BNSELLIT TECHNOLOGY INC.

Consolidated Financial Statements

March 31, 2022

Unaudited

Notice to Reader

The accompanying unaudited condensed interim consolidated financial statements of BnSellit Technology Inc. (the "Corporation") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors

BNSELLIT TECHNOLOGY INC.
Consolidated Statement of Financial Position
Unaudited

As at March 31,		**2022**
Assets		
Current assets		
Cash	$	212,686
Accounts Receivable		65
Deposits		5,672
GST/HST receivable		67,389
		285,812
Deposits		28,973
Equipment (note 5)		3,762
Right of use asset (note 7)		160,834
BNSELLIT platform intellectual property (note 6)		1,312,598
Total assets	$	1,791,979
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	$	194,991
Lease liability (note 8)		100,782
		295,773
Lease liability (note 7)		61,635
Total liabilities		357,408
Shareholders' equity		
Share capital (note 8)		2,634,213
Deficit		(1,199,642)
Total equity		1,434,571
Total liabilities and equity	$	1,791,979

Approved on behalf of the Board

(signed) Antonio Comparelli Director

See accompanying notes to consolidated financial statements

BNSELLIT TECHNOLOGY INC.
Consolidated Statement of Net and Comprehensive Loss
Unaudited

For the period ended March 31,		2022
Gross revenue	$	1,630
Cost of sales		(776)
Net revenue		854
Expenses		
Professional fees		115,658
Wages and related benefits		138,303
Subcontractors		37,986
Office and administration		11,470
Travel		212
Depreciation		25,671
Lease interest		2,679
		331,979
Net and comprehensive loss	$	(331,125)
Basic and diluted loss per share	$	(0.01)
Weighted average number of shares outstanding		45,804,039

See accompanying notes to consolidated financial statements

BNSELLIT TECHNOLOGY INC.
Consolidated Statement of Changes in Shareholders' Equity
Unaudited

March 31, 2022

	Number of shares		Share capital		Deficit		**Total**
Opening balance	45,804,039	$	2,634,213	$	(868,517)	$	1,765,696
Share issuances	-		-		-		-
Share redemptions	-		-		-		-
Share issue costs	-		-		-		-
Net and comprehensive loss	-		-		(331,125)		(331,125)
Balance as at March 31, 2022	45,804,039	$	2,634,213	$	(1,199642)	$	1,434,571

See accompanying notes to consolidated financial statements

BNSELLIT TECHNOLOGY INC.
Consolidated Statement of Cash Flows

For the period ended March 31,		2022
Operating activities		
Net and comprehensive loss	$	(331,125)
Non-cash items:		
Depreciation		25,671
Lease interest		2,679
Changes in non-cash working capital:		
GST/HST receivable		(8,501)
Accounts Receivable		(64)
Deposits		2,008
Accounts payable and accrued liabilities		71,222
		65,164
Investing activity		
Purchase of equipment		(707)
Intangible asset expenditures		-
		(707)
Financing activities		
Share issuances		-
Share issue costs		-
Lease payments		(26,948)
		(26,948)
Decrease in cash		(265,279)
Cash, beginning of period		477,951
Cash, end of period	$	212,686

See accompanying notes to consolidated financial statements

1. Nature of operations

BNSELLIT TECHNOLOGY INC. and its wholly owned subsidiary BNSELLIT Technology (US) Incorporated (the "Company") were incorporated under the laws of Alberta on February 4, 2021 and Delaware on May 21, 2021 respectively. The Company holds intellectual property related to the BNSELLIT and BNBUYIT applications for iOS and Android operating systems.

The Company's corporate office is 421 7 Avenue SW – 30th Floor, Calgary, AB T2P 4K9.

2. Going concern

These consolidated financial statements have been prepared on a going concern basis which assumes the Company will continue operating for the foreseeable future and will be able to realize a return on its assets and discharge its liabilities and commitments in the ordinary course of its business.

The Company's continued existence is dependent upon the commercial success of the intellectual property and the Company's ability to raise additional capital or financing for which there lies material uncertainty. These consolidated financial statements do not include any adjustments that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

3. Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standards ("IAS") 34, Interim Financial Reporting. These interim consolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's audited financial statements for the period ended December 31, 2021, which have been prepared in accordance with IFRS.

The unaudited financial statements were authorized for issue by the Board of Directors on, May 25, 2022.

4. Significant accounting policies

a) Basis of presentation

The consolidated financial statements are presented in Canadian dollars, which is also the functional currency, on a historical cost basis except for measurement of financial instruments at fair value through profit or loss.

b) Consolidation

Assets, liabilities, income and expenses of the subsidiary are included in the consolidated financial statements from the date that the Company gains control until the date that the Company ceases to control the subsidiary. All intercompany balances and transactions have been eliminated on consolidation.

3. Significant accounting policies, continued

c) BNSELLIT platform intellectual property

BNSELLIT platform intellectual property (the "IP") is measured at cost less accumulated depreciation and impairment losses. The amortization rate has not yet been determined at the time of these financial statements.

d) Equipment

Equipment comprises of computer equipment and is stated at cost. Depreciation is provided on a declining balance at a rate of 30%.

e) Impairment of non-financial assets

The non-financial assets are reviewed for indicators of impairment during each financial period and are adjusted if appropriate. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount is the greater of the asset's value in use and fair value less costs to sell.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

f) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

f) Leases, continued

The right of use asset is subsequently amortized using the straight-line method from the commencement date to the lesser of the end of the lease term or the useful life of the underlying asset. The right of use asset is reduced by any impairment losses, if any, and adjusted for re-measurements of the lease liability. The lease liability is initially measured at the present value of the lease payments discounted using the interest rate implicit in the lease if readily determinable, or the Company's incremental borrowing rate. The lease payments include fixed and variable payments, residual value guarantees, and the exercise price under a purchase option that the Company is reasonably certain to exercise. The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is a change in the expected future lease

3. Significant accounting policies, continued

payments because of a revision to the lease term.

