Condensed Combined Interim Financial Statements

For the three and six months ended June 30, 2021 and 2020

Unaudited, expressed in thousands of United States dollars, except share and per share amounts

Irwin Naturals

TABLE OF CONTENTS

Irwin Naturals

Condensed Combined Interim Statement of Financial Position

As of June 30, 2021 and December 31, 2020

(Unaudited, expressed in US Dollars, rounded in thousands except share data)

	Notes	30-Jun-21	31-Dec-20
ASSETS			
Current Assets:			
Cash		$ 167	$ 442
Trade Receivables	2, 13	17,473	17,214
Inventory	4	14,910	14,577
Prepaid Expenses and Other	3	1,242	1,656
Total Current Assets		33,792	33,889
Non-Current Assets:			
Property and Equipment	5	201	262
Right-of-Use Assets	7	1,401	2,047
Notes Receivable from Shareholders	16	3,240	-
Other Non-Current Assets		164	136
Intangible Assets	9	87	87
Total Non-Current Assets		5,093	2,532
TOTAL ASSETS		**$ 38,885**	**$ 36,421**
LIABILITIES			
Current Liabilities:			
Trade and Other Payables	8	$ 14,939	$ 11,616
Reserve for Returns		380	387
Lease Liability - Current	7	1,376	1,334
Line of Credit	6	3,958	7,500
Dividend Payable		703	-
Total Current Liabilities		21,356	20,837
Non-Current Liabilities:			
Lease Liability - Non Current	7	117	812
TOTAL LIABILITIES		21,473	21,649
SHAREHOLDERS' EQUITY			
Common stock; $0.001 par value; 1,500,000 shares authorized; 1,052,632 shares issued and outstanding	10	1	1
Additional Paid In Capital		17,411	14,771
Retained Earnings		-	-
Total Shareholders' Equity		17,412	14,772
TOTAL LIABILITIES & EQUITY		**$ 38,885**	**$ 36,421**

Approved on behalf of the Board on August 26, 2021

The accompanying notes are an integral part of these unaudited Condensed Combined Interim Financial Statements

Irwin Naturals

Condensed Combined Interim Statement of Profit

For the Three and Six Months Ended June 30, 2021 and June 30, 2020

(Unaudited, expressed in US Dollars, rounded in thousands except share data)

	Three Months Ended		Six Months Ended	
	30-Jun-21	**30-Jun-20**	**30-Jun-21**	**30-Jun-20**
Operating Revenue	$ 26,593	$ 20,622	$ 50,728	$ 40,178
Cost of Sales	(14,487)	(11,307)	(26,875)	(22,343)
Gross Profit	**12,106**	**9,315**	**23,853**	**17,835**
Operating Expenses:				
Selling, General and Administrative Expenses	8,971	6,759	16,915	14,225
Income from Operations	**3,135**	**2,556**	**6,938**	**3,610**
Other Expense:				
Interest Expense	(29)	(81)	(57)	(184)
Total Other Expense	(29)	(81)	(57)	(184)
Profit before income taxes	**3,106**	**2,475**	**6,881**	**3,426**
Provision for Income taxes	(129)	(3)	(189)	(4)
Net Income	**$ 2,977**	**$ 2,472**	**$ 6,692**	**$ 3,422**
Earnings per common share - basic	$ 2.83	$ 2.47	$ 6.52	$ 3.42
Earnings per common share - diluted	$ 2.83	$ 2.47	$ 6.52	$ 3.42
Weighted average number of shares outstanding- basic	1,052,632	1,000,000	1,026,181	1,000,000
Weighted average number of shares outstanding - diluted	1,052,632	1,000,000	1,026,181	1,000,000

Irwin Naturals

Condensed Combined Interim Statement of Changes in Shareholders' Equity
For the six months ended June 30, 2021, and June 30, 2020
(Unaudited, expressed in US Dollars, rounded in thousands except share data)

