article 8 of Regulation S-X of the SEC. Certain information or footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted, pursuant to the rules and regulations of the SEC for interim financial reporting. Accordingly, they do not include all the information and footnotes necessary for a complete presentation of financial position, results of operations, or cash flows. In the opinion of management, the accompanying unaudited condensed financial statements include all adjustments, consisting of a normal recurring nature, which are necessary for a fair presentation of the financial position, operating results and cash flows for the periods presented.

The accompanying unaudited condensed financial statements should be read in conjunction with the Company's Annual Report on Form 10-K for the year ended December 31, 2019 as filed with the SEC on March 30, 2020, which contains the audited financial statements and notes thereto. The financial information as of December 31, 2019 is derived from the audited financial statements presented in the Company's Annual Report on Form 10-K for the year ended December 31, 2019. The interim results for the three and nine months ended September 30, 2020 are not necessarily indicative of the results to be expected for the year ending December 31, 2020 or for any future interim periods.

Emerging Growth Company

The Company is an "emerging growth company," as defined in Section 2(a) of the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"), and it may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in its periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

Further, Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such election to opt out is irrevocable. The Company has elected not to opt out of such extended transition period which means that when a standard is issued or revised and it has different application dates for public or private companies, the Company, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of the Company's balance sheet with another public company which is neither an emerging growth company nor an emerging growth company which has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used.

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Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Making estimates requires management to exercise significant judgment. It is at least reasonably possible that the estimate of the effect of a condition, situation or set of circumstances that existed at the date of the financial statements, which management considered in formulating its estimate, could change in the near term due to one or more future confirming events. Accordingly, the actual results could differ significantly from those estimates.

Cash and Cash Equivalents

The Company considers all short-term investments with an original maturity of three months or less when purchased to be cash equivalents. The Company did not have any cash equivalents as of September 30, 2020 and December 31, 2019.

Marketable Securities Held in Trust Account

At September 30, 2020 and December 31, 2019, the assets held in the Trust Account were substantially held in U.S. Treasury Bills. Through September 30, 2020, the Company has withdrawn \$1,413,429 of interest earned on the Trust Account to pay for its franchise and income taxes, of which \$309,515 was withdrawn during the nine months ended September 30, 2020.

Common Stock Subject to Possible Redemption

The Company accounts for its common stock subject to possible redemption in accordance with the guidance in Accounting Standards Codification (“ASC”) Topic 480 “Distinguishing Liabilities from Equity.” Common stock subject to mandatory redemption is classified as a liability instrument and is measured at fair value. Conditionally redeemable common stock (including common stock that features redemption rights that are either within the control of the holder or subject to redemption upon the occurrence of uncertain events not solely within the Company’s control) is classified as temporary equity. At all other times, common stock is classified as stockholders’ equity. The Company’s common stock features certain redemption rights that are considered to be outside of the Company’s control and subject to occurrence of uncertain future events. Accordingly, common stock subject to possible redemption is presented at redemption value as temporary equity, outside of the stockholders’ equity section of the Company’s condensed balance sheets.

Income Taxes

The Company complies with the accounting and reporting requirements of ASC Topic 740 “Income Taxes,” which requires an asset and liability approach to financial accounting and reporting for income taxes. Deferred income tax assets and liabilities are computed for differences between the financial statement and tax bases of assets and liabilities that will result in future taxable or deductible amounts, based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

ASC Topic 740 prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. The Company recognizes accrued interest and penalties related to unrecognized tax benefits as income tax expense. As of September 30, 2020 and December 31, 2019, there were no unrecognized tax benefits and no amounts accrued for interest and penalties. The Company is currently not aware of any issues under review that could result in significant payments, accruals or material deviation from its position.

The Company may be subject to potential examination by federal, state, city and foreign taxing authorities in the areas of income taxes. These potential examinations may include questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions and compliance with federal, state, city and foreign tax laws. The Company’s management does not expect that the total amount of unrecognized tax benefits will materially change over the next twelve months. The effective tax rate differs from the statutory tax rate of 21% for the three and nine months ended September 30, 2020 due to the valuation allowance recorded against the Company’s net operating losses.

On March 27, 2020, President Trump signed the Coronavirus Aid, Relief, and Economic Security “CARES” Act into law. The CARES Act includes several significant business tax provisions that, among other things, would eliminate the taxable income limit for certain net operating losses (“NOL”) and allow businesses to carry back NOLs arising in 2018, 2019 and 2020 to the five prior years, suspend the excess business loss rules, accelerate refunds of previously generated corporate alternative minimum tax credits, generally loosen the business interest limitation under IRC section 163(j) from 30 percent to 50 percent among other technical corrections included in the Tax Cuts and Jobs Act tax provisions. The Company does not believe that the CARES Act will have a significant impact on Company’s financial position or statement of operations.

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Net Loss per Common Share

Net loss per common share is computed by dividing net loss by the weighted average number of common shares outstanding for the period. The Company applies the two-class method in calculating earnings per share. Shares of common stock subject to possible redemption at September 30, 2020 and 2019, which are not currently redeemable and are not redeemable at fair value, have been excluded from the calculation of basic loss per common share since such shares, if redeemed, only participate in their pro rata share of the Trust Account earnings. The Company has not considered the effect of (1) warrants sold in the Initial Public Offering and private placement to purchase 11,945,000 shares of common stock and (2) 750,000 shares of common stock and warrants to purchase 750,000 shares of common stock in the unit purchase option sold to the underwriters and their designees, in the calculation of diluted loss per share, since the exercise of the warrants and the exercise of the unit purchase option is contingent upon the occurrence of future events. As a result, diluted loss per common share is the same as basic loss per common share for the periods.

Reconciliation of Net Loss per Common Share

The Company's net (loss) income is adjusted for the portion of income that is attributable to common stock subject to possible redemption, as these shares only participate in the earnings of the Trust Account and not the income or losses of the Company. Accordingly, basic and diluted loss per common share is calculated as follows:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--|---|--------------------|--|---------------------|
| | 2020 | 2019 | 2020 | 2019 |
| Net (loss) income | \$ (343,431) | \$ 336,700 | \$ (551,140) | \$ 1,001,250 |
| Less: Income attributable to shares subject to possible redemption | — | (418,858) | (183,478) | (1,342,216) |
| Adjusted net loss | <u>\$ (343,431)</u> | <u>\$ (82,158)</u> | <u>\$ (734,618)</u> | <u>\$ (340,966)</u> |
| Weighted average common shares outstanding, basic and diluted | <u>4,069,685</u> | <u>3,800,351</u> | <u>4,016,420</u> | <u>3,796,787</u> |
| Basic and diluted net loss per common share | <u>\$ (0.08)</u> | <u>\$ (0.02)</u> | <u>\$ (0.18)</u> | <u>\$ (0.09)</u> |

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentration of credit risk consist of cash accounts in a financial institution, which, at times may exceed the Federal depository insurance coverage of \$250,000. The Company has not experienced losses on these accounts and management believes the Company is not exposed to significant risks on such accounts.

