MUST CAPITAL INC.

CONDENSED INTERIM FINANCIAL STATEMENTS

(UNAUDITED)

For the three months ended March 31, 2021

(expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

Must Capital Inc.
Condensed Interim Statements of Financial Position (unaudited)
As at March 31, 2021 and December 31, 2020
(expressed in Canadian Dollars)

as at		**March 31, 2021**		December 31, 2020
ASSETS				
Current assets				
Cash	**$**	**7,116**	$	15,489
Prepaid expenses		**4,876**		4,876
	$	**11,992**	$	20,365
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities (note 3)	**$**	**140,607**	$	78,740
Shareholders' equity (deficiency)				
Share Capital (note 4)		**10,912,113**		10,912,113
Contributed surplus (note 5)		**13,562,402**		13,562,402
Deficit		**(24,603,130)**		(24,532,890)
		(128,615)		(58,375)
	$	**11,992**	$	20,365

Nature of operations and going concern (note 1)
Subsequent event (note 8)

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

Approved by the Board of Directors on May 31, 2021

Signed: "Bradley Scharfe”   Signed: "Vikas Ranjan”

Must Capital Inc.
Condensed Interim Statements of Loss (unaudited)
For the three month period ended March 31,
(expressed in Canadian Dollars)

	2021	2020
Expenses		
Consulting (note 3)	**$ 65,750**	$ 15,750
Filing and transfer agent	**2,550**	2,574
Office	**18**	19
Professional fees	**1,922**	-
Loss for the period	**(70,240)**	(18,343)
Weighted average number of common shares	**20,064,812**	20,064,812
Loss per share - basic and diluted	**$ (0.00)**	$ (0.00)

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

Must Capital Inc.
Condensed Interim Statements of Cash Flows (unaudited)
For the three month period ended March 31,
(expressed in Canadian Dollars)

		2021		2020
Cash used in operating activities				
Loss for the period	**$**	**(70,240)**	$	(18,343)
Net changes in non-cash working capital items				
Prepaid expenses		**-**		(13,466)
Accounts payable and accrued liabilities		**61,867**		5,540
Cash used in operating activities		**(8,373)**		(26,269)
Decrease in cash		**(8,373)**		(26,269)
Cash, beginning of period		**15,489**		70,693
Cash, end of period	**$**	**7,116**	$	44,424

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

Must Capital Inc.
Condensed Interim Statements of Shareholders' Equity (Deficiency) (unaudited)
For the three month period ended March 31, 2021 and 2020
(expressed in Canadian Dollars)

	Shares	Common Shares	Warrants	Contributed Surplus	Deficit	Total
Balance, December 31, 2019	20,064,812	$ 10,912,113	$ -	$ 13,562,402	$ (24,448,082)	$ 26,433
Loss for the period	-	-	-	-	(18,343)	(18,343)
Balance, March 31, 2020	**20,064,812**	**$ 10,912,113**	**$ -**	**$ 13,562,402**	**$ (24,466,425)**	**$ 8,090**
Balance, December 31, 2020	20,064,812	$ 10,912,113	$ -	$ 13,562,402	$ (24,532,890)	$ (58,375)
Loss for the period	-	-	-	-	(70,240)	(70,240)
Balance, March 31, 2021	**20,064,812**	**$ 10,912,113**	**$ -**	**$ 13,562,402**	**$ (24,603,130)**	**$ (128,615)**

The accompanying notes are an integral part of these financial statements

1. Nature of operations and going concern

Must Capital Inc. ("Must Capital" or the "Company") was incorporated under the Ontario Business Corporations Act on September 7, 2010 and its common shares are listed on the NEX under the symbol "MUST". The address of the Company's registered office is 121 King Street West, Suite 2150, Toronto, Ontario, M5H 3T9. As at the date of these condensed interim financial statements, the Company does not carry on any business activities.

These condensed interim financial statements were approved for issuance by the Board of Directors on May 31, 2021.

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for the next twelve months. As at March 31, 2021, the Company had an accumulated deficit of $24,603,130. This factor indicates the existence of material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. As a result, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent on its ability to obtain necessary financing to meet its ongoing expenses and discharge its liabilities in the normal course of business. Although the Company has been successful in obtaining financing in the past, there can be no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. These conditions indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

Should the Company be unable to continue as a going concern, asset realization values may be substantially different from their carrying values. These financial statements do not give effect to adjustments that would be necessary to carrying values, and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or its ability to raise funds.

