Unaudited Condensed Consolidated Interim Financial Statements
(Expressed in Canadian Dollars)

HOOXI NETWORK INC.

(formerly LIBERTY BIOPHARMA INC.)

Three and six months ended December 31, 2018 and 2017

NOTICE TO READER

Under National Instrument 51-102, 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 condensed interim financial statements have been prepared by management, and were not reviewed by the Corporation's independent auditor.

HOOXI NETWORK INC.

(Formerly Liberty Biopharma Inc.)
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian dollars)
(Unaudited)

	December 31, 2018	June 30, 2018
Assets		
Current Assets		
Cash	$ 1,485,941	$ 169,593
Sales taxes receivable and other	754,131	25,165
	2,240,072	194,758
Non-current Assets		
Intangible asset (note 3 and 5(e))	7,686,590	3,906,692
Assignment rights (note 4)	1	1
	$ 9,926,663	$ 4,101,451
Liabilities and Shareholders' Equity		
Current Liabilities		
Trade and other payables	$ 37,056	$ 739,422
Due to related party	1,137,845	561,385
	1,174,901	1,300,807
Shareholders' equity:		
Share capital	29,018,302	22,440,802
Contributed surplus	527,546	-
Accumulated deficit	(20,794,085)	(19,640,158)
	8,751,763	2,800,644
Corporate information and going concern (note 1)		
Subsequent events (note 7)		
	$ 9,926,664	$ 4,101,451

See accompanying notes to condensed consolidated interim financial statements.

Approved on behalf of the Board:

"Bohdan Romaniuk" Director
Bohdan (Don) Romaniuk

"Norman Tsui" Director
Norman Tsui

HOOXI NETWORK INC.

(Formerly Liberty Biopharma Inc.)

Condensed Consolidated Interim Statements of Net Loss and Comprehensive Loss
(Expressed in Canadian dollars)
(Unaudited)

	Three months ended		Six months ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Expenses:				
Amortization (note 3)	$ 78,803	$ 92,195	$ 157,604	$ 184,391
General and administration (note 6)	411,505	192,270	543,720	391,145
Stock options	527,546	-	527,546	-
Research and development (note 6)	-	50,000	-	100,000
Loss before the undernoted items	(1,017,854)	(334,465)	(1,228,868)	(675,536)
Interest income	2,297	-	2,297	-
Foreign exchange gain (loss)	72,645	480	72,645	(192)
Net loss and comprehensive loss for the period	$ (942,912)	$ (333,985)	$ (1,153,927)	$ (675,728)
Net loss per share basic and diluted (note 5(d))	$ (0.07)	$ (0.00)	$ (0.10)	$ (0.00)

See accompanying notes to condensed consolidated interim financial statements.

HOOXI NETWORK INC.
(Formerly Liberty Biopharma Inc.)
Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)
(Unaudited)

Six months ended December 31, 2018 and 2017

	Number of shares	Share capital	Contributed surplus	Accumulated deficit	Total
Balance June 30, 2017	7,181,084	$ 14,403,802	$ -	$ (10,693,928)	$ 3,709,874
Issuance of common shares non-brokered	66,666	150,000	-	-	150,000
Acquisition of Cloud Medical Group Inc.	3,333,334	5,500,000	-	-	5,500,000
Loss for the period	-	-	-	(675,728)	(675,728)
Balance December 31, 2017	10,581,084	20,053,802	$ -	(11,369,656)	8,684,146

	Number of shares	Share capital	Contributed surplus	Accumulated deficit	Total
Balance June 30, 2018	10,770,096	$ 22,440,802	$ -	$ (19,640,158)	$ 2,800,644
Issuance of common shares non-brokered (note 5(e))	1,173,333	2,640,000	-	-	2,640,000
Acquisition of CTC Life Sciences Inc. (note 5(e))	5,250,000	3,937,500	-	-	3,937,500
Grant of stock option (note 5(f))	-	-	527,546	-	527,546
Loss for the period	-	-	-	(1,153,927)	(1,153,927)
Balance December 31, 2018	17,193,429	$ 29,018,302	$ 527,546	$ (20,794,085)	$ 8,751,763

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HOOXI NETWORK INC.

(Formerly Liberty Biopharma Inc.)