	Common Stock Shares	Amount	Additional Paid-In-Capital	Retained Earnings	Total Equity
Balance at January 1, 2020	**1,000,000**	**$ 1**	**$ 15,631**	**$ -**	**$ 15,632**
Net Income	-	-	-	3,422	3,422
Distributions to Shareholders	-	-	(480)	(3,422)	(3,902)
Balance at June 30, 2020	**1,000,000**	**$ 1**	**$ 15,151**	**$ -**	**$ 15,152**
Balance at January 1, 2021	**1,000,000**	**$ 1**	**$ 14,771**	**$ -**	**$ 14,772**
Shares issued in exchange for notes receivable from shareholders (ref FN 16)	52,632	0	3,240	-	3,240
Net Income	-	-	-	6,692	6,692
Distributions to Shareholders	-	-	(600)	(6,692)	(7,292)
Balance at June 30, 2021	**1,052,632**	**$ 1**	**$ 17,411**	**$ -**	**$ 17,412**

The accompanying notes are an integral part of these unaudited Condensed Combined Interim Financial Statements

Irwin Naturals

Condensed Combined Interim Statements of Cash Flows
For the Six Months Ended of June 30, 2021 and June 30, 2020
(Unaudited, expressed US Dollars, rounded in thousands)

	Six Months Ended	
	30-Jun-21	**30-Jun-20**
Net Income from Operations	$ 6,692	$ 3,422
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation & Amortization	707	700
Change in Allowance for Doubtful Accounts	114	115
Interest Expense	57	184
Income Taxes	189	4
Changes in Working Capital:		
Trade Receivables	(372)	3,891
Inventories	(332)	(1,983)
Prepaid Expenses & Other	413	269
Trade and Other Payables	3,330	(1,088)
Reserve for Returns	(7)	-
Changes in Other Non-current Assets	(29)	-
Cash Generated from Operations	10,762	5,514
Interest Paid	(64)	(198)
Income Taxes Paid	(189)	(4)
Net Cash Generated from Operating Activities	10,509	5,312
Cash Flow from Investing Activities:		
Purchases of Property and Equipment	-	(12)
Net Cash Used in Investing Activities	-	(12)
Cash Flow from Financing Activities:		
Proceeds from Line of Credit	8,810	12,982
Payments of Line of Credit	(12,352)	(15,182)
Proceeds from PPP Loan	-	1,838
Distributions to stockholder	(6,589)	(3,902)
Payments on Lease Liability	(653)	(614)
Net Cash Used in Financing Activities	(10,784)	(4,878)
Net Increase / (Decrease) In Cash	(275)	422
Cash at Beginning of the Period	442	371
Cash at end of the Period	$ 167	$ 793

The accompanying notes are an integral part of these unaudited Condensed Combined Interim Financial Statements

1. NATURE OF OPERATIONS

Irwin Naturals was incorporated in Nevada on January 23, 2002, and is based in Los Angeles, California. Irwin Naturals develops vitamins and other health supplements and distributes these products in the United States and Canada through two main channels: health food stores and mass market retailers.

5310 Holdings, LLC ("5310 Holdings") was formed as a California limited liability company based in Los Angeles, California to hold intellectual property related to products sold by Irwin Naturals. As of April 1, 2021, Klee Irwin, the majority shareholder of Irwin Naturals, contributed his interest in 5310 Holdings, LLC and all assets owned by such LLC to the Company. Klee and Irwin Naturals intend for the contribution to constitute a tax-free contribution to the capital of Irwin Naturals under Section 351 of the Internal Revenue Code based on Klee owning more than 80% of Irwin Naturals' and is the sole owner and managing member of 5310 Holdings. Prior to the contribution, Irwin Naturals had a licensing agreement for worldwide licenses to use, market, sell and promote certain trademarks held by 5310 Holdings. 5310 Holdings had been determined to be a "related party" of Irwin Naturals.

The Company agreed to enter into a Business Combination to be completed in August 2021 by Irwin Naturals, Inc. ("Resulting Issuer") comprised of a reverse-takeover of Datinvest International Ltd. ("Pubco") by the Company. Upon completion of the Business Combination, the Company will become a wholly-owned, indirect subsidiary of Pubco and the Resulting Issuer will continue to carry on the businesses of the Company. The closing of the Business Combination is subject to a number of terms and conditions including the receipt of all necessary regulatory and third-party consents and approvals, the listing of the Resulting Issuer on the Canadian Securities Exchange and the concurrent delisting of Pubco from the TSXV.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). The financial statements do not contain all disclosures required by International Financial Reporting Standards ("IFRS") and accordingly should be read in conjunction with the audited combined financial statements for the year ended December 31, 2020 and the notes thereto. The audited combined financial statements for the year ended December 31, 2020 were authorized for issuance by the Company's Board of Directors on August 5, 2021.

