



Unaudited Interim Condensed Consolidated Financial Statements of

HUNTER TECHNOLOGY CORP.

Three Months Ended March 31, 2021 and 2020

(Expressed in US Dollars)

HUNTER TECHNOLOGY CORP.

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim consolidated condensed financial statements of the Company have been prepared by management and approved by the Board of Directors of the Company.

The Company's independent auditor has not performed a review of these unaudited interim condensed consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

May 25, 2021

HUNTER TECHNOLOGY CORP.

Condensed Consolidated Statements of Financial Position (Unaudited)
(all amounts expressed in US dollars)

	Notes	March 31, 2021	December 31, 2020
Assets			
Current assets			
Cash		\$ 818,639	\$ 1,665,936
Receivables		34,819	40,343
Prepaid expenses and deposits		90,286	38,765
		943,744	1,745,044
Non-current assets			
Intangible assets	6	4,440,635	4,727,010
Goodwill	6	5,271,274	5,271,274
Equipment	7	5,104	4,720
Restricted cash	5	27,371	27,302
		9,744,384	10,030,306
Total Assets		\$ 10,688,128	\$ 11,775,350
Liabilities and Shareholders' Equity			
Current liabilities			
Accounts payable		\$ 218,622	\$ 467,028
Accrued liabilities	8	270,848	198,624
		489,470	665,652
Non-current assets			
Deferred tax liability		708,778	756,030
		708,778	756,030
Total liabilities		1,198,248	1,421,682
Shareholders' Equity			
Share capital	9	122,029,845	122,029,845
Contributed Surplus		9,774,281	9,584,080
Accumulated deficit		(122,316,200)	(121,260,257)
Accumulated other comprehensive income		1,954	-
Total shareholders' equity		9,489,880	10,353,668
Total Liabilities and Shareholders' Equity		\$ 10,688,128	\$ 11,775,350

Liquidity and going concern (See Note 2)

Approved by the Board of Directors:

/s/ Srinivas Polishetty
Srinivas Polishetty
Director

/s/ Florian M. Spiegl
Florian M. Spiegl
Director

See accompanying notes to the consolidated financial statements

HUNTER TECHNOLOGY CORP.

Condensed Consolidated Statements of Comprehensive Loss (Unaudited)
(all amounts expressed in US dollars)

	Note		Three Months Ended March 31,	
			2021	2020
Expenses				
General and administrative	15	\$	206,068	\$ 33,492
Management fees and consulting	11		66,500	98,174
Salaries and wages			184,253	-
Platform development	16		169,798	-
Foreign currency loss (gain)			-	84,403
Amortization of intangibles	6		286,375	-
Stock-based compensation	10		190,201	-
Total expenses			1,103,195	216,069
Loss before taxes			(1,103,195)	(216,069)
Deferred income tax recovery			(47,252)	-
Net loss for the period		\$	(1,055,943)	\$ (216,069)
Other comprehensive (income) loss				
Foreign currency translation adjustment			(1,954)	-
Total comprehensive loss		\$	(1,053,988)	\$ (216,069)
Total comprehensive loss per share – basic and diluted				
		\$	(0.02)	\$ (0.01)
Weighted average number of common shares outstanding – basic and diluted				
			45,334,655	19,891,118

See accompanying notes to the consolidated financial statements

HUNTER TECHNOLOGY CORP.

Condensed Consolidated Statements of Changes in Shareholders' Equity (Unaudited)

(all amounts expressed in US dollars)

	Notes	Number of common shares	Common shares	Contributed surplus	Accumulated other comprehensive income	Deficit	Total
			\$	\$	\$	\$	\$
Balances, December 31, 2019		19,891,118	111,816,074	9,506,990	-	(120,166,818)	1,156,246
Comprehensive loss for the period		-	-	-	-	(216,069)	(216,069)
Balances, March 31, 2020 (unaudited)		19,891,118	111,816,074	9,506,990	-	(120,382,887)	940,177
Shares issued for							
Private Placement	9	13,333,333	1,528,674	-	-	-	1,528,674
Acquisition of FinFabrik	4	12,110,204	8,685,097	-	-	-	8,685,097
Stock-based compensation	10	-	-	77,090	-	-	77,090
Comprehensive loss for the period		-	-	-	-	(877,370)	(877,370)
Balances, December 31, 2020		45,334,655	122,029,845	9,584,080	-	(121,260,257)	10,353,668
Stock based compensation	10	-	-	190,201	-	-	190,201
Foreign currency translation		-	-	-	1,954	-	1,954
Net loss for the period		-	-	-	-	(1,055,943)	(1,055,943)
Balances, March 31, 2021		45,334,655	122,029,845	9,774,281	1,954	(122,316,200)	9,489,880

See accompanying notes to the consolidated financial statements

HUNTER TECHNOLOGY CORP.

