

BNSELLIT TECHNOLOGY INC.

Condensed Interim Consolidated Financial Statements
(Unaudited)
For the Three Months ended September 30, 2021
and from incorporation to September 30, 2021

BNSELLIT TECHNOLOGY INC.

Condensed Interim Consolidated Statement of Financial Position (Unaudited)

**September 30,
2021**

As at

Assets

Current assets

Cash	\$	782,524
Prepays and deposits		6,093
GST/HST receivable		40,610
		<u>829,227</u>

Intangible assets (note 5)

1,312,598

Total assets

\$ 2,141,825

Liabilities and Shareholders' Equity

Current liabilities

Accounts payable and accrued liabilities	\$	50,474
--	----	--------

Total liabilities

50,474

Shareholders' equity

Share capital (note 6)		2,634,214
Deficit		(542,863)
		<u>2,091,351</u>
	\$	<u>2,141,825</u>

Approved on behalf of the Board

Director

See accompanying notes to the financial statements

BNSELLIT TECHNOLOGY INC.

Condensed Interim Consolidated Statements of Net and Comprehensive Loss

(Unaudited)

	For the three months ended September 30, 2021	From incorporation to September 30, 2021
Revenue	\$ -	\$ -
Expenses		
Professional fees	109,764	315,488
Wages and related benefits	76,513	112,104
Subcontractors	45,762	60,762
Office and administration	41,971	51,512
Travel	2,997	2,997
	<u>277,007</u>	<u>542,863</u>
Net and comprehensive loss	\$ (277,007)	\$ (542,863)
Basic and diluted loss per share	(0.01)	(0.01)
Weighted average number of shares outstanding	45,604,359	37,252,267

See accompanying notes to the financial statements

BNSELLIT TECHNOLOGY INC.

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

From incorporation to September 30, 2021

	Number of shares	Share capital	Deficit	Total
Balance, beginning of period	-	\$ -	\$ -	\$ -
Share issuances	45,866,839	2,725,732	-	2,725,732
Share redemptions	(62,800)	(62,800)	-	(62,800)
Share issue costs	-	(28,719)	-	(28,719)
Net and comprehensive loss	-	-	(542,863)	(542,863)
Balance, end of period	45,804,039	\$ 2,634,213	\$ (542,863)	\$ 2,091,350

See accompanying notes to the financial statements

BNSELLIT TECHNOLOGY INC.

Condensed Interim Consolidated Statement of Cash Flows

(Unaudited)

	From incorporation to September 30, 2021
<hr/>	
Operating activities:	
Net and comprehensive loss	\$ (542,863)
Changes in non-cash working capital items	
Prepays and deposits	(6,093)
GST/HST receivable	(40,610)
Other receivables	-
Accounts payable and accrued liabilities	50,475
	<hr/>
	(539,091)
Investing activities	
Intangible asset expenditures	(145,598)
Financing activities	
Share issuances, net of redemptions	1,495,932
Share issue costs	(28,719)
	<hr/>
	1,467,213
Increase in cash	782,524
Cash, beginning of period	-
Cash, end of period	<hr/>
	\$ 782,524

See accompanying notes to the 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. 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 July 31, 2021, which have been prepared in accordance with IFRS.

The condensed interim consolidated financial statements were authorized for issue by the Board of Directors on November 10, 2021.

3. 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) 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.

Impairment

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.

The IP is reviewed for indicators of impairment during each financial period and is 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.

3. Significant accounting policies, continued

c) Consolidation

The condensed interim consolidated financial statements include the accounts of the Company and its subsidiary corporation, which is wholly-owned. Subsidiaries are consolidated from the date on which the Company obtains control and continue to be consolidated until control ceases. Control is established when the Company has the power to govern the financial and operating policy decisions of the entity so as to obtain benefits from the entity's activities, and generally exists where more than 50% of the voting power of the entity is held by the Company. The financial statements of the subsidiary are prepared for the same reporting period as the Company, using consistent accounting policies. All inter-corporate balances and transactions have been eliminated.

4. Measurement uncertainty

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 measurement uncertainty are as follows:

- 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.

5. 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 6. For the period to date, the Company capitalized additional costs of \$145,598.

BSELLIT TECHNOLOGY INC.
Notes to Condensed Interim Consolidated Financial Statements
(Unaudited)
September 30, 2021

6. Share capital

Authorized unlimited number of

Class A voting shares

Class B non-voting shares

Issued

	<u>2021</u>
Class A voting common shares (45,804,039 shares)	\$ 2,662,932

During the period, the Company issued 45,804,039 shares at prices of \$0.01 to \$0.34 per share. The Company issued 6,019,657 shares for cash consideration of \$1,558,732 and 39,705,882 shares in exchange for IP from BSELLIT CANADA INCORPORATED with the fair value of \$1,167,000 determined using estimated replacement cost. Included in the above was the issuance of 78,500 Class B non-voting common shares of which 15,700 were converted into 157,000 Class A voting common shares and 62,800 were redeemed at \$1 per share in the period. The Company incurred issue costs of \$28,719 on these transactions.

7. Related party transactions

During the period, the Company incurred fees for software development services of \$130,000 related to set up of the IP which have been capitalized and paid rent expense of \$20,000 to a Company with management in common.

During the period, key management compensation of \$45,000 was paid to the Chief Financial Officer of the Company and subcontractor fees of \$22,500 were paid to the acting Chief Operating Officer.