Fair Value of Financial Instruments

The fair value of the Company's assets and liabilities, which qualify as financial instruments under ASC Topic 820, "Fair Value Measurement," approximates the carrying amounts represented in the accompanying condensed balance sheets, primarily due to their short-term nature.

Recently Issued Accounting Standards

Management does not believe that any recently issued, but not yet effective, accounting standards, if currently adopted, would have a material effect on the Company's condensed financial statements.

Risks and Uncertainties

The coronavirus (COVID-19) pandemic has resulted in a widespread health crisis that has adversely affected the economies and financial markets worldwide. While the Company believes we may have experienced delays communicating with and conducting due diligence with regard to certain potential target companies because of reduced availability of personnel of such companies, the Company does not believe the COVID-19 has had a significant impact on its ability to identify and conduct due diligence with respect to prospective target companies. The extent to which the COVID-19 pandemic may impact the Company's ability to consummate a Business Combination, including the BurgerFi Business Combination, will depend on future developments which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of COVID-19 and the actions to contain COVID-19 or treat its impact, among others.

Various governmental bodies and private enterprises have implemented preventative or protective measures to contain the COVID-19 pandemic, such as travel bans and restrictions, quarantines, shelter-in-place orders and shutdowns, and these actions may continue to expand in scope, type and impact. These measures, in addition to the disruption of economies and financial markets worldwide caused by the COVID-19 pandemic, could result in direct and indirect adverse effects on the industries in which BurgerFi operates. The extent to which the COVID-19 pandemic may impact BurgerFi operations and the Company's ability to consummate the BurgerFi Business Combination is uncertain.

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NOTE 4. INITIAL PUBLIC OFFERING

Pursuant to the Initial Public Offering, the Company sold 11,500,000 units at a purchase price of \$10.00 per Unit, inclusive of 1,500,000 units sold to the underwriters on March 20, 2018 upon the underwriters' election to exercise their over-allotment option in full. Each Unit consists of one share of common stock and one warrant ("Public Warrant"). Each Public Warrant entitles the holder to purchase one share of common stock at an exercise price of \$11.50 per share (see Note 9).

NOTE 5. PRIVATE PLACEMENT

Simultaneously with the Initial Public Offering, the Initial Stockholders purchased an aggregate of 400,000 Private Placement Units, at a purchase price of \$10.00 per Private Placement Unit for an aggregate purchase price of \$4,000,000. On March 20, 2018, the Company consummated the sale of an additional 45,000 Private Placement Units at a price of \$10.00 per Private Placement Unit, which were purchased by the Sponsor, generating gross proceeds of \$450,000. Each Private Placement Unit consists of one share of common stock ("Placement Share") and one warrant ("Placement Warrant") to purchase one share of common stock at an exercise price of \$11.50. The proceeds from the sale of the Private Placement Units were added to the proceeds from the Initial Public Offering held in the Trust Account. If the Company does not complete a Business Combination within the Combination Period, the proceeds from the sale of the Private Placement Units will be used to fund the redemption of the Public Shares (subject to the requirements of applicable law) and the Placement Warrants will expire worthless.

NOTE 6. RELATED PARTY TRANSACTIONS

Founder Shares

In November 2017, the Company issued an aggregate of 2,875,000 shares of common stock ("Founder Shares") to Axis Public Ventures for an aggregate purchase price of \$25,000. On March 9, 2018, Axis Public Ventures transferred 2,012,500 Founder Shares to the other Initial Stockholders for the same price originally paid for such shares. The Founder Shares included an aggregate of up to 375,000 shares subject to forfeiture by the Initial Stockholders to the extent that the underwriters' over-allotment was not exercised in full or in part, so that the Initial Stockholders would own 20% of the Company's issued and outstanding shares after the Initial Public Offering (assuming the Initial Stockholders did not purchase any Public Shares in the Proposed Offering and excluding the Placement Shares). On March 20, 2018, as a result of the underwriters' election to exercise their over-allotment option in full, 375,000 Founder's Shares are no longer subject to forfeiture.

The Initial Stockholders have agreed that, subject to certain limited exceptions, the Founder Shares will not be transferred, assigned or sold until the earlier of six months after the date of the consummation of a Business Combination and the date on which the closing price of the Company's common stock equals or exceeds \$12.50 per share (as adjusted for share splits, share dividends, reorganizations and recapitalizations) for any 20 trading days within any 30-trading day period commencing after the Business Combination, or earlier if, subsequent to a Business Combination, the Company consummates a liquidation, merger, stock exchange or other similar transaction which results in all of the Company's stockholders having the right to exchange their shares of common stock for cash, securities or other property.

Administrative Services Agreement

The Company entered into an agreement whereby, commencing on March 13, 2018 through the earlier of the consummation of a Business Combination or the Company's liquidation, the Company will pay an affiliate of the Sponsor a monthly fee of \$10,000 for office space, utilities and administrative support. During the each of the three months ended September 30, 2020 and 2019, the Company incurred \$30,000 in fees for these services. During the each of the nine months ended September 30, 2020 and 2019, the Company incurred \$90,000 in fees for these services. At September 30, 2020 and December 31, 2019, there was \$85,000 and \$215,000 of such fees, respectively, included in accounts payable and accrued expenses in the accompanying condensed balance sheets.

Advances — Related Party

During the year ended December 31, 2018, the Company received an aggregate of \$67,013 in advances from an affiliate of the Sponsor for costs associated with the Initial Public Offering. The advances were non-interest bearing, unsecured and due on demand. The Company repaid the advances in full, and accordingly, as of December 31, 2018, there were no advances outstanding.

During the year ended December 31, 2019, an affiliate of the Sponsor advanced the Company an aggregate of \$6,194 to fund working capital purposes. The advances were non-interest bearing and due on demand. During the period ended September 30, 2020, advances in the aggregate amount of \$56,194 were converted into promissory notes (see below). At September 30, 2020 and December 31, 2019, advances of \$0 and \$56,194, respectively, were outstanding.

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Related Party Loans

In order to finance transaction costs in connection with a Business Combination, the Sponsor, an affiliate of the Sponsor, or the Company's officers, directors and other Initial Stockholders may, but are not obligated to, loan the Company funds from time to time or at any time, as may be required ("Working Capital Loans"). Each Working Capital Loan would be evidenced by a promissory note. The Working Capital Loans would either be paid upon consummation of a Business Combination, without interest, or, at the holder's discretion, up to \$1,500,000 of the Working Capital Loans may be converted into units at a price of \$10.00 per unit. The units would be identical to the Private Placement Units. In the event that a Business Combination does not close, the Company may use a portion of the proceeds held outside the Trust Account to repay the Working Capital Loans, but no proceeds held in the Trust Account would be used to repay the Working Capital Loans.