These financial statements have been prepared under the historical cost method except for certain financial assets that are measured at fair value, as detailed in the Company's accounting policies within the audited combined financial statements for the year ended December 31, 2020.

These unaudited condensed interim financial statements are based on the IFRS issued and effective as of August 26, 2021, the date these condensed interim financial statements were authorized for issuance by the Company's Board of Directors, and follow the same accounting policies and methods of computation as the most recent annual consolidated financial statements.

Critical accounting estimates and judgments

The preparation of these condensed combined interim financial statements in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period.

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 assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

i) *Fair value of equity-like instruments:* Fair value of financial assets and financial liabilities recorded in the condensed interim combined statements of financial position, which cannot be derived from active markets, are determined using a variety of techniques including the use of valuation models. The inputs to these models are derived from observable market data where possible, but where observable market data is not available, judgment is required to establish fair values. Judgment includes, but is not limited to, consideration of model inputs such as volatility, estimated life, and discount rates.

ii) *Estimating variable consideration for returns and sales promotion incentives*: The Company uses historical customer return data to determine the expected return percentages. These percentages are applied to determine the expected value of the variable consideration. Any significant changes in experience as compared to historical return pattern will impact the expected return percentages estimated by the Company.

The Company provides for estimated payments to its customers based on various trade programs and sales promotional incentives. The Company estimates the most likely amount payable for its largest customers for each trade and incentive program separately using (i) the projected level of sales volume for the relevant period; (ii) customer rates for allowances, discounts, and rebates; (iii) historical spending patterns; and (iv) sales lead time. These arrangements are complex and there are a significant number of customers and products affected. Management has systems and processes in place to estimate and value these obligations.

iii) *Valuation of non-cash transactions:* Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.

iv) *Amortization:* Amortization of property, plant and equipment and intangible assets are dependent upon the estimated useful lives, which are determined through the exercise of judgment. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

v) *Inventory:* Inventory is carried at the lower of cost or net realizable value. The determination of net realizable value involves significant management judgement and estimates, including the estimation of future selling prices.

COVID-19 Estimation Uncertainty

On March 11, 2020, the World Health Organization declared the outbreak of the novel coronavirus (COVID-19) a global pandemic. This has resulted in governments worldwide, including the American government, to enact emergency measures to combat the spread of the virus. These measures, which include social distancing, the implementation of travel bans, and closures of non-essential businesses, have caused material disruption to businesses globally, resulting in an economic slowdown. The production and sale of hemp and cannabidiol ("CBD") have been recognized as essential services across the United States. As of June 30, 2021, the Company has observed positive sales trends in 2021 after experiencing negative downward pressure on its sales growth in 2020 due to the COVID-19 pandemic.

The situation is dynamic and the ultimate duration and magnitude of the impact of COVID-19 on the economy and the full financial effect on the Company's business, financial position and operating results remain uncertain at this time. In addition, it is possible that estimates in the Company's condensed interim combined financial statements will change in the near term as a result of COVID-19 and the effect of any such changes could be material, which could result in, among other things, impairment of long-lived assets. The Company is closely monitoring the impact of the pandemic on all aspects of its business.

New IFRS Standards that are effective for the current period

Interbank Offered Rate ("IBOR") Reform

In August 2020, the IASB published amendments to IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement, IFRS 7 Financial Instruments: Disclosures, IFRS 4 Insurance Contracts and IFRS 16 Leases.

The amendments address issues that arise from implementation of IBOR reform, where IBORs are replaced with alternative benchmark rates and enable entities to reflect the effects of transitioning from benchmark interest rates to alternative benchmark interest rates without giving rise to accounting impacts that would not provide useful information to users of financial statements.

The amendments are effective for fiscal years beginning on or after January 1, 2021 with early adoption permitted. The Company adopted this amendment on January 1, 2021. As of June 30, 2021, there has been no impact to the Company's condensed combined interim financial statements, however the Company is in the process of evaluating potential changes to its secured credit line as it transitions from IBORs to alternative rates prior to the cessation of IBORs. As of June 30, 2021 the amount of debt subject to IBOR reform is $3,958 (reference note 6, "Credit Facility").