Unaudited Condensed Consolidated Interim Statements of Cash Flows

(Expressed in Canadian dollars)

	Six months ended December 31, 2018	Six months ended December 31, 2017
Cash (used in) provided by:		
Operations:		
Net loss for the period	$ (1,153,927)	$ (385,346)
Items not involving cash		
Amortization	157,602	92,195
Stock options	527,545	-
Changes in non-cash working capital:		
Sales tax receivable and other receivables	(728,966)	33,812
Trade payables and accrued liabilities	(702,366)	209,464
Due to related party	576,460	-
Cash used in operating activities	(1,323,652)	(49,875)
Investing:		
Cash acquired on acquisition	-	-
Cash provided by financing activities	-	-
Financing:		
Issuance of common shares (note 5(e))	2,640,000	150,000
Cash provided by financing activities	2,640,000	150,000
Increase in cash and cash equivalents	1,316,348	100,125
Cash and cash equivalents, beginning of period	169,593	23,713
Cash and cash equivalents, end of period	$ 1,485,941	$ 123,838

See accompanying notes to condensed consolidated interim financial statements.

1. Corporate information and going concern:

HooXi Network Inc. ("HooXi" or "Company") was originally incorporated on December 10, 2010 under the *Business Corporations Act* (British Columbia) as Avagenesis Corp. ("Avagenesis") and continued into Alberta, Canada on February 10, 2011. On December 31, 2016, Avagenesis completed an amalgamation arrangement with Avapecia Life Sciences Corp. ("Avapecia") and continued the business of both Avapecia and Avagenesis under the new name, Liberty Biopharma Inc. Avagenesis was considered to have acquired the net assets of Avapecia and the consolidated financial statements of the amalgamated company are a continuation of the consolidated financial statements of Avagenesis. On September 25, 2018, the Company changed its name to HooXi Network Inc.

HooXi Network is a diversified healthcare and medical digital, green and clean technology company active in global strategic partnerships and in licensing of technologies and assets for rapid growth and high value solutions.

In fiscal 2018, and in the current period, the Company entered into agreements with Cloud Medical Group Inc. ("CMGI") and CTC Life Sciences Inc. ("CTC"). Through these transactions, the Company will expand its operations from developing and commercializing its legacy technologies to the acquisition and integration of intellectual properties in health service delivery, biotechnology, green technology and allied services and digital assets and/or fintech by way of joint ventures and other business arrangements. As at December 31, 2018, the Company had an accumulated deficit of $20,794,085 and working capital of $1,065,171. During the period ended December 31, 2018, the Company had a net loss of $1,153,927. These conditions indicate a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to develop profitable operations in the future. The Company has generated operating losses since inception. Management is of the opinion that sufficient working capital will be obtained from external financing and future sales revenue to meet the Company's liabilities and commitments.

There can be no assurances that the Company will be successful in raising additional cash to finance operations or that the continued support of shareholders will be available. These consolidated financial statements have been prepared using the going concern assumption, which assumes that the Company will continue in operation for the foreseeable future. The consolidated financial statements do not include any adjustments relating to the recoverability of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

2. Basis of preparation:

(a) Statement of compliance:

The unaudited condensed consolidated interim financial statements have been prepared using the same accounting policies and methods as those used in the audited consolidated financial statements for the year ended June 30, 2018 and in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting". These condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements of the Company for the year ended June 30, 2018.

These condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors on February 28, 2019.

(b) Basis of measurement:

These consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are recorded at fair value.

(c) Functional and presentation currency:

These consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company and all of its subsidiaries.

(d) Use of estimates and judgments:

The preparation of these consolidated 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.

Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Significant judgments made by management in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements include determining the acquirer in acquisition transactions, determining whether a transaction is a business combination or an acquisition of assets, purchase price valuation, useful economic life of intangible assets, accounting for share based payments, impairment assessment of intangible assets and the application of the going concern assumption.

(Expressed in Canadian dollars)

3. Intangible assets:

Licenses acquired by the Company that have a finite useful life are measured at acquisition cost less accumulated amortization and accumulated impairment losses.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful life of the license from the date that it is available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The Company continually evaluates the remaining useful life of its intangible assets being amortized to determine whether events and circumstances warrant a revision to the remaining period of amortization.