Promissory Notes – Related Party

On September 16, 2019, the Company's stockholders agreed to extend the period of time the Company has to consummate a Business Combination to November 15, 2019 and Lion Point agreed to loan the Company the funds necessary to obtain the Extension. On September 18, 2019 and October 18, 2019, the Company issued unsecured promissory notes in the aggregate principal amount of \$613,870 for such extension, to provide the Company the funds necessary to obtain the Extension. The promissory notes are non-interest bearing and due to be paid upon the consummation of a Business Combination. The loans will be forgiven if the Company is unable to consummate a Business Combination except to the extent of any funds held outside of the Trust Account.

In October 2019, the Company issued unsecured promissory notes to Lion Point in the aggregate principal amount of \$6,925 to fund working capital requirements. The promissory notes are non-interest bearing and due to be paid upon the consummation of a Business Combination. The loans will be forgiven if the Company is unable to consummate a Business Combination except to the extent of any funds held outside of the Trust Account.

On January 30, 2020, the Company issued unsecured promissory note to an affiliate of the Sponsor in the aggregate principal amount of \$6,169 to fund working capital requirements. The promissory note is non-interest bearing and due to be paid upon the consummation of a Business Combination. The loans will be forgiven if the Company is unable to consummate a Business Combination except to the extent of any funds held outside of the Trust Account.

On January 15, 2020, the Company's stockholders agreed to extend the period of time the Company has to consummate a Business Combination to March 15, 2020 and Lionheart and EarlyBirdCapital agreed to loan the Company a portion of the funds necessary to obtain the Third Extension. On March 3, 2020, the Company issued unsecured promissory notes to Lionheart and EarlyBirdCapital in the aggregate principal amount of approximately \$145,780 and \$145,781, respectively, for such extension, to provide the Company the funds necessary to obtain the Third Extension. The promissory notes are non-interest bearing and due to be paid upon the consummation of a Business Combination. The loans will be forgiven if the Company is unable to consummate a Business Combination except to the extent of any funds held outside of the Trust Account.

On March 16, 2020, the Company's stockholders agreed to extend the period of time the Company has to consummate a Business Combination to June 18, 2020 and Lionheart agreed to loan the Company the funds necessary to obtain the Fourth Extension. As of September 30, 2020, the Company issued unsecured promissory notes in the aggregate principal amount of \$408,876 for such extensions, to provide the Company the funds necessary to obtain the Fourth Extension. The promissory notes are non-interest bearing and due to be paid upon the consummation of a Business Combination. The loans will be forgiven if the Company is unable to consummate a Business Combination except to the extent of any funds held outside of the Trust Account.

In May, June, and September 2020, the Company issued unsecured promissory notes to Lionheart in the aggregate principal amount of \$229,004 to fund working capital requirements. The promissory notes are non-interest bearing and due to be paid upon the consummation of a Business Combination. The loans will be forgiven if the Company is unable to consummate a Business Combination except to the extent of any funds held outside of the Trust Account.

During the nine months ended September 30, 2020, the Company issued an unsecured promissory note to Lionheart, pursuant to which outstanding advances in the amount of \$56,194 were converted into a promissory note. The promissory note is non-interest bearing and due to be paid upon the consummation of a Business Combination. The loan will be forgiven if the Company is unable to consummate a Business Combination except to the extent of any funds held outside of the Trust Account.

As of September 30, 2020, the outstanding balance under the promissory notes amounted to an aggregate of \$1,642,599.

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NOTE 7. CONVERTIBLE PROMISSORY NOTES

On November 15, 2019, the Company's stockholders agreed to extend the period of time the Company has to consummate a Business Combination to January 15, 2020 and an unrelated third party agreed to loan the Company the funds necessary to obtain the Second Extension. On November 15, 2019 and December 17, 2019, the Company issued unsecured promissory notes in the aggregate principal amount of approximately \$584,301 for such extension, to provide the Company the funds necessary to obtain the Second Extension. The promissory notes are non-interest bearing and due to be paid upon the consummation of a Business Combination. The loans will be forgiven if the Company is unable to consummate a Business Combination except to the extent of any funds held outside of the Trust Account.

In November and December 2019, the Company issued unsecured promissory notes in the aggregate principal amount of \$35,603 to fund working capital requirements. The promissory notes are non-interest bearing and due to be paid upon the consummation of a Business Combination. The loans will be forgiven if the Company is unable to consummate a Business Combination except to the extent of any funds held outside of the Trust Account.

On January 15, 2020, the Company's stockholders agreed to extend the period of time the Company has to consummate a Business Combination to March 15, 2020 and an unrelated third party agreed to loan the Company a portion of the funds necessary to obtain the Third Extension. On January 15, 2020, the Company issued an unsecured promissory note in the aggregate principal amount of approximately \$291,561 for such extension, to provide the Company the funds necessary to obtain the Third Extension. The promissory notes are non-interest bearing and due to be paid upon the consummation of a Business Combination. The loans will be forgiven if the Company is unable to consummate a Business Combination except to the extent of any funds held outside of the Trust Account.

On January 15, 2020, the Company issued an unsecured promissory note in the aggregate principal amount of \$11,666 to fund working capital requirements. The promissory note is non-interest bearing and due to be paid upon the consummation of a Business Combination. The loans will be forgiven if the Company is unable to consummate a Business Combination except to the extent of any funds held outside of the Trust Account.

On February 27, 2020, the notes were amended such that the aggregate principal balance due of \$1,123,131 will be converted into 100,000 shares of the Company's common stock upon the consummation of a Business Combination. The loans will be forgiven if the Company is unable to consummate a Business Combination. The Company did not record any additional interest expense as a result of the modification of the debt since the carrying amount of the promissory note was equivalent to the fair value of the consideration transferred, which was determined from the closing price of the Company's common stock on the date of modification.

As of September 30, 2020, the outstanding balance under the convertible promissory notes amounted to \$1,123,131.

NOTE 8. COMMITMENTS

Registration Rights

Pursuant to a registration rights agreement entered into on March 13, 2018, the holders of the Founder Shares, Private Placement Units (and their underlying securities) and any Units that may be issued upon conversion of the Working Capital Loans (and their underlying securities) are entitled to registration rights. The holders of a majority of these securities are entitled to make up to two demands that the Company register such securities. The holders of the majority of the Founder Shares can elect to exercise these registration rights at any time commencing three months prior to the date on which these shares of common stock are to be released from escrow. The holders of a majority of the Private Placement Units or Units issued to the Sponsor, officers, directors or their affiliates in payment of Working Capital Loans made to the Company (in each case, including the underlying securities) can elect to exercise these registration rights at any time after the Company consummates a Business Combination. In addition, the holders will have certain "piggy-back" registration rights with respect to registration statements filed subsequent to the completion of a Business Combination. The Company will bear the expenses incurred in connection with the filing of any such registration statements.

