Hoist Capital Corp.

(A Capital Pool Corporation)

Condensed Interim Financial Statements

For the Three and Six Months Ended June 30, 2021
(In Canadian Dollars)
(Unaudited)

The accompanying condensed interim financial statements for Hoist Capital Corp. have been prepared by management in accordance with International Financial Reporting Standards. The Company's independent auditors have not performed a review of these financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Hoist Capital Corp.
Condensed Interim Statement of Financial Position
June 30, 2021
(Amounts in Canadian dollars)
(Unaudited)

	June 30, 2021	December 31, 2020
Assets		
Current Assets		
Cash	**$ 450,084**	$ 491,437
Accounts receivable	**2,282**	718
Total assets	**$ 452,366**	$ 492,155
Liabilities		
Current		
Accounts payable	**$ 10,000**	$ 10,000
Total liabilities	**$ 10,000**	$ 10,000
Shareholders' Equity		
Share capital (note 4)	**649,755**	649,755
Contributed surplus	**56,300**	56,300
Deficit	**(263,689)**	(223,900)
Total shareholders' equity	**442,366**	482,155
Total liabilities and shareholders' equity	**$ 452,366**	$ 492,155

Commitments (note 1)

COVID-19 (note 8)

Subsequent Events (note 9)

See the accompanying Notes to the Condensed Interim Financial Statements

Approved by the Board:

"signed"
Director

"signed"
Director

Hoist Capital Corp.
Condensed Interim Statement of Loss and Comprehensive Loss
June 30, 2021

(Amounts in Canadian dollars)

(Unaudited)

	Three months ended June 30		Six months ended June 30	
	2021	2020	**2021**	2020
Revenue	**$ -**	$ -	**$ -**	$ -
Expenses				
General and administrative	**17,286**	4,021	**30,281**	38,393
Stock exchange listing fees	**5,987**	788	**9,508**	10,771
	23,273	4,809	**39,789**	49,164
Loss before taxes	**(23,273)**	(4,809)	**(39,789)**	(49,164)
Income tax expense (note 5)	**-**	-	**-**	-
Net loss and comprehensive loss	**(23,273)**	(4,809)	**(39,789)**	(49,164)
Shares Outstanding				
Basic	**4,000,000**	4,000,000	**4,000,000**	4,000,000
Diluted	**4,000,000**	4,000,000	**4,000,000**	4,000,000
Loss per share				
Basic	**$ (0.01)**	$ (0.00)	**$ (0.01)**	$ (0.01)
Diluted	**$ (0.01)**	$ (0.00)	**$ (0.01)**	$ (0.01)

See the accompanying Notes to the Condensed interim Financial Statements

Hoist Capital Corp.
Condensed Interim Statement of Changes in Shareholders' Equity
June 30, 2021

(Amounts in Canadian dollars)

(Unaudited)

	Share Capital	Contributed Surplus	Deficit	Total Shareholders' Equity
Balance, April 2, 2018	$ -	-	-	$ -
Issuance of common shares (note 4)	760,000	-	-	760,000
Stock-based compensation (note 4)	-	44,800	-	44,800
Share issue costs (note 4)	(110,245)	11,500	-	(98,745)
Net loss	-	-	(112,203)	(112,203)
Balance, December 31, 2018	**$ 649,755**	**$ 56,300**	**$ (112,203)**	**$ 593,852**
Net loss	-	-	(39,076)	(39,076)
Balance, December 31, 2019	**$ 649,755**	**$ 56,300**	**$ (151,279)**	**$ 554,776**
Net loss	-	-	(72,621)	(72,621)
Balance, December 31, 2020	**$ 649,755**	**$ 56,300**	**$ (223,900)**	**$ 482,155**
Net loss	-	-	(39,789)	(39,789)
Balance, June 30, 2021	**$ 649,755**	**$ 56,300**	**$ (263,689)**	**$ 442,366**

See the accompanying Notes to the Condensed interim Financial Statements

Hoist Capital Corp.
Condensed Interim Statement of Cash Flows
June 30, 2021
(Amounts in Canadian dollars)
(Unaudited)

	Three months ended June 30				Six months ended June 30			
		2021		2020		**2021**		2020
Operating activities								
Net loss for the period	**$**	**(23,273)**	$	(4,809)	**$**	**(39,789)**	$	(49,164)
Changes in non-cash working capital								
Accounts receivable		**(896)**		3,759		**(1,564)**		1,365
Accounts payable		**-**		-				(5,100)
Cash used in operating activities		**(24,169)**		(1,050)		**(41,353)**		(52,899)
Decrease in cash during period		**(24,169)**		(1,050)		**(41,353)**		(52,899)
Cash, beginning in period		**474,252**		506,662		**491,436**		558,511
Cash, end of period		**450,083**		505,612		**450,083**		505,612