(Unaudited, expressed in US Dollars, rounded in thousands except share amounts)

New IFRS Standards in issue but not yet effective:

Amendments to IAS 37: Onerous Contracts and the Cost of Fulfilling a Contract

The amendment specifies that 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling contracts. The amendment is effective for annual periods beginning on or after January 1, 2023 with early application permitted. The Company is currently evaluating the potential impact of these amendments on the Company's combined condensed interim financial statements.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

The amendment clarifies the requirements relating to determining if a liability should be presented as current or non-current in the condensed combined interim statement of financial position. Under the new requirement, the assessment of whether a liability is presented as current or non-current is based on the contractual arrangements in place as at the reporting date and does not impact the amount or timing of recognition. The amendment applies retrospectively for annual reporting periods beginning on or after January 1, 2023. The Company is currently evaluating the potential impact of these amendments on the Company's condensed combined interim financial statements.

3. PREPAID EXPENSES AND OTHER CURRENT ASSETS

Prepaid expenses and other current assets consist of the following as of June 30, 2021 and December 31, 2020:

	30-Jun-21	31-Dec-20
Prepaid expenses	$ 400	$ 620
Prepaid insurance	136	260
Prepaid marketing	103	131
Prepaid inventory	345	453
Other receivables	258	192
	$ 1,242	$ 1,656

4. INVENTORY

Inventory consists of the following as of June 30, 2021 and December 31, 2020:

	30-Jun-21	31-Dec-20
Raw materials	$ 3,809	$ 3,337
Finished goods	11,101	11,240
Inventory, net of reserve	$ 14,910	$ 14,577

The amounts of additional reserve and reversals that are recognized during the three and six months ended June 30, 2021 and 2020, are included in cost of sales in the condensed combined interim statements of profit as follows:

(Unaudited, expressed in US Dollars, rounded in thousands except share amounts)

	Three Months Ended		Six Months Ended	
	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
Beginning balance	$ 6,370	$ 3,262	$ 6,032	$ 3,194
Provisions made during the period	526	649	989	1,061
Disposals and sales during the period	(423)	(278)	(548)	(622)
Ending balance	$ 6,473	$ 3,633	$ 6,473	$ 3,633

5. PROPERTY AND EQUIPMENT

Property and Equipment consists of the following as of June 30, 2021 and 2020:

	Furniture & Fixtures	Computers & Equipment	Machinery & Equipment	Vehicles	Leasehold Improvements	Total
Cost						
Balance, December 31, 2019	$ 406	$ 837	$ 137	$ 174	$ 1,192	**$ 2,746**
Additions	-	12	-	-	-	**12**
Disposals	-	-	-	-	-	**-**
Balance, June 30, 2020	**$ 406**	**$ 849**	**$ 137**	**$ 174**	**$ 1,192**	**$ 2,758**
Balance, December 31, 2020	$ 406	$ 855	$ 137	$ 135	$ 1,192	**$ 2,725**
Additions	-	-	-	-	-	**-**
Disposals	-	-	-	-	-	**-**
Balance, June 30, 2021	**$ 406**	**$ 855**	**$ 137**	**$ 135**	**$ 1,192**	**$ 2,725**
Accumulated Depreciation						
Balance, December 31, 2019	$ (384)	$ (634)	$ (126)	$ (174)	$ (1,187)	**$ (2,505)**
Depreciation	(6)	(44)	(2)	-	(1)	**(53)**
Disposals	-	-	-	-	-	**-**
Balance, June 30, 2020	**$ (390)**	**$ (678)**	**$ (128)**	**$ (174)**	**$ (1,188)**	**$ (2,558)**
Balance, December 31, 2020	$ (397)	$ (723)	$ (129)	$ (26)	$ (1,189)	**$ (2,464)**
Depreciation	(2)	(30)	(5)	(22)	(1)	**(60)**
Disposals	-	-	-	-	-	**-**
Balance, June 30, 2021	**$ (399)**	**$ (753)**	**$ (134)**	**$ (48)**	**$ (1,190)**	**$ (2,524)**
Net Book Value						
Balance, June 30, 2020	**$ 16**	**$ 171**	**$ 9**	**$ -**	**$ 4**	**$ 200**
Balance, June 30, 2021	**$ 7**	**$ 102**	**$ 3**	**$ 87**	**$ 2**	**$ 201**

6. CREDIT FACILITY

In September 2020, the Company renewed a line of credit with a financial institution in the amount of the lesser of $17,500 or the Company's borrowing base, as defined in the agreement. The Company has the option of borrowing under a LIBOR loan (LIBOR based on the interest period selected by the Company) or a Prime loan. Under LIBOR loans, borrowings bear interest at the greater of 1.35% or 30 day LIBOR interest rate plus 1.35% (1.5375% at December 31, 2020).