Condensed Consolidated Statements of Cash Flows (Unaudited)
(all amounts expressed in US dollars)

	Three Months Ended March 31,	
	2021	2020
Operating activities		
Net loss from continuing operations	\$ (1,055,943)	\$ (216,069)
Add/(Deduct) non-cash items:		
Amortization	286,375	-
Depreciation	464	-
Deferred income tax recovery	(47,252)	-
Stock-based compensation	190,201	-
Gain/loss on disposal of equipment	4,720	-
Changes in working capital (Note 14)	(220,294)	3,439
Cash used in operations	(841,729)	(212,630)
Investing activities		
Purchase of computer equipment	(5,568)	-
Cash used in investing activities	(5,568)	-
Financing activities		
Cash provided by financing activities	-	-
Change in cash	(847,297)	(212,630)
Cash, beginning of period	1,665,936	1,111,717
Cash, ending of period	\$ 818,639	\$ 899,087

See accompanying notes to the consolidated financial statements

HUNTER TECHNOLOGY CORP.

Notes to Consolidated Financial Statements
(All amounts in US dollars unless otherwise indicated)
For the Three Months ended March 31, 2021 and 2020

1. Nature of Operations

Hunter Technology Corp., (the “Company”) is incorporated in British Columbia, Canada. The Company’s primary operations is technology development of its two primary platforms (“**Platforms**”) focused on and targeted at the physical oil market. First, the Company is developing a physical oil trading platform “**OilEx**” to enable independent crude oil producers to access a global market. Second, a supply chain intelligence service “**OilExchange**” providing analytical and market data tools. The Company’s registered address is Suite 1800 – 510 West Georgia St., Vancouver, BC, V6B 0M3, Canada. On November 2, 2020, the Company forward split its share capital by issuing three (3) new common share without par value for every two (2) existing common shares without par value basis. All common shares and per share amounts have been restated to give retroactive effect to the share split. (Note 9). The Company’s shares are listed on the TSX Venture Exchange under the symbol V.HOC.

2. Going Concern

These unaudited interim consolidated financial statements are prepared on the basis that the Company will continue to operate as a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the twelve-month period following the date of these consolidated financial statements. The Company has working capital of \$454,274 as at March 31, 2021.

The proposed business of the Company involves a high degree of risk and there is no assurance that the Company will be able to generate positive cashflows from operations. Additional funds may be required to enable the Company to successfully deploy its Platforms and the Company may be unable to obtain such financing on terms which are satisfactory to it. Furthermore, there is no assurance that the business will be profitable. These factors indicate the existence of a material uncertainty that may cast doubt about the Company’s ability to continue as a going concern. These unaudited interim condensed consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material.

3. Basis of Presentation and Significant Accounting Policies

- a) **Statement of Compliance** - These unaudited interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim condensed financial statements, including International Accounting Standard 34, “Interim Financial Reporting.” The Company has consistently applied the same accounting policies as those set out in the audited consolidated financial statements for the year ended December 31, 2020, which are available on the Company’s website at www.huntertechnology.com. Certain disclosures included in the notes to the annual consolidated financial statements have been condensed in the following note disclosures or have been disclosed on an annual basis only. Accordingly, these unaudited interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2020, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies applied in these unaudited interim consolidated financial statements are based on IFRS issued and outstanding as of May 25, 2021, the date the Company’s Board of Directors approved the statements.

HUNTER TECHNOLOGY CORP.