Business Combination Marketing Agreement

The Company has engaged EarlyBirdCapital, the representative of the underwriters in the Initial Public Offering, as an advisor in connection with a Business Combination to assist the Company in holding meetings with its stockholders to discuss a potential Business Combination and the target business' attributes, introduce the Company to potential investors that are interested in purchasing securities in connection with the Business Combination, assist the Company in obtaining stockholder approval for the Business Combination and assist the Company with its press releases and public filings in connection with a Business Combination. The Company will pay EarlyBirdCapital a cash fee of \$4,025,000 for such services upon the consummation of a Business Combination (exclusive of any applicable finders' fees which might become payable).

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Forward Purchase Agreement

Lion Point has entered into a contingent forward purchase agreement with the Company to purchase, in a private placement for aggregate gross proceeds of \$0,000,000, to occur concurrently with the consummation of the Company's initial Business Combination, 3,000,000 units at \$10.00 per unit, on substantially the same terms as the sale of Units in the Initial Public Offering. The funds from the sale of these units may be used as part of the consideration to the sellers in the initial Business Combination; any excess funds may be used for the working capital needs of the post-transaction company. This agreement is independent of the percentage of stockholders electing to redeem their Public Shares and may provide the Company with an increased minimum funding level for the initial Business Combination. The contingent forward purchase agreement is subject to conditions, including Lion Point giving the Company its irrevocable written consent to purchase the units no later than five days after the Company notifies Lion Point of the Company's intention to meet to consider entering into a definitive agreement for a proposed Business Combination. Lion Point granting its consent to the purchase is entirely within its sole discretion. Accordingly, if it does not consent to the purchase, it will not be obligated to purchase the units.

Acquisition Agreement

On June 29, 2020, the Company entered into a membership interest purchase agreement (the "Agreement"), with BurgerFi, members of BurgerFi (the "Members"), and BurgerFi Holdings, LLC, a Delaware limited liability company (the "Members' Representative"). Upon the closing of the transactions contemplated in the Agreement (the "Closing"), the Company will purchase 100% of the membership interests of BurgerFi from the Members resulting in BurgerFi becoming a wholly owned subsidiary of the Company (the "BurgerFi Business Combination").

The closing consideration for the BurgerFi Business Combination (the "Acquisition Consideration") shall be payable as follows (subject to reduction for indemnification claims and potential changes due to a working capital adjustment as described below):

- (i) a cash payment in the aggregate amount of \$30,000,000 payable to the Members;
- (ii) \$20,000,000 payable either in cash or in shares of the Company's common stock valued at \$0.60 per share, in the sole and absolute discretion of the Company's Board of Directors; and
- (iii) the issuance in the aggregate of 4,716,981 shares of the Company's common stock to the Members (the "Closing Payment Shares")

Of the Closing Payment Shares, 943,396 shares shall be deposited into an escrow account, to satisfy any potential indemnification claims brought pursuant to the Agreement.

The closing consideration payable to the stockholders of BurgerFi is also subject to adjustment based on BurgerFi's working capital as of the closing date as contemplated in the Agreement.

The BurgerFi Business Combination will be consummated subject to the deliverables and provisions as further described in the Agreement.

NOTE 9. STOCKHOLDERS' EQUITY

Preferred Stock

The Company is authorized to issue 10,000,000 shares of preferred stock with a par value of \$0.0001 per share with such designation, rights and preferences as may be determined from time to time by the Company's Board of Directors. At September 30, 2020 and December 31, 2019, there were no shares of preferred stock issued or outstanding.

Common Stock

The Company is authorized to issue 100,000,000 shares of common stock with a par value of \$0.0001 per share. Holders of the Company's common stock are entitled to one vote for each share. At September 30, 2020 and December 31, 2019, there were 4,097,947 and 3,946,146 shares of common stock issued and outstanding, excluding 3,764,625 and 8,363,100 shares of common stock subject to possible redemption, respectively.

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Warrants

The Public Warrants will become exercisable 30 days after the completion of a Business Combination; provided that the Company has an effective registration statement under the Securities Act covering the shares of common stock issuable upon exercise of the Public Warrants and a current prospectus relating to them is available. The Company has agreed that as soon as practicable, the Company will use its best efforts to file with the SEC a registration statement for the registration, under the Securities Act, of the shares of common stock issuable upon exercise of the Public Warrants. The Company will use its best efforts to cause the same to become effective and to maintain the effectiveness of such registration statement, and a current prospectus relating thereto, until the expiration of the Public Warrants in accordance with the provisions of the warrant agreement. Notwithstanding the foregoing, if a registration statement covering the shares of common stock issuable upon exercise of the Public Warrants is not effective within a specified period following the consummation of Business Combination, warrant holders may, until such time as there is an effective registration statement and during any period when the Company shall have failed to maintain an effective registration statement, exercise warrants on a cashless basis pursuant to the exemption provided by Section 3(a)(9) of the Securities Act, provided that such exemption is available. If that exemption, or another exemption, is not available, holders will not be able to exercise their warrants on a cashless basis. The Public Warrants will expire five years after the completion of a Business Combination or earlier upon redemption or liquidation.

The Company may redeem the Public Warrants:

- in whole and not in part;
- at a price of \$0.01 per warrant;
- at any time during the exercise period;
- upon a minimum of 30 days' prior written notice of redemption; and
- if, and only if, the last sale price of the Company's common stock equals or exceeds \$18.00 per share for any 20 trading days within a 30-trading day period ending on the third business day prior to the date on which the Company sends the notice of redemption to the warrant holders.
- if, and only if, there is a current registration statement in effect with respect to the shares of common stock underlying such warrants.

If the Company calls the Public Warrants for redemption, management will have the option to require all holders that wish to exercise the Public Warrants to do so on a "cashless basis," as described in the warrant agreement. The exercise price and number of shares of common stock issuable upon exercise of the warrants may be adjusted in certain circumstances including in the event of a stock dividend, or recapitalization, reorganization, merger or consolidation. However, the warrants will not be adjusted for issuance of common stock at a price below its exercise price. Additionally, in no event will the Company be required to net cash settle the warrants. If the Company is unable to complete a Business Combination within the Combination Period and the Company liquidates the funds held in the Trust Account, holders of warrants will not receive any of such funds with respect to their warrants, nor will they receive any distribution from the Company's assets held outside of the Trust Account with the respect to such warrants. Accordingly, the warrants may expire worthless.

The Placement Warrants will be identical to the Public Warrants underlying the Units sold in the Initial Public Offering, except that the Placement Warrants and the common stock issuable upon the exercise of the Placement Warrants will not be transferable, assignable or saleable until after the completion of a Business Combination, subject to certain limited exceptions. Additionally, the Placement Warrants will be exercisable on a cashless basis and be non-redeemable so long as they are held by the initial purchasers or their permitted transferees. If the Placement Warrants are held by someone other than the initial purchasers or their permitted transferees, the Placement Warrants will be redeemable by the Company and exercisable by such holders on the same basis as the Public Warrants.