See the accompanying Notes to the Condensed Interim Financial Statements

1. NATURE OF OPERATIONS

Hoist Capital Corp. ("Hoist" or the "Company") was incorporated under the Alberta Business Corporations Act on April 2, 2018. Hoist is a Capital Pool Corporation ("CPC"), as defined in the Policy 2.4 of the TSX Venture Exchange (the "Exchange"). The principal business of the Company will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT"). The Company has not commenced any operations and has no business assets. The Company is dependent upon its ability to identify, evaluate, and negotiate a business acquisition. Such an acquisition will be subject to the approval of regulatory authorities concerned and, in the case of a non-arm's length transaction, of the majority of the minority shareholders.

Policy 2.4 for Capital Pool Companies was updated January 1, 2021, where the Company has the option to be governed by the Former Policy or elect to comply with transition provisions. On June 24, 2021, Hoist held a special shareholder meeting to adopt the new CPC guidelines, including approval by the disinterested shareholders to formally approve the shorter escrow period, updated qualified expenses, and used of proceeds limiting general and administration expenses to $3,000 per month, and removal of the previous 24 months timeline whereas certain amount are seed shares would be cancelled.

According to the Exchange, compensation to management, board members, or non-arm's length parties is prohibited. The equity proceeds raised by the Company may only be used to identify and evaluate assets or businesses and obtain shareholder approval for a proposed QT, including valuations, technical assessments, fees for legal, accounting service, broker commissions and share issue costs.

The head office is 201 Edward Street, Victoria BC V9A 3E4 and the registered office of the Company is located at Suite 5100, 150 – 6th Avenue SW, Calgary, AB, T2P 3Y7.

On July 27, 2021, the Board of Directors approved these financial statements.

2. Basis of presentation

Statement of Compliance

The condensed interim financial statements of the Company have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards ("IFRS"). The condensed interim financial statements do not include all disclosures required by IFRS for annual financial statements and accordingly should be read in conjunction with the Company's audited financial statements and notes thereto for the year ended December 31, 2020.

Basis of Measurement

The condensed interim financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value.

Foreign Currency

The financial statements are presented in Canadian dollars, which is the Company's functional and presentation currency.

Use of Estimates and Judgements

The timely preparation of the condensed interim financial statements requires management to make estimates and use judgement regarding the reported amounts of the assets and liabilities and disclosures and the reported expenses during the period. Such estimates primarily relate to unsettled transactions at the dated of the condensed interim financial statements. Accordingly, the actual results may differ from estimated amounts.

Estimates and judgements, which are based on historical experience and other factors, including expectations under reasonable circumstances, are continually evaluated. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Key Sources of Estimation Uncertainty

The following are the key estimates and related assumptions concerning the sources of estimation uncertainty that have a significant risk of causing adjustments to the carrying amount of assets and liabilities:

Stock options and warrants

In estimating the fair value of stock options and warrants using the Black-Scholes option pricing model, the Company uses assumptions related to the risk-free interest rate, expected option life, estimated forfeitures, estimated market price of the Company's shares, and estimated future volatility of the Company's share price.

Income taxes

Deferred tax assets (if any) are recognized only to the extent it is considered probable that those assets will be recoverable. This involves an assessment of when those deferred tax assets are likely to reverse.

Judgments are made by management to determine the likelihood of whether deferred tax assets will be realized from future taxable earnings. To the extent that assumptions regarding future profitability change, there can be an adjustment in the deferred tax assets as well as an income impact in the period in which the change occurs.

The determination of the Company's income and other tax liabilities requires interpretation of complex laws and regulations. All tax filings are subject to audit and potential reassessment after the lapse of considerable time. Accordingly, the actual income tax liability may differ significantly from that estimated and recorded by management.

3. Significant Accounting Policies

There were no IFRS standards that came into effect on January 1, 2021 that would have had an impact on the Company's financial statements.

Financial Instruments

Financial assets and liabilities, including derivatives, are recorded on the statement of financial position when the Company becomes a party to the financial instrument or derivative contract.