Notes to Consolidated Financial Statements
(All amounts in US dollars unless otherwise indicated)
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3. Basis of Presentation and Significant Accounting Policies (cont'd)

b) Basis of Presentation

- i. Basis of Measurement** – These unaudited interim condensed consolidated financial statements have been prepared on a historical cost basis, modified where applicable. In addition, these unaudited interim condensed consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.
 - ii. Functional and Presentation Currency** – These unaudited interim condensed consolidated financial statements are presented in United States dollars, unless otherwise indicated. Items included in the unaudited condensed interim consolidated financial statements of each of the Company’s entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The functional currency is the United States dollar.
- c) **Basis of Measurement and Estimation Uncertainty** – The timely preparation of the unaudited interim condensed consolidated financial statements requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and the disclosure of contingencies at the date of the unaudited interim condensed consolidated financial statements, and the amount of revenues and expenses. Accordingly, actual results may differ from these estimates. See Note 4 for areas of estimation and judgement that management considers most significant.
- d) **Principles of Consolidation** - The consolidated financial statements of the Company include the financial information of Hunter Technology Corp. (the “Parent Company”) and its wholly-owned subsidiaries. Intercompany balances and transactions are eliminated upon consolidation. The following table lists the Company’s principal operating subsidiaries, their jurisdiction of incorporation and its percentage ownership as of the date of this report:

Subsidiary Name	Jurisdiction	Ownership 2021	Ownership 2020
FinFabrik Limited ⁽¹⁾	Hong Kong	100%	0%
FinFabrik (ShenZhen) Limited ⁽¹⁾	China	100%	0%
Hunter Technology Holdings Ltd. ⁽²⁾	England & Wales, UK	100%	0%
Digiledger Holdings AG ⁽³⁾	Switzerland, Baar	100%	0%
Hunter Oil Management Corp.	Florida, USA	100%	100%
Hunter Oil Production Corp.	Florida, USA	100%	100%

(1) Acquired December 31, 2020 (See Note 6)

(2) Entity formed September 23, 2020

(3) Entity formed November 20, 2020

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(All amounts in US dollars unless otherwise indicated)
For the Three Months ended March 31, 2021 and 2020

4. Acquisition

On December 31, 2020, the Company acquired all the outstanding and issued shares of FinFabrik Limited (“Finfabrik”), a financial technology development company based in Hong Kong. The total consideration was paid by the issuance of 12,110,204 common shares of the Company, and \$250,000 in cash.

At the time of the acquisition, the Company determined that Finfabrik constituted a business, as defined under IFRS 3, Business Combinations, and accounted for it as such. The Company has recognized the identifiable assets acquired and liabilities assumed at their fair values on the acquisition date.

The following table presents the purchase price allocations at the acquisition date:

<i>Consideration paid:</i>	
Cash	\$ 250,000
Shares	8,685,097
<i>Total consideration paid</i>	\$ 8,935,097
<i>Less: Value of net assets acquired</i>	
<i>Assets</i>	
Cash	\$ 48,271
Other receivables	22,771
Prepaid expenses	18,463
Due from related parties	2,531
Equipment	4,720
Intangible assets	4,582,000
Goodwill	5,271,274
<i>Total assets</i>	\$ 9,950,030
<i>Liabilities</i>	
Accounts payable	\$ (108,010)
Payments received in advance	(150,893)
Deferred tax liability	(756,030)
<i>Total liabilities</i>	\$ (1,014,933)
<i>Net assets acquired</i>	\$ 8,935,097

The value of the common shares was estimated using a commonly used option model that estimates the discount related to the lack of marketability of the shares from the contractual restrictions.

The goodwill recognized on the acquisition is primarily attributed to the assembled workforce and the synergies which will contribute to operational efficiencies with the Company.

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Notes to Consolidated Financial Statements

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For the Three Months ended March 31, 2021 and 2020

5. Restricted Cash

Restricted cash is comprised of cash escrowed amounts and certificates of deposit at banks which are pledged either to secure a well site reclamation project in Canada (Note 8). Total bank deposits pledged to secure well site reclamations as at March 31, 2021 was \$27,371 (2020 - \$24,557).

6. Intangible Asset and Goodwill

a) Intangible Assets

	Domains	Technology Platforms	TOTAL
Cost			
Balance, December 31, 2020	\$ 145,010	\$ 4,582,000	\$ 4,727,010
Additions	-	-	-
Balance, March 31, 2021	\$ 145,010	\$ 4,582,000	\$ 4,727,010
Accumulated amortization			
Balance, December 31, 2020	\$ -	\$ -	\$ -
Additions	-	(286,375)	(286,375)
Balance, March 31, 2021	\$ -	\$ (286,375)	\$ (286,375)
Net book value			
At December 31, 2020	\$ 145,010	\$ 4,582,000	\$ 4,727,010
At March 31, 2021	\$ 145,010	\$ 4,295,625	\$ 4,440,635

b) Goodwill

On December 31, 2020, the Company recognized goodwill of \$5,271,274 resulting from the acquisition of FinFabrik (Note 4). There have been no changes to the carrying balance as at March 31, 2021.