Unit Purchase Option

On March 13, 2018, the Company sold EarlyBirdCapital (and its designees), for \$100, an option to purchase up to 750,000 Units exercisable at \$10.00 per Unit (or an aggregate exercise price of \$7,500,000) commencing on the later of March 13, 2019 and the consummation of a Business Combination. The unit purchase option may be exercised for cash or on a cashless basis, at the holder's option, and expires on March 17, 2023. The Units issuable upon exercise of this option are identical to those offered in the Initial Public Offering. The Company accounted for the unit purchase option, inclusive of the receipt of \$100 cash payment, as an expense of the Initial Public Offering resulting in a charge directly to stockholders' equity. The fair value of the unit purchase option was estimated to be approximately \$2,633,621 (or \$3.51 per Unit) using the Black-Scholes option-pricing model. The fair value of the unit purchase option granted to the underwriters was estimated as of the date of grant using the following assumptions: (1) expected volatility of 35%, (2) risk-free interest rate of 2.65% and (3) expected life of five years. The option grants to holders demand and "piggyback" rights for periods of five and seven years, respectively, from March 13, 2018 with respect to the registration under the Securities Act of the securities directly and indirectly issuable upon exercise of the option. The Company will bear all fees and expenses attendant to registering the securities, other than underwriting commissions which will be paid for by the holders themselves. The exercise price and number of units issuable upon exercise of the option may be adjusted in certain circumstances including in the event of a stock dividend, or the Company's recapitalization, reorganization, merger or consolidation. However, the option will not be adjusted for issuances of common stock at a price below its exercise price.

OPES ACQUISITION CORP.
NOTES TO CONDENSED FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
(Unaudited)

NOTE 10. FAIR VALUE MEASUREMENTS

The Company follows the guidance in ASC 820 for its financial assets and liabilities that are re-measured and reported at fair value at each reporting period, and non-financial assets and liabilities that are re-measured and reported at fair value at least annually.

The fair value of the Company's financial assets and liabilities reflects management's estimate of amounts that the Company would have received in connection with the sale of the assets or paid in connection with the transfer of the liabilities in an orderly transaction between market participants at the measurement date. In connection with measuring the fair value of its assets and liabilities, the Company seeks to maximize the use of observable inputs (market data obtained from independent sources) and to minimize the use of unobservable inputs (internal assumptions about how market participants would price assets and liabilities). The following fair value hierarchy is used to classify assets and liabilities based on the observable inputs and unobservable inputs used in order to value the assets and liabilities:

- Level 1: Quoted prices in active markets for identical assets or liabilities. An active market for an asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2: Observable inputs other than Level 1 inputs. Examples of Level 2 inputs include quoted prices in active markets for similar assets or liabilities and quoted prices for identical assets or liabilities in markets that are not active.
- Level 3: Unobservable inputs based on our assessment of the assumptions that market participants would use in pricing the asset or liability.

The following table presents information about the Company's assets that are measured at fair value on a recurring basis at September 30, 2020 and December 31, 2019, and indicates the fair value hierarchy of the valuation inputs the Company utilized to determine such fair value:

| Description | Level | September 30, 2020 | December 31, 2019 |
|---|--------------|-------------------------------|------------------------------|
| Assets: | | | |
| Marketable securities held in Trust Account | 1 | \$ 48,401,503 | \$ 94,541,286 |

NOTE 11. SUBSEQUENT EVENTS

The Company evaluates subsequent events and transactions that occur after the balance sheet date up to the date that the financial statements were issued. Other than as discussed below, the Company did not identify any subsequent events that would have required adjustment or disclosure in the condensed financial statements.

The Company issued the following persons unsecured promissory notes on the dates and in the amounts set forth below (i) \$16,080.00 to an affiliate of Axis Public Ventures on October 16, 2020; (ii) \$43,000.00 to Gonzalo Gil and \$30,000.00 to Lionheart Equities on October 27, 2020 (iii) \$52,428.68 to an affiliate of Axis Public Ventures on October 28, 2020; and (iv) \$113,129.58 to LB&B Capital on October 29, 2020. All of the promissory notes are non-interest bearing and due to be paid upon the consummation of a Business Combination. The loans will be forgiven if the Company is unable to consummate a Business Combination except to the extent of any funds held outside of the Trust Account.

Item 2. Management's Discussion and Analysis

Forward-Looking Statements

This Quarterly Report on Form 10-Q includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). We have based these forward-looking statements on our current expectations and projections about future events. These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions about us that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may," "should," "could," "would," "expect," "plan," "anticipate," "believe," "estimate," "continue," or the negative of such terms or other similar expressions. Factors that might cause or contribute to such a discrepancy include, but are not limited to, those described in our other Securities and Exchange Commission ("SEC") filings. References to "we," "us," "our" or the "Company" are to Opes Acquisition Corp., except where the context requires otherwise. The following discussion should be read in conjunction with our condensed financial statements and related notes thereto included elsewhere in this report.

Overview

We are a blank check company formed under the laws of the State of Delaware on July 24, 2017 for the purpose of effecting a merger, share exchange, asset acquisition, stock purchase, recapitalization, reorganization or other similar business combination with one or more businesses or entities ("Business Combination").

We consummated our initial public offering of ("Initial Public Offering") of 10,000,000 Units, each consisting of one share of common stock and one warrant to purchase one share of common stock for \$11.50 per share, on March 16, 2018. On March 20, 2018, we consummated the sale of an additional 1,500,000 Units subject to the underwriters' over-allotment option. All activity through March 16, 2018 relates to our formation and the Initial Public Offering. Since March 16, 2018, we have been searching for a target business with which to complete an initial Business Combination.

Recent Developments

On June 18, 2020, our stockholders approved an amendment to our Amended and Restated Certificate of Incorporation to extend the period of time for which we are required to consummate a Business Combination from June 18, 2020 to September 16, 2020 (the "Fifth Extension"). In connection with the approval of the Fifth Extension, none of our stockholders elected to redeem any of its shares of common stock.

On June 29, 2020, we entered the Agreement, with BurgerFi, the Members, and the Members' Representative. Upon the Closing, we will purchase 100% of the membership interests of BurgerFi from the Members resulting in BurgerFi becoming our wholly owned subsidiary.

The Acquisition Consideration shall be payable as follows (subject to reduction for indemnification claims and potential changes due to a working capital adjustment as described below):

- (i) a cash payment in the aggregate amount of \$30,000,000 payable to the Members;
- (ii) \$20,000,000 payable either in cash or in shares of our common stock valued at \$10.60 per share, in the sole and absolute discretion of our Board of Directors; and
- (iii) the issuance in the aggregate of 4,716,981 shares of our common stock to the Members (the "Closing Payment Shares")

Of the Closing Payment Shares, 943,396 shares shall be deposited into an escrow account, to satisfy any potential indemnification claims brought pursuant to the Agreement.