The Company classifies its financial assets and financial liabilities in the following measurement categories i) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss) and ii) those to be measured at amortized cost. The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at fair value through profit or loss (irrevocable election at the time of recognition). For assets and liabilities measured at fair value, gains and losses are either recorded in profit or loss or other comprehensive income.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

The Company’s cash and accounts receivable are financial assets measured at amortized cost using the effective interest rate method. Accounts Payable is measured at amortized cost.

All financial instruments are required to be measured at fair value on initial recognition, plus, in the case of a financial asset or liability not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit and loss. Financial assets and financial liabilities with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost at the end of the subsequent accounting periods. All other financial assets are measured at their fair values at the end of the subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income. Fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income.

The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with its financial assets carried at amortized cost. The Company will apply the simplified approach which requires expected lifetime credit losses to be recognized from initial recognition of any accounts receivables.

Share Issuance Costs

Costs and share-based payments directly related to issuance of share capital are charged as a reduction against share capital.

Income Taxes

Current income tax assets and liabilities for the current periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the intention is to settle on a net basis, or to realize the asset and settle the liability simultaneously. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of comprehensive income.

Deferred income tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognized for all taxable temporary differences and deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses. Deferred income tax assets are recognized to the extent that is probable that taxable profit with be available against which the carry forward of unused tax credits and unused tax losses can be utilized. The exception is where the deferred income tax is relating to the deductible temporary difference arising from the initial recognition of an asset or liability in an acquisition that is not a business combination and, at the time of the acquisition, affects neither the accounting profit nor taxable profit or loss and in respect of deductible temporary differences.

Share-based Payments

Stock-options granted to directors and officers are accounted for using the fair value method. Equity-settled awards granted to non-employees for services rendered are recorded at the fair value of the good of the service received, unless the value of these services cannot be reliably measured. If the value of these services cannot be reliably measured the Company uses the fair value method.

The Company uses the Black-Scholes pricing model to estimate the fair value of equity-settled awards at the grant date. The expense or issue cost is recognized over the vesting period, which is the period over which all of the specified vesting conditions are satisfied. For awards with graded vesting, the fair value of each tranche is recognized over its respective vesting period. When recognizing the fair value of each tranche over its respective vesting period, the Company incorporates an estimate of the number of options expected to vest and revises that estimate when subsequent information indicates that the number of options expected to vest differs from previous estimates. No expense or issue cost is recognized for awards that do not ultimately vest, except for equity-settled awards where vesting is conditional upon a market or non-vesting condition, which are treated as vesting provided that all other performance conditions are satisfied.

(Amounts in Canadian dollars)

Earnings per share

The Company presents basic and diluted earnings per share data for its common shares. Basic earnings per share is calculated by dividing earnings attributable to equity shareholders by the weighted average number of common shares outstanding during the period. Diluted earnings per share are determined by adjusting the weighted average number of common shares for the dilutive effect of share-based payments using the treasury stock method, if applicable. Under this method, stock options whose exercise price is less than the average market price of the Company's common shares, are assumed to be exercised and the proceeds used to repurchase common shares at the average market price for the period. The incremental number of common shares issued under stock options and repurchased from proceeds is included in the calibration of diluted earnings per share.

Fair value determination

A number of the Company's accounting policies require the determination of fair value for both financial and non-financial assets and liabilities. The Company classifies the fair value of financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instruments:

- Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets and liabilities.

- Level 2: Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

- Level 3: Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

4. SHARE CAPITAL

a) Authorized
Unlimited common shares

b) Issued

	Number	Stated Value
Issuance of common shares at $0.05 each (i)	7,200,000	$ 360,000
Issuance of common shares at $0.10 each (ii)	4,000,000	400,000
Share Issuance costs		(110,245)
Balance, June 30, 2021	**11,200,000**	**$ 649,755**

(i) At incorporation, the Company issued 7,200,000 common shares at $0.05 per common share, which are subject to an escrow agreement. These will be held in escrow pursuant to the requirements of the Exchange and terms of escrow agreement and will be released from escrow in stages over a period of up to three years after the date of the Company receiving the final Exchange acceptance of the QT. All common shares acquired on exercise of stock options granted to directors and officers prior to the completion of a QT must also be deposited in escrow pursuant to the terms of the escrow agreement.

(Amounts in Canadian dollars)

(ii) Pursuant to the prospectus dated July 19, 2018, the Company issued 4,000,000 common shares at $0.10 per share for total gross proceeds of $400,000 for the initial public offering (“IPO”). The IPO closed and the Symbol “HTE.P” began trading on August 14, 2018.

