

APHELION CAPITAL CORP.

**Condensed Interim Financial Statements
For the Three Months Ended March 31, 2021 and 2020
(Unaudited Expressed in Canadian Dollars)**

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed interim financial statements of Aphelion Capital Corp. (the "Company") have been prepared by and are the responsibility of the Company's management.

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its independent auditors have not performed a review of these condensed interim financial statements.

APHELION CAPITAL CORP.
Condensed Interim Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	March 31, 2021	December 31, 2020
Assets		
Current		
Cash	\$ 14,700	\$ 72,161
Total Assets	\$ 14,700	\$ 72,161
Liabilities and Shareholders' Equity		
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 34,872	\$ 33,109
Shareholders' Equity (Deficit)		
Common Shares (note 3)	198,947	198,947
Reserves (note 3)	16,801	16,801
Deficit	(235,920)	(176,696)
	(20,172)	39,052
Total Liabilities and Shareholders' Equity (Deficit)	\$ 14,700	\$ 72,161

Approved by on behalf of the Board:

Seth Kay (signed)
Seth Kay, Director

Zayn Kalyan (signed)
Zayn Kalyan, Director

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

APHELION CAPITAL CORP.
Condensed Interim Statements of Comprehensive Loss
(Unaudited - Expressed in Canadian Dollars)

	For the three months ended March 31, 2021	For the three months ended March 31, 2020
Operating Expenses		
General and administrative	19,620	12,301
Professional fees	10,835	27,754
Transaction costs	28,769	-
Loss and Comprehensive Loss for the Period	\$ (59,224)	\$ (40,055)
Basic and Diluted Loss per Share	\$ (0.01)	\$ (0.23)
Weighted Average Number of Common Shares Outstanding	4,002,000	176,923

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

APHELION CAPITAL CORP.**Condensed Interim Statement of Changes in Shareholders' Equity (Deficit)***(Unaudited - Expressed in Canadian Dollars)*

	Number of Outstanding Shares	Common Shares	Reserves	Deficit	Total Shareholders' Equity
		\$	\$	\$	\$
Balance, January 1, 2020	2,000,000	100,000	6,386	(49,014)	57,372
Shares issued for cash (note 3)	2,000,000	200,000	-	-	200,000
Share issuance cost (note 3)	-	(101,358)	10,520	-	(90,838)
Net loss for the period	-	-	-	(40,055)	(40,055)
Balance, March 31, 2020	4,000,000	198,642	16,906	(89,069)	126,479
Balance, December 31, 2020	4,002,000	198,947	16,801	(176,696)	39,052
Net loss for the period	-	-	-	(59,224)	(59,224)
Balance, March 31, 2021	4,002,000	198,947	16,801	(235,920)	(20,172)

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

APHELION CAPITAL CORP.
Condensed Interim Statements of Cash Flows
(Unaudited - Expressed in Canadian Dollars)

	For the three months ended March 31, 2021	For the three months ended March 31, 2020
	\$	\$
Operating Activities		
Net loss for the period	(59,224)	(40,055)
Item not involving cash:		
Changes in non-cash working capital item:		
Accounts payable and accrued liabilities	1,763	(12,693)
Net cash flows (used in) operating activities	(57,461)	(52,748)
Financing Activities		
Proceeds from the issuance of common shares	-	200,000
Share issuance costs	-	(39,000)
Net cash flows from financing activities	-	161,000
Net change in cash	(57,461)	108,252
Cash, beginning	72,161	27,316
Cash, ending	\$ 14,700	\$ 135,568

There were no cash investing activities during the three-month period ended March 31, 2021 and for the period ended March 31, 2020.

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

APHELION CAPITAL CORP.
Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2021 and 2020
(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Aphelion Capital Corp. (the “Company”) was incorporated under the *Business Corporations Act* (British Columbia) on January 10, 2019 and is a capital pool company (“CPC”), as defined in TSX Venture Exchange (“TSX-V”) Policy 2.4 (“Policy 2.4”). The Company has made an application to have its common shares listed and called for trading on the TSX-V through a prospectus dated November 27, 2019. On February 26, 2020, the Company’s common shares effectively commenced trading on TSX-V under the symbol “APHE.P”.

The Company’s registered office address is 2600-1055 West Hastings Street, Vancouver, BC V6E 3X1 and its principal place of business is located at 5479 Blueberry Lane, North Vancouver, British Columbia, V7R 4N5.

The Company’s principal business activity is the identification and evaluation of assets, or businesses with the objective of completing a qualifying transaction (a “Qualifying Transaction”) as defined by the CPC Policy.

Until such time that a Qualifying Transaction is completed, the Company will have no significant revenue and will incur expenses primarily for Qualifying Transaction investigation, TSX-V filing requirements, professional services, and office facilities and administration, subject to certain restrictions under TSX-V Policy 2.4.

On January 6, 2021, the Company entered into an amended arm’s-length letter of intent dated January 6, 2021 with ETI Technologies, Inc to its arm’s-length letter of intent dated August 7, 2020, in connection with a proposed combination of the business of ETI with the Company.

The Company entered into a binding merger agreement effective on March 3, 2021, with ETI, Electric Acquisition Corporation, a wholly-owned subsidiary of the Company, Aphelion FundCo Inc. (“FundCo”), and 1289571 B.C. Ltd., a wholly-owned subsidiary of the Company, in respect of the completion of an arm’s length reverse-takeover transaction of each of FundCo and ETI by the Company, which will constitute the completion of its Qualifying Transaction.

No transaction has been completed as of March 31, 2021.