Intangible assets with finite lives are currently amortized over the following periods:

	Estimated useful life
License for burn management acquired from Curastem Biomedical Corp.	12.0 years
License acquired in Avapecia Life Sciences Corp. acquisition	12.0 years
Technology acquired in CTC Life Sciences Inc. acquisition	TBD

As at December 31, 2018 and 2017, the Company had the following intangible assets:

December 31, 2018	Cost	Additions	Amortization	Accumulated amortization	Net
(a) License for burn management	$ 1,121,695	$ -	$ 34,404	$ 296,015	$ 825,680
(b) License for incontinence, urology and others	3,449,572	-	123,200	526,162	2,923,410
(c) Technology from CTC Life Sciences (see note 5(e))	3,937,500	3,937,500	-	-	3,937,500
	$ 8,508,767	$ 3,937,500	$ 157,604	$ 822,177	$ 7,686,590

December 30, 2017	Cost	Additions	Amortization	Accumulated amortization	Net
(a) License for burn management	$ 1,121,695	$ -	$ 20,329	$ 227,190	$ 894,505
(b) License for incontinence, urology and others	3,449,572	-	71,866	287,464	3,162,108
	$ 4,571,267	$ -	$ 92,195	$ 514,654	$ 4,056,613

At December 31, 2018, the Company did not have any indefinite life intangible assets.

4. Financial instruments – assignment rights:

On December 31, 2017, HooXi completed an acquisition and share exchange transaction ("CMGI Transaction") with CMGI shareholders. CMGI was a privately held company incorporated under the BC Companies Act in 2014 that held a series of agreements ("the Assignment Rights") that were acquired by CMGI in January 2017 and which entitle CMGI to cash flows earned from various medical-related joint ventures and license arrangements entered into by private companies operating in Mainland China. Certain shareholders in CMGI before the CMGI Transaction were instrumental in negotiating, and will continue to manage, the Chinese joint ventures and licensing arrangements on a go-forward basis. Management considered these Chinese business relationships to be a key component of the benefits acquired in the CMGI Transaction.

As consideration for the acquisition of all of the issued and outstanding common shares of CMGI, the Company issued 3,333,333 (post-consolidation) common shares. These shares have a three-year escrow.

An initial 10% of the shares were released from escrow on the close of the CMGI Transaction and 15% will be released from escrow every 6 months thereafter. After the first 12 months following the closing of the CMGI Transaction, any remaining shares in escrow may become subject to an accelerated release from escrow should HooXi's share price trade at or above $0.50 per common share (on pre-consolidated basis) for a minimum of 10 trading days.

As at December 31, 2018, there were 2,500,000 (post-consolidation) common shares remaining in escrow.

A further 1,333,333 (post-consolidation) common shares have been reserved for issuance to the vendors as performance shares ("Performance Shares"). Should HooXi attain an annual audited revenue primary threshold of $5,000,000, 666,666 Performance Shares (post-consolidation common shares) will be released at June 30, 2019. A further 666,666 Performance Shares (post-consolidation common shares) will be released at June 30, 2020 upon a secondary threshold of an incremental $5,000,000 in audited annual revenues being attained by that date. Any Performance Shares remaining and not released pursuant to the terms of the CMGI Transaction by June 30, 2020 shall expire and be cancelled by HooXi.

4. Financial instruments – assignment rights:

After consideration of IFRS 3, *Business Combinations*, management concluded that the CMGI Transaction did not constitute a business combination since CMGI has not yet demonstrated the ability to continue as a business for the purpose of providing economic benefit (consisting of inputs and processes applied to those inputs that have the ability to create outputs) to its shareholders and thus does not meet the definition of a business under the standard. As a result, the Transaction is accounted for as an asset acquisition with HooXi being identified as the acquirer.

After completing a review of the Transaction, the Company was not able to reliably determine the fair value of the net assets of CMGI. As a result, the private placement price of $2.25 per share of HooXi was used to determine fair value of the consideration of the 3,333,333 post-consolidation common shares issued for the acquisition of CMGI for total consideration of $7,500,000.

The Assignment Rights acquired in the CMGI Transaction pertain to business arrangements that are in their early stages. The Company has determined that the fair value of these Assignment Rights is nominal and assigned a value of $1 upon acquisition. In future periods, the Assignment Rights continue to be recorded at management's estimate of their fair value determined by reference to the expected future cash flows to be generated by the underlying medical related joint ventures and license arrangements. Any future increase in the fair value of the Assignment Rights would result in a gain recorded through the Consolidated Statements of Profit or Loss.

5. Share capital:

(a) Authorized share capital:

Unlimited voting, participating common shares, with no par value.

Unlimited preferred shares, issuable in series.

The preferred shares may be issued in one or more series and the directors are authorized to fix the number of shares in each series and to determine the designation, rights, privileges, restrictions, and conditions attached to the shares of each series.