The BurgerFi Business Combination will be consummated subject to the deliverables and provisions as further described in the Agreement.

On September 15, 2020, our stockholders approved an amendment to our Amended and Restated Certificate of Incorporation to extend the period of time for which we are required to consummate a Business Combination from September 16, 2020 to November 15, 2020 (the "Sixth Extension"). In connection with the approval of the Sixth Extension, certain stockholders elected to redeem an aggregate of 497 shares of common stock, of which we paid cash in the aggregate amount of \$5,297, or approximately \$10.66 per share, to redeeming stockholders.

Results of Operations

We have neither engaged in any business operations nor generated any revenues to date. Our entire activity from inception up to the closing of our Initial Public Offering on March 16, 2018 was in preparation for that event. Subsequent to the Initial Public Offering, our activity has been limited to the search for a prospective initial Business Combination target and the proposed acquisition of BurgerFi. We have, and expect to continue to generate, non-operating income in the form of interest income on marketable securities. We incur expenses as a result of being a public company (for legal, financial reporting, accounting and auditing compliance), as well as for due diligence expenses.

For the three months ended September 30, 2020, we had a net loss of \$343,431, which consists of operating costs of \$361,978 and an unrealized loss on marketable securities held in our Trust Account of \$289, offset by interest income on marketable securities held in the Trust Account of \$11,160, and an income tax benefit of \$7,676.

For the nine months ended September 30, 2020, we had a net loss of \$551,140, which consists of operating costs of \$922,544 and an unrealized loss on marketable securities held in our Trust Account of \$478, offset by interest income on marketable securities held in the Trust Account of \$346,727, and an income tax benefit of \$25,155.

For the three months ended September 30, 2019, we had net income of \$336,700, which consisted of interest income on marketable securities held in the Trust Account of \$621,666, offset by unrealized loss on marketable securities held in our Trust Account of \$13,259, operating costs of \$157,429 and a provision for income taxes of \$114,278.

For the nine months ended September 30, 2019, we had net income of \$1,001,250, which consisted of interest income on marketable securities held in the Trust Account of \$2,010,319 and an unrealized gain on marketable securities held in our Trust Account of \$5,704, offset by operating costs of \$571,946 and a provision for income taxes of \$442,827.

Our operating expenses principally consisted of expenses related to our public filings and listing and identification and due diligence related to a potential target business, and to general operating expenses including printing, insurance and office expenses. Until we consummate a Business Combination, we will have no operating revenues.

Liquidity and Capital Resources

As of September 30, 2020, we had marketable securities held in the Trust Account of \$48,401,503 (including approximately \$1,231,000 of interest income, net of unrealized losses) consisting of U.S. treasury bills with a maturity of 180 days or less. Interest income on the balance in the Trust Account may be used by us to pay taxes. Through September 30, 2020, we have withdrawn \$1,413,000 of interest earned on the Trust Account to pay for our franchise and income tax obligations, of which \$309,515 was withdrawn during the nine months ended September 30, 2020.

For the nine months ended September 30, 2020, cash used in operating activities was \$683,253. Net loss of \$551,140 was affected by interest earned on marketable securities held in the Trust Account of \$346,727, an unrealized loss on marketable securities held in our Trust Account of \$478 and a deferred tax benefit of \$25,155. Changes in operating assets and liabilities provided \$239,291 of cash from operating activities.

For the nine months ended September 30, 2019, cash used in operating activities was \$1,000,744. Net income of \$1,001,250 was offset by interest earned on marketable securities held in the Trust Account of \$2,010,319, an unrealized gain on marketable securities held in our Trust Account of \$5,704 and a deferred tax benefit of \$21,361. Changes in operating assets and liabilities provided \$35,390 of cash from operating activities.

We intend to use substantially all of the funds held in the Trust Account to acquire a target business or businesses and to pay our expenses relating thereto, including a fee payable to EarlyBirdCapital in the amount of \$4,025,000. To the extent that our capital stock or debt is used, in whole or in part, as consideration to effect a Business Combination, the remaining proceeds held in the Trust Account as well as any other net proceeds not expended will be used as working capital to finance the operations of the target business. Such working capital funds could be used in a variety of ways including continuing or expanding the target business' operations, for strategic acquisitions and for marketing, research and development of existing or new products. Such funds could also be used to repay any operating expenses or finders' fees which we had incurred prior to the completion of our Business Combination if the funds available to us outside of the Trust Account were insufficient to cover such expenses.

Lion Point has entered into a contingent forward purchase agreement with us to purchase, in a private placement for aggregate gross proceeds of \$30,000,000, to occur concurrently with the consummation of our initial Business Combination, 3,000,000 units at \$10.00 per unit, on substantially the same terms as the sale of units in the Initial Public Offering. The funds from the sale of these units may be used as part of the consideration to the sellers in the initial Business Combination; any excess funds may be used for the working capital needs of the post-transaction company. This agreement is independent of the percentage of stockholders electing to redeem their public shares and may provide us with an increased minimum funding level for the initial Business Combination. The contingent forward purchase agreement is subject to conditions, including Lion Point giving us its irrevocable written consent to purchase the units no later than five days after we notify Lion Point of our intention to meet to consider entering into a definitive agreement for a proposed Business Combination. Lion Point granting its consent to the purchase is entirely within its sole discretion. Accordingly, if it does not consent to the purchase, it will not be obligated to purchase the units.

In order to fund working capital deficiencies or finance transaction costs in connection with a Business Combination, our sponsor, our officers, directors and other initial stockholders or their affiliates may, but are not obligated to, loan us funds from time to time or at any time as may be required. If we complete a Business Combination, we would repay such loaned amounts out of the proceeds of the Trust Account released to us. In the event that a Business Combination does not close, we may use a portion of the working capital held outside the Trust Account to repay such loaned amounts but no proceeds from our Trust Account would be used to repay such loaned amounts. Up to \$1,500,000 of such loans may be convertible into units at a price of \$10.00 per unit at the option of the lender. The units would be identical to the private placement units. The loans would be non-interest bearing and would be payable upon consummation of a Business Combination.

As of September 30, 2020, we had \$10,962 in cash and a working capital deficit of \$625,631, which excludes prepaid income taxes and franchise and income taxes payable as the net amount can be paid from the interest earned on the Trust Account. We have not generated operating revenues, nor do we expect to generate operating revenues until the consummation of a Business Combination. Until the consummation of a Business Combination, we will be using the funds not held in the Trust Account for identifying and evaluating prospective acquisition candidates, performing due diligence on prospective target businesses, paying for travel expenditures, selecting the target business to acquire, and structuring, negotiating and consummating the Business Combination.