(Unaudited, expressed in US Dollars, rounded in thousands except share amounts)

Under Prime loans, borrowings bear interest at the greater of 2% or the fluctuating Prime rate minus 1% (2.25% at December 31, 2020). The Company is in negotiation to replace the benchmark rate with an alternative benchmark rate with the financial institution as part of IBOR reform.

In May 2021, the Company amended its line of credit to extend the maturity date to August 1, 2022 and amended the provision requiring that Klee Irwin, the majority shareholder of the Company, retain at least a 75% interest in the Company to at least a 55% interest in the Company**.** The line of credit is secured by all of the Company's assets and is guaranteed by the Company's majority shareholder. The agreement contains certain restrictive covenants, for which the Company was in compliance at June 30, 2021 and December 31, 2020.

7. LEASES

Right-of-Use Assets

The Company's right-of-use ("ROU") assets consist primarily of a building, where the office and warehouse of its principal operations are located. The lease has a term of 36 months from commencement of August 2019 to July 2022. The following is a continuity schedule of the right-of-use asset for the six months ended June 30, 2021 and the year ended December 31, 2020.

	30-Jun-21	31-Dec-20
Balance - Beginning of Period	$ 2,047	$ 3,340
ROU Amortization	(646)	(1,293)
Balance - End of Period	$ 1,401	$ 2,047

Lease Liabilities

The following is a continuity schedule of lease liabilities for the six months ended June 30, 2021 and the year ended December 31, 2020.

	30-Jun-21	31-Dec-20
Balance - Beginning of Period	$ 2,146	$ 3,400
Lease Payments	(682)	(1,342)
Interest Expense on Lease Liabilities	29	88
Balance - End of Period	$ 1,493	$ 2,146
Current Portion	1,376	1,334
Non-current Portion	117	812

The following is a maturity schedule of leases as of June 30, 2021.

(Unaudited, expressed in US Dollars, rounded in thousands except share amounts)

Maturity analysis for lease liabilities		**Scheduled payments**
One year or less	$	1,404
One to five years		116
More than five years		-
Total undiscounted lease liability		1,520
Impact of discount		(27)
Lease liability at June 30, 2021		1,493
Less: current portion of lease liability		(1,376)
Lease liability net of current portion	**$**	**117**

When measuring lease liabilities, the Company discounts lease payments using its incremental borrowing rate. For leases recognized during the six months ended June 30, 2021 and the year ended December 31, 2020, the weighted average rate applied is 3.11% for both periods. During the three and six months ended June 30, 2021, the Company recorded rent expense of $384 and $776, respectively (June 30, 2020 - $373 and $732, respectively), which included $61 and $130 for the three and six months ended June 30, 2021, respectively ($50 and $86 in 2020) for short-term leases.

8. TRADE AND OTHER PAYABLES

Trade and other payables consists of the following as of June 30, 2021 and December 31, 2020:

Trade & Other Payables		**30-Jun-21**		**31-Dec-20**
Trade Payables	$	8,012	$	3,518
Accrued Compensation		1,606		1,806
Customer Refunds		163		131
Interest Payable		3		10
Accrued Promotions		3,977		5,483
Other Accrued Expenses		1,178		668
	$	**14,939**	**$**	**11,616**

9. RELATED PARTY TRANSACTIONS

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Company has defined key management personnel to include the CEO, CFO, COO, President, Executive Vice Presidents and directors of the Company. During the three and six months ended June 30, 2021, and June 30, 2020 the remuneration and other payments to the Company's directors and other key management personnel are as follows:

(Unaudited, expressed in US Dollars, rounded in thousands except share amounts)

	Three Months Ended		Six Months Ended	
	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
Wages and salaries	$ 627	$ 496	$ 1,470	$ 1,315
Post-employment compensation	-	15	-	15
Rent	-	11	-	29
	$ 627	**$ 522**	**$ 1,470**	**$ 1,359**

In April 2021, the Company issued two executives separate promissory notes receivable in the amount of $1,620 each (reference note 16, "Notes Receivable from Shareholders").