7. Equipment

	Computer Hardware
Cost	
Balance, December 31, 2020	\$ 4,720
Additions	5,568
Dispositions	(4,720)
Balance, March 31, 2021	\$ 5,568
Accumulated Depreciation	
Balance, December 31, 2020	\$ -
Additions	(464)
Balance, March 31, 2021	\$ (464)
Net book value	
At December 31, 2020	\$ 4,720
At March 31, 2021	\$ 5,104

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Notes to Consolidated Financial Statements

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For the Three Months ended March 31, 2021 and 2020

8. Accrued Liabilities

	March 31, 2020	December 31, 2020
Well site reclamation	\$ 47,757	\$ 47,757
Payments received in advance	150,867	150,867
Other accrued expenses	72,224	-
	<u>\$ 270,848</u>	<u>\$ 198,624</u>

The Company has an obligation to complete a well site reclamation for a historical lease arrangement in Alberta, Canada. The Company continues reclamation evaluation activities with its environmental consultants. As at March 31, 2021 the Company currently had \$47,757 accrued for potential final reclamation costs and certifications. Upon final regulatory approval, the restricted cash (See Note 5) shall be returned to the Company.

Through the acquisition of FinFabrik, the Company entered into collaborative arrangements in connection to the development of certain online platforms. As of March 31, 2021, the balance of payments received in advance is \$150,497 (2020 - \$Nil) and is to be applied against expenses incurred in the subsequent period in relation to the collaborative arrangements.

9. Share Capital

On November 2, 2020, the Company forward split its share capital by issuing three (3) new common shares without par value for every two (2) existing common shares without par value basis. All references to common shares and stock options have been retrospectively adjusted to reflect the share split.

Authorized Shares – The Company is authorized to issue an unlimited number of common shares of non par value and up to 25 million preferred shares of no par value.

Issued and Outstanding – As at March 31, 2021 the Company had 45,334,655 common shares outstanding (2020 – 19,891,118).

Private Placement - On November 2, 2020, the Company completed a private placement of 13,333,333 common shares for gross proceeds of \$1,528,674.

FinFabrik Acquisition - On December 31, 2020, the Company acquired all the outstanding shares of FinFabrik. As partial consideration for the acquisition, the Company issued 12,110,204 common shares with a fair value of \$8,685,097. (See Note 4)

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10. Stock Options

The Company records stock-based compensation expense in the consolidated financial statements for stock options granted using the fair value method. The fair value of each option granted is estimated on the date of grant using the Black-Scholes option-pricing model. Depending on the terms of vesting for each option, compensation expense is recognized over the vesting period, which ranges from vesting on the day of the grant to scheduled vesting over three (3) years.

The Company's option activities were as follows:

	Number of Options
Outstanding, December 31, 2020	2,880,000
Granted	-
Forfeited	(965,000)
Outstanding, March 31, 2021	1,915,000

During the period ended March 31, 2021, the Company recorded stock-based compensation expense of \$190,201 (2020 - \$nil) relating to the vesting of the stock options.

Options outstanding as March 31, 2021 were as follows:

Exercise Price	Outstanding		Exercisable	
	Number of Options	Weighted Average Remaining Contractual Life (years)	Number of Options	Weighted Average Remaining Contractual Life (years)
\$0.75 (CAD)	535,000	2.63	-	2.63
\$1.09 (CAD)	50,000	2.67	25,000	2.67
\$0.90	1,330,000	2.73	-	2.73
	1,915,000	2.70	25,000	2.70

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11. Related Party Transactions

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The following table summarizes compensation paid or payable to officers and directors of the Company, including the Board of Directors, the Chief Executive Officer, and the Chief Financial Officer:

	Three Months Ended March 31,	
	2021	2020
Salaries, bonus, benefits and fees	\$ 193,253	\$ 18,000
Management fees	57,500	80,174
Total	\$ 250,753	\$ 98,174

A total \$13,125 included in accounts payable is due to related parties as at March 31, 2021 (2020 - \$Nil). As at March 31, 2021, amounts due from related parties was \$2,524.

During the three months ended March 31, 2021, the Company incurred expenses from transactions with two related parties identified below.