On September 16, 2019, our stockholders approved the First Extension to extend the period of time we had to consummate a Business Combination from September 16, 2019 to November 15, 2019 and Lion Point agreed to loan us the funds necessary to obtain the First Extension. We deposited into the Trust Account an aggregate of approximately \$613,870, for such extension. The loans are non-interest bearing, and due to be paid upon the consummation of a Business Combination. The loans will be forgiven if we are unable to consummate a Business Combination except to the extent of any funds held outside of the Trust Account.

On November 15, 2019, our stockholders approved the Second Extension to further extend the period of time for which we are required to consummate a Business Combination from November 15, 2019 to January 15, 2020. In connection with the approval of the Second Extension, stockholders elected to redeem an aggregate of 228,001 shares of common stock, of which we paid cash in the aggregate amount of \$2.4 million, or approximately \$10.43 per share, to redeeming stockholders. In connection with the Second Extension, we deposited into the Trust Account \$0.0325 for each public share that was not redeemed in connection with the Second Extension, or an aggregate of approximately \$584,301, for such extension. The amount deposited into the Trust Account was loaned to us by an unrelated third party. The loan is non-interest bearing, and due to be paid upon the consummation of a Business Combination. The loan will be forgiven if we are unable to consummate a Business Combination except to the extent of any funds held outside of the Trust Account.

On January 15, 2020, our stockholders approved the Third Extension to further extend the period of time for which we are required to consummate a Business Combination from January 15, 2020 to March 16, 2020. In connection with the approval of the Third Extension, stockholders elected to redeem an aggregate of 18,133 shares of common stock, of which we paid cash in the aggregate amount of \$190,800, or approximately \$10.52 per share, to redeeming stockholders. In connection with the Third Extension, we deposited into the Trust Account \$0.0325 for each public share that was not redeemed in connection with the Third Extension, or an aggregate of approximately \$583,122, for such extension. A portion of the amount deposited into the Trust Account was loaned to us by an unrelated third party \$291,561, a portion was loaned to us by EarlyBirdCapital \$145,781 and a portion was loaned to us by Lionheart Management, LLC \$145,780. The loans are non-interest bearing, and due to be paid upon the consummation of a Business Combination. The loans will be forgiven if we are unable to consummate a Business Combination except to the extent of any funds held outside of the Trust Account.

On March 16, 2020, our stockholders approved the Fourth Extension to further extend the period of time for which we are required to consummate a Business Combination from March 16, 2020 to June 18, 2020. In connection with the approval of the Fourth Extension, stockholders elected to redeem an aggregate of 4,428,044 shares of common stock, of which we paid cash in the aggregate amount of \$46.97 million, or approximately \$10.61 per share, to redeeming stockholders. In connection with the Fourth Extension, we deposited into the Trust Account \$0.03 for each public share that was not redeemed in connection with the Fourth Extension, or an aggregate of approximately \$408,876, for such extension. The amounts deposited into the Trust Account were loaned to us by Lionheart Management, LLC. The loans are non-interest bearing, and due to be paid upon the consummation of a Business Combination. The loans will be forgiven if we are unable to consummate a Business Combination except to the extent of any funds held outside of the Trust Account.

On June 18, 2020, our stockholders approved an amendment to our Amended and Restated Certificate of Incorporation to extend the period of time for which we are required to consummate a Business Combination from June 18, 2020 to September 16, 2020. In connection with the approval of the Fifth Extension, none of the our stockholders elected to redeem any of their shares of common stock.

On September 15, 2020, our stockholders approved an amendment to our Amended and Restated Certificate of Incorporation to extend the period of time for which we are required to consummate a Business Combination from September 16, 2020 to November 15, 2020. In connection with the approval of the Sixth Extension, certain stockholders elected to redeem an aggregate of 497 shares of common stock, of which we paid cash in the aggregate amount of \$5,297, or approximately \$10.66 per share, to redeeming stockholders.

We will need to raise additional capital through loans or additional investments from our sponsor, stockholders, officers, directors, or third parties. Our officers, directors and sponsor may, but are not obligated to, loan us funds, from time to time or at any time, in whatever amount they deem reasonable in their sole discretion, to meet our working capital needs. Accordingly, we may not be able to obtain additional financing. If we are unable to raise additional capital, we may be required to take additional measures to conserve liquidity, which could include, but not necessarily be limited to, curtailing operations, suspending the pursuit of a potential transaction, and reducing overhead expenses. We cannot provide any assurance that new financing will be available to us on commercially acceptable terms, if at all. These conditions raise substantial doubt about our ability to continue as a going concern.

Off-Balance Sheet Arrangements

We did not have any off-balance sheet arrangements as of September 30, 2020.

Contractual Obligations

We do not have any long-term debt, capital lease obligations, operating lease obligations or long-term liabilities, other than an agreement to pay an affiliate of our executive officers an aggregate monthly fee of \$10,000 for office space and office and administrative support provided to the Company. We began incurring these fees upon the consummation of our initial public offering and will continue to incur these fees monthly until the earlier of the completion of a business combination and the Company's liquidation.

In addition, we have engaged EarlyBirdCapital, Inc., the representative of the underwriters in the Initial Public Offering, as an advisor in connection with a Business Combination to assist us in holding meetings with its stockholders to discuss a potential Business Combination and the target business' attributes, introduce us to potential investors that are interested in purchasing securities in connection with the Business Combination, assist us in obtaining stockholder approval for the Business Combination and assist us with its press releases and public filings in connection with a Business Combination. We will pay EarlyBirdCapital a cash fee of \$4,025,000 for such services upon the consummation of a Business Combination (exclusive of any applicable finders' fees which might become payable).

Lion Point has entered into a contingent forward purchase agreement with us to purchase, in a private placement for aggregate gross proceeds of \$30,000,000, to occur concurrently with the consummation of our initial Business Combination, 3,000,000 units at \$10.00 per unit, on substantially the same terms as the sale of Units in the Initial Public Offering. The funds from the sale of these units may be used as part of the consideration to the sellers in the initial Business Combination; any excess funds may be used for the working capital needs of the post-transaction company. This agreement is independent of the percentage of stockholders electing to redeem their Public Shares and may provide us with an increased minimum funding level for the initial Business Combination. The contingent forward purchase agreement is subject to conditions, including Lion Point giving us its irrevocable written consent to purchase the units no later than five days after we notify Lion Point of our intention to meet to consider entering into a definitive agreement for a proposed Business Combination. Lion Point granting its consent to the purchase is entirely within its sole discretion. Accordingly, if it does not consent to the purchase, it will not be obligated to purchase the units.