Related Party Contribution

As of April 1, 2021, Klee Irwin contributed his interest in 5310 Holdings, LLC and all assets owned by such LLC to the Company. Klee and Irwin Naturals intend for the contribution to constitute a tax-free contribution to the capital of Irwin Naturals under Section 351 of the Internal Revenue Code based on Klee owning more than 80% of Irwin Naturals' and is the sole owner and managing member of 5310 Holdings. Prior to April 1, 2021 Irwin Naturals had a licensing agreement for worldwide licenses to use, market, sell and promote certain trademarks held by 5310 Holdings. 5310 Holdings had been determined to be a "related party" of Irwin Naturals. The December 31, 2020 combined interim financial statements includes the accounts of the Company and 5310 Holdings, LLC. This presentation reflects a common-controlled combination of previously existing entities. Control existed when the Company was exposed, or had rights to variable returns from its involvement with the investee, and had the ability to affect those returns through its power over the investee. The financial statements of the entities were included in the combined interim financial statements from the date that control commenced until the date that control ceased. Irwin Naturals was the primary beneficiary of 5310 Holdings through the use of trademarks held by that entity. 5310 Holdings had no operations apart from ownership of the trademarks, and these intangibles were fully integrated into the operations of Irwin Naturals as of December 31, 2020.

As of December 31, 2020, amounts included from 5310 Holdings in the combined interim financial statements include intangible assets of $87 and additional-paid-in-capital of $87. Apart from these amounts, creditors and beneficial holders of 5310 Holdings had no recourse to the assets or general credit of Irwin Naturals. All intra-company transactions, balances, income and expenses were eliminated for presentation.

As of June 30, 2021 contributed interests from 5310 Holdings of $87 were classified as intangible assets in Irwin's interim statement of financial position.

10. SHARE CAPITAL AND RESERVES

Authorized and Issued share capital

The Company is authorized to issue 1,500,000 of common and shares at $0.001 par value, at the discretion of the Board of Directors. As of June 30, 2021 there were 1,052,632 shares outstanding (December 31, 2020 - 1,000,000 shares).

The Company had basic and diluted earnings per common share of $2.83 and $6.52 for the three and six months ending June 30, 2021, respectively (June 30, 2020 - $2.47 and $3.42, respectively).

The Company made distributions per common share of $5.77 and $7.11 for the three and six months ended June 30, 2021, respectively (June 30, 2020 - $0.32 and $3.90, respectively).

11. CAPITAL STRUCTURE

The Company defines capital that it manages as shareholders' equity and debt.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to maintain operations. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

Management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Company, is reasonable to ensure optimal capital structure to reduce the cost of capital.

12. PAYCHECK PROTECTION PROGRAM

On April 20, 2020, the Company received loan proceeds in the amount of $1,838 under the PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"). The Company used all of the proceeds for purposes consistent with the PPP Loan guidelines and in June 2021, the Company received notice from the Small Business Administration that the loans received in the amount of $1,838 under the PPP have been forgiven.

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly fashion between market participants. The Company records certain financial instruments at fair value. The Company's financial instruments include cash, accounts receivable, accounts payable and accrued expenses.

The Company is exposed to varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes, inclusive of counterparty limits, controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash and trade receivables. The Company's cash is held in large American financial institutions and no losses have been incurred in relation to these items.

The aging of the Company's accounts receivables as of June 30, 2021 and December 31, 2020 is as follows:

(Unaudited, expressed in US Dollars, rounded in thousands except share amounts)

	Current	1 - 30 days past due	31 - 60 days past due	61 - 90 days past due	91+ days past due	Expected Credit Loss	Total
June 30, 2021	$ 13,341	3,208	742	261	425	(504)	$ 17,473
December 31, 2020	$ 12,785	3,767	257	219	576	(390)	$ 17,214

The carrying amount of cash and trade receivables represent the maximum exposure to credit risk, and as of June 30, 2021, this amounted to $17,640 (December 31, 2020 - $17,656).

For the three months ended June 30, 2021 two customers accounted for 25% of the Company's sales, which represented approximately 33% of the accounts receivable balance. For the three months ended June 30, 2020 three customers accounted for 43% of the Company's sales, which represented approximately 38% of the accounts receivable balance.

As of December 31, 2020, three customers represented approximately 50% of the accounts receivable balance.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to pay financial instrument liabilities as they come due. The Company manages its liquidity risk by reviewing on an ongoing basis its capital requirements. As of June 30, 2021, the Company has $167 of cash (December 31, 2020 - $442). The Company is obligated to pay trade and other payables, line of credit, and the lease liability with a carrying amount as of June 30, 2021 of $21,473 (December 31, 2020 - $21,649).