The Company was party to a management services agreement with a company controlled by the Company's former Executive Chairman. The Company incurred \$20,000 in management fees, office rent and office expenses during the three months ended March 31, 2021 and (2020 - \$60,000). The management services agreement operates on a month-to-month basis.

The Company incurred management consulting fees paid \$37,500 to a company controlled by the CFO during the three months ended March 31, 2021 (2020 - \$20,174).

12. Fair Value Measurements

Fair value estimates are made at a specific point in time, using available information about the financial instrument. These estimates are subjective in nature and often cannot be determined with precision. The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – Values are based on unadjusted quoted prices available in active markets for identical assets or liabilities as of the reporting date.
- Level 2 – Values 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. Prices in level 2 are either directly or indirectly observable as of the reporting date.
- Level 3 – Values are based on prices or valuation techniques that are not based on observable market data.

The Company has determined that the carrying value of its short-term financial assets and liabilities (cash, restricted cash, receivables, accounts payable and accrued liabilities) approximates fair value due to the short-term maturity of these financial instruments.

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Notes to Consolidated Financial Statements
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13. Risk Management

The technology development industry is highly competitive and, in addition, exposes the Company to a number of risks. Technological development involves a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. It is also highly capital intensive and the ability to complete a development project may be dependent on the Company's ability to raise additional capital. In certain cases, this may be achieved only through joint ventures or other relationships, which would reduce the Company's ownership interest in the project. There is no assurance that development operations will prove successful.

Risks Associated with Financial Assets and Liabilities – The Company is exposed to financial risks arising from its financial assets and liabilities. Financial risks include market risks (such as commodity prices, foreign exchange and interest rates), credit risk and liquidity risk. The future cash flows of financial assets or liabilities may fluctuate due to movements in market prices and the exposure to credit and liquidity risks. Disclosures relating to exposure risk are provided in detail as follows:

Credit Risk - Credit risk is the risk of an unexpected loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's financial instruments exposed to concentrations of credit risk are primarily cash and cash equivalents, including restricted cash, and accounts receivable. The Company has little exposure to credit risk as all of its deposits and related receivable are with major financial institutions or government related receivables.

Liquidity Risk - Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet liabilities when due. At March 31, 2021, the Company had cash of \$818,639, excluding restricted cash of \$27,371. The Company is dependent on raising funds by borrowings, equity issues, or asset sales to finance its ongoing operations, capital expenditures and acquisitions. The contractual maturity of the majority of accounts payable is within three months or less. The Company has historically financed its expenditures and working capital requirements through the sale of common stock or, on occasion, through the issuance of short-term debt.

Foreign Exchange Risk - Substantially all of the Company's assets and expenditures are either denominated in or made with US dollars or Hong Kong Dollars. Considering this and the current US Hong Kong dollar currency peg, the Company has very limited exposure to foreign exchange risk in relation to existing commitments or assets denominated in a foreign currency. The Company also incurs administrative expenses in Canadian dollars, but has chosen not to enter into any foreign exchange contracts since its Canadian dollar working capital balances are not significant to the consolidated entity.

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14. Supplemental Cash Flow Information

The changes in non-cash working capital are comprised of:

	Three Months Ended March 31,	
	2021	2020
Receivables	\$ 5,524	\$ (943)
Prepaid expenses and deposits	(51,521)	(11,319)
Accounts payable	(248,406)	15,111
Accrued liabilities	72,224	-
Other	1,885	590
Total	\$ (220,294)	\$ 3,439

15. General and Administrative Expenses

	Three Months Ended March 31,	
	2021	2020
Accounting & Audit	\$ 56,928	\$ 9,280
Advertising and communications	68,970	-
Legal	36,050	-
Office and general	18,002	15,955
Regulatory	16,118	8,257
Travel and accommodation	10,000	-
Total	\$ 206,068	\$ 33,492

16. Platform Development Expense

The Company incurred various costs directly related to the development of its Platforms. The Company expenses these costs through profit and loss until such time that these intangible assets meet the criteria for recognition outlined in IAS 38. A summary of the costs incurred for the three-month comparative periods is as follows:

	Three Months Ended March 31,	
	2021	2020
Consultants	\$ 6,500	\$ -
Depreciation	464	-
Office & general	5,373	-
Professional fees	12,210	-
Rent	19,158	-
Software & IT services	2,888	-
Wages & salaries	118,485	-
Loss on asset disposal	4,720	-
Total	\$ 169,798	\$ -