Critical Accounting Policies

The preparation of condensed financial statements and related disclosures in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and income and expenses during the periods reported. Actual results could materially differ from those estimates. We have identified the following critical accounting policies:

Common Stock Subject to Possible Redemption

We account for our common stock subject to possible redemption in accordance with the guidance in Accounting Standards Codification ("ASC") Topic 480 "Distinguishing Liabilities from Equity." Common stock subject to mandatory redemption is classified as a liability instrument and is measured at fair value. Conditionally redeemable common stock (including common stock that features redemption rights that are either within the control of the holder or subject to redemption upon the occurrence of uncertain events not solely within our control) is classified as temporary equity. At all other times, common stock is classified as stockholders' equity. Our common stock features certain redemption rights that are considered to be outside of our control and subject to occurrence of uncertain future events. Accordingly, common stock subject to possible redemption is presented at redemption value as temporary equity, outside of the stockholders' equity section of our condensed balance sheets.

Net Loss per Common Share

We apply the two-class method in calculating earnings per share. Shares of common stock subject to possible redemption which are not currently redeemable and are not redeemable at fair value, have been excluded from the calculation of basic net loss per share since such shares, if redeemed, only participate in their pro rata share of the Trust Account earnings. Our net income is adjusted for the portion of income that is attributable to common stock subject to possible redemption, as these shares only participate in the earnings of the Trust Account and not our income or losses.

Recent Accounting Standards

Management does not believe that any recently issued, but not yet effective, accounting standards, if currently adopted, would have a material effect on our condensed financial statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

As of September 30, 2020, we were not subject to any market or interest rate risk. The net proceeds of our Initial Public Offering, including amounts in the Trust Account, have been invested in United States government treasury bills, bonds or notes having a maturity of 180 days or less, or in money market funds meeting the applicable conditions under Rule 2a-7 promulgated under the Investment Company Act and that invest solely in U.S. treasuries. Due to the short-term nature of these investments, we believe there will be no associated material exposure to interest rate risk.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed to ensure that information required to be disclosed by us in our Exchange Act reports is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Under the supervision and with the participation of our management, including our principal executive officer and principal financial and accounting officer, we conducted an evaluation of the effectiveness of our disclosure controls and procedures as of the end of the fiscal quarter ended September 30, 2020, as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based on this evaluation, our principal executive officer and principal financial and accounting officer have concluded that during the period covered by this report, our disclosure controls and procedures were effective at a reasonable assurance level and, accordingly, provided reasonable assurance that the information required to be disclosed by us in reports filed under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting that occurred during the fiscal quarter of 2020 covered by this Quarterly Report on Form 10-Q that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 5. Unregistered Sales of Equity Securities and Use of Proceeds from Registered Securities

In October 2017, we issued 2,875,000 shares of common stock to Axis Public Ventures S. de R.L. de C.V. for \$25,000 in cash, at a purchase price of approximately \$0.01 per share, in connection with our organization. The foregoing issuance was made pursuant to the exemption from registration contained in Section 4(a)(2) of the Securities Act of 1933, as amended ("Securities Act").

On March 16, 2018, we consummated the Initial Public Offering of 10,000,000 units. On March 20, 2018, we consummated the sale of an additional 1,500,000 units subject to the underwriters' over-allotment option. The units sold in the Initial Public Offering, including pursuant to the over-allotment option, were sold at an offering price of \$10.00 per unit, generating total gross proceeds of \$115,000,000. EarlyBirdCapital, Inc. acted as sole book-running manager of the Initial Public Offering, Chardan Capital Markets, LLC acted as lead manager of the Initial Public Offering and I-Bankers Securities, Inc. acted as co-manager of the Initial Public Offering. The securities in the offering were registered under the Securities Act on a registration statement on Form S-1 (No. 333-223106). The Securities and Exchange Commission declared the registration statement effective on March 13, 2018.

Simultaneous with the consummation of the Initial Public Offering, we consummated the private placement of an aggregate of 400,000 units ("Private Units") to our initial stockholders at a price of \$10.00 per Private Unit, generating total proceeds of \$4,000,000. Simultaneous with the consummation of the underwriters' over-allotment option, we consummated the private placement of an additional 45,000 Private Units at a price of \$10.00 per Private Unit, generating total proceeds of \$450,000. These issuances were made pursuant to the exemption from registration contained in Section 4(a)(2) of the Securities Act.

The Private Units are identical to the units sold in the Initial Public Offering, except the warrants included in the Private Units are non-redeemable, may be exercised on a cashless basis, and may be exercisable for unregistered shares of common stock if the prospectus relating to the common stock issuable upon exercise of the warrants is not current and effective, in each case so long as they continue to be held by the initial purchasers or their permitted transferees. The initial purchasers have also agreed (A) to vote any shares of common stock held by them in favor of any proposed business combination, (B) not to convert any such shares of common stock into the right to receive cash from the Trust Account in connection with a shareholder vote to approve any proposed initial business combination or sell any shares of common stock to us in a tender offer in connection with a proposed initial business combination and (C) that any shares of common stock they own shall not participate in any liquidating distribution from the Trust Account upon winding up if a business combination is not consummated within the required time period. Additionally, the purchasers have agreed not to transfer, assign or sell any of the Private Units (except to certain permitted transferees) until the completion of an initial business combination.

Of the gross proceeds received from the Initial Public Offering and private placement of Private Units, \$116,150,000 was placed in a Trust Account.

We paid a total of \$2,300,000 in underwriting discounts and commissions and \$431,946 for other costs and expenses related to our formation and the Initial Public Offering.

For a description of the use of the proceeds generated in our Initial Public Offering, see Part I, Item 2 of this Form 10-Q.

Item 6. Exhibits

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|---|
| 31.1 | Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 31.2 | Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 32 | Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 101.INS | XBRL Instance Document |
| 101.SCH | XBRL Taxonomy Extension Schema Document |
| 101.CAL | XBRL Taxonomy Extension Calculation Linkbase Document |
| 101.DEF | XBRL Taxonomy Extension Definition Linkbase Document |
| 101.LAB | XBRL Taxonomy Extension Label Linkbase Document |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase Document |

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

OPES ACQUISITION CORP.

Date: November 12, 2020

By: /s/ Ophir Sternberg
Name: Ophir Sternberg
Title: Chief Executive Officer
(Principal Executive Officer)

Date: November 12, 2020

By: /s/ José Luis Córdova
Name: José Luis Córdova
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Ophir Sternberg, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Opes Acquisition Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; and
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 12, 2020

/s/ Ophir Sternberg
Ophir Sternberg
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, José Luis Córdova, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Opes Acquisition Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; and
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 12, 2020

/s/ José Luis Córdova
José Luis Córdova
Chief Financial Officer
(Principal Financial and Accounting Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Opes Acquisition Corp. (the "Company") on Form 10-Q, for the period ended September 30, 2020 as filed with the Securities and Exchange Commission (the "Report"), each of the undersigned, in the capacities and on the dates indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

Dated: November 12, 2020

/s/ Ophir Sternberg

Ophir Sternberg
Chief Executive Officer
(Principal Executive Officer)

/s/ José Luis Córdova

José Luis Córdova
Chief Financial Officer
(Principal Financial and Accounting Officer)