These condensed interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. There are material uncertainties that may cast significant doubt about the appropriateness of the going concern assumption as the Company has not generated any revenues and incurred a net loss of \$59,224 (Accumulated deficit, December 31, 2020- \$176,696) for the three-month period ended March 31, 2021. The Company’s continuing operations as intended are dependent upon the Company’s ability to complete a Qualifying Transaction. Should the Company fail to complete a Qualifying Transaction, its ability to raise sufficient financing to maintain operations may be impaired, and accordingly, the Company may be unable to realize the carrying value of its net assets. These condensed interim financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

Since March 2020, several measures have been implemented in Canada and the rest of the world in response to the increased impact from novel coronavirus (COVID-19). The Company continues to operate its business at this time. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on business operations cannot be reasonably estimated at this time. The Company anticipates this could have an adverse impact on its business, results of operations, financial position and cash flows in future periods.

APHELION CAPITAL CORP.
Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2021 and 2020
(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION

(a) Statement of compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards ("IFRS"). Certain information and note disclosures normally included in the audited annual financial statements prepared in accordance with IFRS have been omitted or condensed. As a result, these condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2020.

These condensed interim financial statements are presented in Canadian dollars unless otherwise specified.

(b) Basis of presentation

These condensed interim financial statements have been prepared on a historical cost basis, except for some financial instruments classified in accordance with measurements under IFRS. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These condensed interim financial statements were authorized for issue by the Board of Directors on May 11, 2021.

(c) Critical accounting estimates and judgements

The preparation of condensed interim 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 vary from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Going concern

The assessment of whether the concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties exist related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

Assumptions used in calculation of fair value assigned to share-based payments

The Company uses the Black-Scholes option pricing model for valuation of share-based payments. Option pricing models require the input of subjective assumptions, including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's equity reserves.

APHELION CAPITAL CORP.
Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2021 and 2020
(Expressed in Canadian Dollars)

3. SHARE CAPITAL

(a) Authorized
 Unlimited number of common shares without par value.

(b) Issued and outstanding

At March 31, 2021, there were 4,002,000 issued and fully paid common shares (March 31, 2020 – 4,000,000).

(c) Agents' warrants

The following is a summary of agent's warrants as at March 31, 2021. There were no warrants outstanding as at March 31, 2020.

	Agent's warrants	Weighted average price
Balance, December 31, 2020 and March 31, 2021	198,000	\$ 0.10

The following is a summary of agent's warrants as at March 31, 2021.

Expiry Date	Exercise Price	Number of Warrants	Weighted Average Remaining Contractual Life (Years)	Weighted Average Fair Value
February 26, 2022	\$0.10	198,000	0.91	\$0.05

d) Stock options

The Company implemented an Incentive Stock Option Plan (the "Plan") on February 1, 2019. Pursuant to the Plan, the Company grants stock options to directors, officers, employees and consultants for services, provided that the number of common shares reserved for issuance shall not exceed 10% of the issued and outstanding common shares exercisable for a period of up to 10 years. The exercise price and vesting terms of the options granted under the Plan will be determined by the Board of Directors. Until the completion of Qualifying Transaction, options granted to a director or officer individually may not exceed 5% of the common shares outstanding as at the closing of the Offering; options granted to all technical consultants may not exceed 2% of the common shares outstanding as at the closing of the Offering. No options may be granted to investor relations service provider; and the exercise price cannot be less than the greater of the Offering share price and the Discounted Market Price.

APHELION CAPITAL CORP.
Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2021 and 2020
(Expressed in Canadian Dollars)

3. SHARE CAPITAL (Continued)

d) Stock options (continued)

Stock options outstanding and exercisable at March 31, 2021 as follows:

Number of options outstanding	Number of options exercisable	Exercise Price	Expiry Date
200,000	200,000	\$0.10	February 1, 2024

The remaining contractual life for options outstanding at March 31, 2021 is 2.83 years.

4. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, officers, close family members and enterprises which are controlled by these individuals.

There were no transactions with related parties during the three-months period ended March 31, 2021 and 2020.

5. FINANCIAL INSTRUMENTS

Fair value

The Company's financial instruments consists of cash and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying values due to the short-term nature of these investments. All financial instruments are classified as Level 1.

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 - Inputs for assets or liabilities that are not based on observable market data. The carrying value of cash held in trust and accounts payable and accrued liabilities approximate their fair value due to the short-term maturity of these instruments.

6. RISK MANAGEMENT

(i) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk for the Company is associated with its cash held in trust. The Company is not exposed to significant credit risk as its cash is held through a major bank that has high credit rating and a reputable law firm.

APHELION CAPITAL CORP.
Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2021 and 2020
(Expressed in Canadian Dollars)

6. RISK MANAGEMENT (Continued)

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company is not exposed to significant liquidity risk. Accounts payable at March 31, 2021 are due within 3 months of that date.

(iii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk. The Company is not exposed to significant market risk.

7. CAPITAL MANAGEMENT

The Company is actively looking to acquire an interest in a business or assets, and this involves a high degree of risk. The Company has not determined whether it will be successful in its endeavors and does not generate cash flows from operations. The Company's primary source of funds comes from the issuance of common shares. The Company does not use other sources of financing that require fixed payments of interest and principal due to lack of cash flow from current operations and is not subject to any externally imposed capital requirements.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern.

The Company defines its capital as shareholders' equity. Capital requirements are driven by the Company's general operations. To effectively manage the Company's capital requirements, the Company monitors expenses and overhead to ensure costs and commitments are being paid.