	Carrying Amount	Contracted Cash Flows	< 1 year	1 - 2 years	2 - 5 years	>5 years
Trade and other payables	$ 15,642	$ 15,642	$ 15,642	$ -	$ -	$ -
Accrued liabilities	380	380	380	-	-	-
Lease liabilities	1,493	1,520	1,404	116	-	-
Line of credit	3,958	3,958	3,958	-	-	-
	$ 21,473	$ 21,500	$ 21,384	$ 116	$ -	$ -

14. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Non-cash investing and financing activities:

	Six months ended June 30, 2021	Six months ended June 30, 2020
Stock issued in exchange for promissory notes receivable (reference footnote 16)	$ 3,240	$ -

15. EMPLOYEE BENEFIT PLAN

The Company has a 401(k) plan (the "Plan") which allows all employees meeting the minimum service eligibility requirement to defer up to the maximum amount allowed by the Internal Revenue Code limits on a pre-tax or post-tax basis, or a combination thereof. The Company currently contributes a match equal to the lesser of $1.5 per employee or 50% of an employee's contribution capped at 4% of their compensation. The Plan also allows for discretionary profit-sharing contributions, and no such contributions were made during the six months ended June 30, 2021 and 2020. Employer matching contributions totaled $30k and $nil for the three and six months ended June 30, 2021 and 2020.

16. NOTES RECEIVABLE FROM SHAREHOLDERS

In April 2021, the Company issued two executives separate promissory notes receivable in the amount of $1,620 each in exchange for previously authorized common shares representing an aggregate 5% interest in the Company as part of an amendment to the executives' profit-sharing employment agreements. The notes receivable are due and payable on April 1, 2030 and bear interest on their respective unpaid principal outstanding beginning April 1, 2021, at a rate per annum equal to one percent simple interest. The total value of the notes, including accrued interest, are due and payable in a balloon payment upon maturity. As the terms of the notes do not provide unconditional rights to avoid delivering cash or other financial assets to settle, the notes receivable are presented as assets on the June 30, 2021 combined statement of financial position. Both notes receivable remained outstanding as of June 30, 2021.

17. COMMITMENTS AND CONTINGENCIES

Commitments

Supplier Agreements

In 2019, the Company entered into a 36-month supply agreement for CBD-related materials ending July 2022. The agreement does not require any annual commitments. The approximate outstanding balance as of June 30, 2021 is $nil based on current prices (December 31, 2020 - $350).

Contingencies

Claims and Litigation

The Company is party to litigation from time to time in the normal course of business. The Company accrues liabilities related to litigation only when it concludes that it is probable that it will incur costs related to such litigation and can reasonably estimate the amount of such costs. In cases where the Company determines that it is not probable, but reasonably possible that it has a material obligation, it discloses such obligations and the possible loss or range of loss, if such estimate can be made. The Company maintains insurance to cover certain actions and believes that resolution of such litigation in the normal course of business will not have a material adverse effect on the Company's condensed combined interim financial statements.

Batista v Irwin Naturals, Case No. 2:20–cv–10737 (U.S. District Court, Central District California)

Isabella Batista filed a class action lawsuit in the United States District Court for the Central District of California on November 24, 2020. Batista alleges that Irwin makes false and misleading claims on the packaging of its nutritional supplement product Ginkgo Smart. Batista alleges that ginkgo biloba, Ginkgo Smart's main ingredient, does not improve cognitive function, memory or concentration and therefore Ginkgo Smart's label claims are false and misleading. Batista seeks to represent a nationwide class of consumers and a New York subclass who purchased Ginkgo

Smart. Batista lives, and purchased the product, in New York. Batista's prayer for relief includes damages, restitution, and/or disgorgement; compensatory and punitive damages; declaratory and injunctive relief; reasonable attorneys' fees and expenses and costs of the suit; and prejudgment interest on all amounts awarded. Irwin submitted its response to plaintiff's opposition to the motion on March 26, 2021.