The Company does not recognize right of use assets and lease liabilities for leases of low-value assets and short-term leases of less that twelve months Lease payments associated with these leases are expensed on a straight-line basis over the lease term.

g) Revenue recognition

The Company earns transaction fees which are recognized when the corresponding transaction has occurred, the amount can reliably be measured and collection is reasonably assured.

h) Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

i) Financial instruments

Recognition

Financial assets and financial liabilities are recognized on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Classification

Financial assets are classified as subsequently measured at amortized cost or fair value through profit or loss on the basis of both the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The classification of subsequently measured at amortized cost is used when the objective of the business model is to hold assets and collect contractual cash flows, and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Cash is subsequently measured at amortized cost.

3. Significant accounting policies, continued

Financial liabilities are classified as subsequently measured at amortized cost, unless they meet the criteria for measurement at fair value or other prescribed measurement.

The accounts payable and accrued liabilities are subsequently measured at amortized cost.

Measurement
Financial assets and financial liabilities classified as subsequently measured at amortized cost are initially measured at fair value plus or minus transaction costs that are directly attributable to the acquisition of the financial asset or issue of the financial liability. Subsequently, the financial assets and liabilities are measured at amortized cost using the effective interest rate method.

Impairment
Financial assets classified as subsequently measured at amortized cost reflect the Company's assessment of expected credit losses. Expectations reflect historical credit losses, adjusted for forward looking factors. The expected credit loss provision is based on expectations for the next twelve months unless there has been a significant increase in the customer's credit risk, resulting in the provision being based on expectations for the remaining lifetime of the asset.

j) Loss per share

Basic loss per share is calculated by dividing net loss attributable to common shares of the Company by the weighted average number of common shares outstanding during the year. The Company uses the treasury stock method for calculating diluted loss per share. Under this method, the dilutive effect on earnings per share is calculated on the use of the proceeds that could be obtained upon exercise of in-the-money options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to purchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and the exercise of options and warrants that would be anti-dilutive.

4. Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Key areas with estimate uncertainties are as follows:

a. Indicators of impairment of IP – Management is required to assess, at each reporting date, whether there are any indicators that the asset may be impaired. Management is required to consider information from both external and internal sources.

Key areas with judgments in applying accounting policies are as follows:

a. Going concern – Management is required to make a judgment on whether the Company will be able to continue as a going concern. See note 2.

5. Equipment

	Cost	Accumulated depreciation	Net book value
Computer equipment	$ 4,626	$ 864	$ 3,762

6. BNSELLIT platform intellectual property

The IP was acquired from BNSELLIT CANADA INCORPORATED on May 31, 2021 for $1,167,000 in exchange for common shares as described in note 9, further costs of $145,598 were capitalized in the year to December 31, 2022. During the period, the Company capitalized additional costs of $nil.

7. Right of use asset and lease liability

The Company entered into a lease for an office facility during the period. The lease has a term of 23 months and expires October 31, 2023 with an interest rate of 6% per annum.

Right of use asset:

		2022
Cost		
Beginning of period	$	194,694
Additions		-
At March 31, 2022	$	194,694
Accumulated depreciation		
Beginning of period	$	8,465
Depreciation expense		25,395
At March 31, 2022	$	33,860
Net book value		
At March 31, 2022	$	160,834

Lease liability:

		2022
Beginning of period		$186,686
Recognized in the period		-
Lease interest		2,679
Lease payments		(26,948)
At March 31, 2022		162,417
Less: current portion		(100,782)
	$	61,635

The Company is committed to future lease payments as follows:

2022	$ 80,839
2023	89,822

8. Share capital

Authorized with an unlimited number of the following shares:
Class A voting common shares
Class B non-voting common shares

		2022
Issued		
Class A voting common shares (45,804,039 issued)	$	2,662,932
Less: share issue costs		(28,719)
	$	2,634,213

During the period, the Company issued nil shares.

9. Related Party Transactions

Key management compensation recognized in wages and related benefits and subcontractors as follows:

Chief Financial Officer	$	30,000
Chief Operating Officer		15,000
Chief Technology Officer		30,000
	$	75,000

10. Capital management

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, provide adequate working capital and maintain cash on hand. The Company defines capital as the Company's shareholders' equity. At March 31, 2022 the Company had equity of $1,534,556. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets.

11. Financial instruments and risk management

Fair value measurements

Financial instruments carried at fair value on the statement of financial position are assessed using the following hierarchy based on the amount of observable inputs used to value the instrument.

- Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.
- Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data. Assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the placement within the fair value hierarchy level.

Due to the short term nature of the cash and accounts payable and accrued liabilities the carrying value approximates its fair value.

Liquidity risk

Liquidity risk is the potential for the Company to have difficulty in meeting its obligations associated with financial liabilities as they become due. The Company's financial liabilities consist of the accounts payable and accrued liabilities. The Company's financial liabilities have contractual maturities of less than one year.