On May 14, 2018, the Company entered into an agreement with Canaccord Genuity Corp. (the “Agent”) to complete the IPO. As part of the agreement, the agent was granted warrants (“Agent Warrants”) to acquire 10% of the common shares issued in connection with the IPO at a price of $0.10 per common share exercisable for a period ending twenty-four months from the date the Company's common shares are listed on the Exchange. These Agent Warrants expired on August 14, 2020, but the previously recorded warrant value of $11,500 remains in contributed surplus.

Stock options

The Company has a common share purchase option plan (the "Plan") for directors, officers, employee and consultants. The total number of options issued and outstanding at any time cannot exceed 10% of the issued and outstanding common shares of the Company unless shareholder and regulatory approvals are obtained. Under the Plan, options may have up to a ten-year term and are non-transferable, however it is anticipated that options granted will likely have a five-year term. Unless otherwise determined by the Board of Directors, options vest immediately upon granting and may be exercised until the expiry date, five years from the date of grant. Options are granted at a price no lower than the market price of the common shares less allowed discounts by the Exchange at the time of the grant.

The summary for stock options is as follows:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Life
Granted	1,120,000	$ 0.10	2.1
Balance, June 30, 2021	**1,120,000**	**$ 0.10**	**2.1**

On August 14, 2018, the company granted 1,120,000 stock options to officers and directors. Each stock option, which expires five years from the date of grant, is entitled to acquire a common share of the Company at a price of $0.10 per share. All the options are exercisable immediately and the weighted average remaining life is 2.1 years.

5. INCOME TAXES

The Corporation has unrecognized deferred tax assets since it cannot currently demonstrate that it is probable that this potential value will be realized. The unrecognized asset is comprised of approximately $307,000 of non-capital loss carry forwards and $22,000 of deductible temporary differences.

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital Management

The Company’s objective when managing capital is to maintain its ability to continue as a going concern, in order to provide returns for the shareholders and benefits for other stakeholders. The Company includes shareholders’ equity, comprised of issued common shares, in the definition of capital.

The Company's primary objective, with respect to its capital management, is to ensure that it has sufficient cash resources to fund the identification and evaluation of a QT. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

Risk Disclosures and Fair Values

The Company’s financial instruments, consisting of cash, accounts receivable and accounts payable approximate fair value due to the relatively short-term maturity of these instruments.

Credit Risk

The Company’s financial assets are cash and accounts receivable. The Company’s maximum exposure to credit risk, as at year-end, is the carrying value of its financial assets. The Company manages credit risk by maintaining its cash held at major financial institutions.

Liquidity Risk

The Company’s approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company conducted an IPO to raise additional funds to achieve its goal of completing a QT.

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company is not subject to interest rate risk as no significant balances are subject to variable interest rates.

7. RELATED PARTY TRANSACTIONS

The Company engaged a law firm, of which an officer is a partner of, to provide legal and advisory services. During the six months ended June 30, 2021, the Company incurred of $ 16,459 (2020 - $21,515) related to these legal fees have been recorded, which are included in general and administrative expense.

There was no remuneration paid to management personnel during the six months ended June 30, 2021. According to the Exchange, compensation to management, board members, or non-arm's length parties is prohibited.

Transactions involving related parties are in the normal course of business.

8. COVID-19

On March 11, 2020, the World Health Organization assessed the coronavirus outbreak (COVID-19) as a pandemic. In Canada, the Government of Alberta declared a provincial state of public health emergency as per the Province of Alberta's Public Health Act on March 17, 2020 with respect to COVID-19. Due to the local health restrictions in place, this has limited the Company's ability to network at conferences, and ultimately impacted the Company's ability to complete the Qualifying Transaction. The extent to which COVID-19 will continue to impact the Company's results will depend on future developments, which are highly uncertain and cannot be predicted and dependent upon new information which may emerge concerning the severity of COVID-19 and actions taken to contain this or its impact, among others.

9. SUBSEQUENT EVENTS

Policy 2.4 for Capital Pool Companies was updated January 1, 2021, where the Company has the option to be governed by the Former Policy or elect to comply with transition provisions. On June 24, 2021, Hoist held a special shareholder meeting to adopt the new CPC guidelines, including approval by the disinterested shareholders to formally approve the shorter escrow period, updated qualified expenses, and used of proceeds limiting general and administration expenses to $3,000 per month, and removal of the previous 24 months timeline whereas certain amount are seed shares would be cancelled.

On July 15, 2021, the Company got approved to resume trading on market after TSX had reviewed Hoist's documentation related to the CPC transition policies.