2. Basis of presentation

a) Statement of compliance

These condensed interim financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC").

b) Basis of measurement

These condensed interim financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value. These condensed interim financial statements are presented in Canadian dollars. The functional currency of the Company is the Canadian dollar.

c) Significant accounting policies

The same accounting policies and methods of computation were followed in the preparation of these condensed interim financial statements as were followed in the preparation of and as described in note 3 of the annual financial statements as at and for the year ended December 31, 2020, with the exception of new and revised standards along with any consequential amendments. Accordingly, these condensed interim financial statements for the three month period ended March 31, 2021 and 2020 should be read together with the annual financial statements as at and for the year ended December 31, 2020. These financial statements reflect all the adjustments necessary for fair presentation in accordance with IAS 34.

(expressed in Canadian dollars)

3. Related party transactions

Compensation of key management personnel:

Key management includes members of the board, the President and Chief Executive Officer and the Chief Financial Officer. The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

During the three month period ended March 31, 2021, the Company was charged fees in the amount of $11,025 (2020 - $11,025) by Pacific West Mercantile Corp., a company owned by the Chief Executive Officer of the Company. As at March 31, 2021, $77,175 (2020 - $33,075) was owed to Pacific West Mercantile Corp.

During the three month period ended March 31, 2021, the Company was charged fees in the amount of $4,725 (2020 - $4,725) by the Chief Financial Officer of the Company. As at March 31, 2021, $4,755.91 (2020 - $1,575) was owed to the Chief Financial Officer.

4. Share capital

Authorized
Unlimited number of common shares without par value

Issued and outstanding
As at March 31, 2021 and December 31, 2020 the Company had 20,064,812 common shares outstanding with a value of $10,912,113.

During the three month period ended March 31, 2021, no shares were issued or cancelled by the Company. (see note 8)

5. Warrants

The following is a summary of the activity of warrants:

	Three months ended March 31, 2020		Year ended December 31, 2020	
	Number of warrants	**Weighted average exercise price**	Number of warrants	Weighted average exercise price
Balance, beginning of period	-	$ -	5,671,808	$ 0.08
Expired	-	-	(5,671,808)	0.08
Balance, end of period	**-**	**$ -**	**-**	**$ -**

There were no warrants outstanding at March 31, 2021.

6. Financial instruments

Fair value

Financial instruments of the Company consist of cash, accounts payable and accrued liabilities, and convertible debentures from related parties. There are no significant differences between the carrying amounts of the items reported on the statements of financial position and their estimated fair values.

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies. Where quoted market values are not readily available, the Company may use considerable judgment to develop estimates of fair value. Accordingly, any estimated values are not necessarily indicative of the amounts the Company could realize in a current market exchange and could be materially affected by the use of different assumptions or methodologies.

The Company’s risk exposures and their impact on the Company’s financial instruments are summarized below:

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, foreign exchange risk, commodity price risk and other price risk, such as equity risk. Financial instruments affected by market risk include loans and borrowings and deposits.

Interest rate risk

The Company is exposed to interest rate risk. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is exposed to interest rate risk arising from fluctuations in interest rates received on its cash balance. Fluctuations in market interest rates do not have a significant impact on the Company's results of operations due to the short-term nature of interest-bearing cash.

Liquidity risk

The Company is exposed to liquidity risk. Liquidity risk is the exposure of the Company to the risk of not being able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company’s future liquidity is dependent on factors such as the ability to generate cash from operations and to raise money through debt or equity financing (see note 1).

Foreign exchange risk

The Company's functional currency is the Canadian dollar and all major purchases are transacted in Canadian dollars. Management believes the foreign exchange risk is negligible and therefore does not hedge its foreign exchange risk. The Company does not hold balances in foreign currencies to give rise to exposure to foreign exchange risk.

Credit risk

The Company's credit risk is primarily attributable to cash and cash equivalents. The Company has no significant concentration of credit risk arising from operations. Cash is held with reputable financial institutions, from which management believes the risk of loss to be remote. Management believes that the credit risk concentration with respect to these items is remote.

7. Capital management

The Company's objectives when managing capital are: to safeguard the Company's ability to continue as a going concern; to maintain an optimal capital structure, while ensuring the Company's strategic objectives are met and to provide an appropriate return to shareholders relative to the risk of the Company's underlying assets. The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital, stock options, warrants, contributed surplus and deficit. The Company maintains and adjusts its capital structure based on changes in economic conditions and the Company's planned requirements. The Company may adjust its capital structure by issuing new equity, selling and/or acquiring assets, and controlling its capital expenditures program.

The Company is operating at a loss. As such, the Company is dependent on external financing to fund its activities. In order to pay for its operating expenses, the Company will spend its existing working capital and raise additional amounts as needed and if available. Management reviews its capital management approach on an ongoing basis.

8. Subsequent event

On April 15, 2021 the Company closed a non-brokered private placement whereby it received gross proceeds of $750,000 through the sale of a total of 7,500,000 units, each at a price of $0.10, where each unit consisted of one common share in the capital of the company and one warrant entitling its holder to purchase one common share at a price of $0.20 per share until April 15, 2022. Pursuant to the private placement, the Company paid total costs of $18,718.