(b) Share consolidation:

Effective the resumption of trading on July 23, 2018, the Company's share capital was consolidated on the basis of fifteen (15) pre-consolidation common shares to one (1) new post-consolidation common shares ("Consolidation Ratio"). The common shares issuable pursuant to the Company's stock option plan, warrants and performance share agreements are adjusted, such that the number of common shares issuable and the exercise price of the outstanding warrants or performance shares will be adjusted by the Consolidation Ratio.

(Expressed in Canadian dollars)

5. Share capital (continued):

(c) Warrants:

The following summarizes information about the Company's share purchase warrants outstanding:

		Fair value	Warrants		Weighted average exercise price
Outstanding December 31, 2017					
Prospectus offering unit warrants	$	212,968	213,393	$	7.50
Prospectus fee warrants to brokers		19,807	12,803		3.00
Outstanding December 31, 2018	$	232,775	226,803	$	7.25

(d) Earnings per share computation:

The following table sets forth the computation of loss per common share:

	Three months ended		Six months ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2015
Loss for the period	$ (942,912)	$ (333,985)	$ (1,153,927)	$ (675,728)
Weighted average number of common shares outstanding	13,562,849	7,218,040	12,166,473	7,199,562
Net loss per share basic and diluted	$ (0.07)	$ (0.05)	$ (0.10)	$ (0.09)

(e) Share issuance for acquisition of CTC Life Sciences Inc.:

On November 28, 2018 the Company completed the acquisition of CTC Life Sciences Inc. After consideration of IFRS 3, *Business Combinations*, management concluded that the transaction did not constitute a business combination since CTC has not yet demonstrated the ability to continue as a business for the purpose of providing economic benefit (consisting of inputs and processes applied to those inputs that have the ability to create outputs) to its shareholders and thus does not meet the definition of a business under the standard. As a result, the Transaction is accounted for as an asset acquisition with HooXi being identified as the acquirer.

The Company issued 5,250,000 post-consolidation common shares in exchange for all of the then issued and outstanding CTC common shares. The market value of shares issued by the Company to acquire CTC was $0.75 per common share, the closing market price of the Company's securities when they were issued on November 22, 2018, for total consideration of $3,937,500.

The acquisition of CTC was also contingent on the completion of a minimum $2,600,000 private placement. The Company issued 1,173,333 post-consolidation common shares at a previously agreed price of $2.25 per common share for total private placement proceeds of $2,640,000.

(Expressed in Canadian dollars)

5. Share capital (continued):

(f) Stock options:

On December 5, 2018, the Company granted, to certain Directors, Management and Consultants, non-transferable options ("Management Options") to purchase 1,710,000 common shares. The Management Options are exercisable at a price of $0.72 per share for a period of 60 months from the date of issuance and vested immediately. HooXi has accounted for the options using the fair value method and, accordingly, has recorded the amount of $527,546 ($0.3085 per option) to Stock option expense with a corresponding addition to contributed surplus. The fair value of the Management Options on the amalgamation date was estimated using the Black-Scholes options pricing model based on the following assumptions: Dividend yield (Nil), expected volatility (50%), forfeiture rate (0%), risk free interest rate (2.01%) and expected life (1.5 years).

6. Related party transactions:

Related parties include shareholders with a significant ownership interest in the Company, its subsidiaries, affiliates of shareholders with a significant ownership interest in the Company, and the Company's key management personnel. The related party transactions are in the normal course of operations and have been valued in these financial statements at fair value, which is the amount of consideration established and agreed to by the related parties.

(a) Balances with related parties:

	December 31, 2018	December 31, 2017
Trade and other payables	$ -	$ 189,363
Due to related party - current	1,143,845	-
Due to related party – non-current	-	683,144

(b) Transactions during the year with companies with shareholders in common:

	Three months ended		Six months ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
General and administration	$ 6,000	$ 82,644	$ 62,241	$ 165,288
Research and development	$ -	$ 50,000	$ -	$ 100,000

7. Subsequent events:

On February 6, 2019, at the Company cancelled 64,800 common shares as part of a Normal Course Issuer Bid ("NCIB"). Pursuant to the NCIB, the Company, if considered advisable, may purchase for cancellation through the facilities of the TSXV and/or other permitted alternative trading systems, up to an aggregate of 859,672 issued and outstanding common shares, being 5% of the issued and outstanding shares as of the date of announcement.

On February 12, 2019, at the Annual General and Special Meeting of Shareholders, the shareholders of the Company approved the special resolution to continue the Corporation from British Columbia to the British Virgin Islands.