Batista did not allege an enumerated amount of damages as is common with consumer class actions, as such amount is dependent on whether a class is certified, the potential size of the class and the sales of the product. In order to obtain subject matter jurisdiction with the Federal Court, Batista alleged her claim was over $5 million. Notwithstanding the foregoing, Batista is asking the court or a jury to determine the amount of potential damages and/or attorney fees. Certain New York state statutes provide a minimum of fifty ($50 or $500) per consumer in a class action lawsuit, but any potential total amount is dependent upon a class being certified and an adverse ruling against Irwin.

18. EVENTS OCCURING AFTER THE REPORTING PERIOD

The Company has evaluated events occurring after the reporting period. The Company is not aware of any significant events that occurred subsequent to the reporting period that would have a material impact on its condensed combined interim financial statements, other than what is noted below.

In July 2021, Irwin and its financial institution executed an amendment to their agreement that extends the line of credit to December 1, 2022 (reference Note 6).

<u>Business Combination</u>

On August 13, 2021, Irwin Naturals Inc. ("**Irwin**" or the "**Company**"), formerly Datinvest International Ltd., successfully closed its previously announced reverse takeover of Datinvest International Ltd. by Irwin Naturals (the "**Business Combination**"). In connection with the Business Combination, the Company effected a consolidation (the "Consolidation") of the common shares of the Company (the "Common Shares") on a one post-Consolidation Common Share for every 8.31617 pre-Consolidation Common Shares basis. In addition, the Company amended its articles to: (i) create the proportionate voting shares and multiple voting shares (the "Multiple Voting Shares"); (ii) to add special rights and restrictions to the Common Shares and change the identifying name of the Common Shares to "Subordinate Voting Shares"; and (iii) to change its name from "Datinvest International Ltd." to "Irwin Naturals Inc." Shareholder approval for certain of these matters where required was obtained at an annual and special meeting of the Company's shareholders held on June 24, 2021.

In connection with the closing of the Business Combination, the Company de-listed its common shares from the NEX Board of the TSX Venture Exchange effective at the close of business on August 13, 2021. The Company commenced trading of its subordinate voting shares (the "Subordinate Voting Shares") on the Canadian Securities Exchange ("CSE") under the ticker "IWIN" on August 25, 2021.

Following the Business Combination, the leadership team of the Company is as follows:

- Klee Irwin - Chairman, Chief Executive Officer and Director
- Philippe Faraut - Chief Financial Officer, Corporate Secretary and Director
- Marc-David Bismuth - Director
- Rod Kight, Esq. – Director

As a result of the Business Combination, Klee Irwin acquired ownership of 18,240 Multiple Voting Shares, representing 100% of the issued and outstanding Multiple Voting Shares, and one Subordinate Voting Share. The Multiple Voting Shares are convertible on a one-to-one basis into 18,240 Subordinate Voting Shares. Klee Irwin also holds an aggregate of 273,599,891 Class B Non-Voting Shares of Irwin (the "Irwin Class B Shares"), which are exchangeable on a one-to-one basis into 273,599,891 Subordinate Voting Shares of the Company. Upon the exchange of a block of fifteen thousand (15,000) Irwin Class B Shares, Klee Irwin would receive fifteen thousand (15,000) Subordinate Voting Shares and one (1) of Klee Irwin's Multiple Voting Shares would be converted into one (1) Subordinate Voting Share (and therefore, Klee Irwin's aggregate Multiple Voting Share holdings would be reduced from 18,240 to 18,239 but his voting position in the Company would be maintained).

Immediately prior to the completion of the Business Combination, Mr. Irwin did not own or exercise control or direction over any securities of the Company. The Multiple Voting Shares and Irwin Class B Shares represent, on an as-converted or exchanged to Subordinate Voting Share-basis (converting or exchanging only the shares and securities that Mr. Irwin owns or exercises control and direction over), ownership of an aggregate of approximately 99.5% of outstanding Subordinate Voting Shares.

Mr. Irwin holds and controls his shares of the Company for investment purposes only and Mr. Irwin may increase or decrease his beneficial ownership or control over the shares of the Company or the Irwin Class B Shares, which he may do from time to time, depending on market or other conditions and to the extent deemed advisable in light of each of their respective general investment strategies. The Multiple Voting Shares held by Mr. Irwin are designed to ensure that Mr. Irwin has voting control at meetings of the shareholders of the Company and the existing share structure is subject to the provisions of the coattail agreement between the Company, Mr. Irwin and the Company's transfer agent, as described in the Company's listing statement dated August 13, 2021, which is posted and filed under the Company's profile on www.sedar.com.