

Poko Group Limited
Amended and Restated
Unaudited Condensed Consolidated Financial Statements

For the 3 months ended September 30, 2021

Poko Group Limited Contents

For the three months ended September 30, 2021

	Page
Amended and Restated Consolidated Financial Statements	
Consolidated Statements of Financial Position	1
Consolidated Statements of Loss and Comprehensive Loss	2
Consolidated Statements of Changes in Equity.....	3
Consolidated Statements of Cash Flows	4
Notes to the Amended and Restated Consolidated Financial Statements.....	5

Poko Group Limited

For the three months ended September 30, 2021

Notice of No Auditor Review

The accompanying amended and restated unaudited condensed interim financial statements were prepared by management and approved by the Audit Committee and the Board of Directors. The Company's independent auditors have not performed a review of these condensed interim 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 auditors.

Poko Group Limited
Consolidated Unaudited Statement of Financial Position
– Amended and Restated

	<i>As at September 30,</i> 2021	<i>As at June 30,</i> 2021
	\$	\$
Assets		
Current		
Cash and cash equivalents	616,732	-
Stock	75,627	-
Trade and other receivables (Note 6)	50,233	8,750
	742,592	8,750
Non-Current		
Intangible assets (Note 5)	2,441,668	2,505,922
Total Assets	3,184,260	2,514,672
Liabilities		
Current		
Accounts payable and accrued liabilities	255,107	8,748
Total Liabilities	255,107	8,748
Equity		
Share Capital		
Common Shares (Note 7)	4,624,770	2,570,178
Contributed surplus (Note 8)	360,000	-
Deficit	(2,055,617)	(64,254)
Total Equity	2,929,153	2,505,924
Total Liabilities and Equity	3,184,260	2,514,672

Basis of preparation (Note Error!

Reference source not found.)

Reverse Takeover (Note 4)

Going Concern (Note 2)

Approved on behalf of the Board

“David Hughes”

President and Chief Executive Officer

David Hughes

“Senan Sexton”

Chief Financial Officer

Senan Sexton

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

Poko Group Limited

Consolidated Unaudited Statement of Loss and Comprehensive Loss
– Amended and Restated

	<i>3 months ended Sep 30, 2021</i>	<i>3 months ended Sep 30, 2020</i>
	\$	\$
Revenue	72,351	-
Cost of sales	(72,351)	-
Gross profit / loss	-	-
Operating expenses		
Share-based compensation (Note 8)	360,000	-
Professional fees	32,137	-
Marketing and promotion	30,592	-
Filing fees	7,554	-
Insurance	538	-
General expenses	525	-
IT and telecommunication expenses	168	-
Interest and bank charges	123	-
Operating Loss	431,637	-
Listing costs (Note 4)	1,492,032	-
Amortisation (Note 5)	64,254	-
Loss on conversion of debt (Note 4)	4,009	-
Foreign exchange (gain) / loss	(570)	-
	1,559,725	-
Net loss and comprehensive loss for the year	1,991,363	-
No of Shares	46,021,039	-
Basic and diluted loss per share (Note 9)	0.04	-

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

Poko Group Limited
Consolidated Unaudited Statement of Changes in Equity
– Amended and Restated
For the 3 months ended September 30, 2021

	<i>No of Shares</i>	<i>Share capital \$</i>	<i>Contributed surplus \$</i>	<i>Deficit \$</i>	<i>Total equity \$</i>
Balance as at June 30, 2021	1,231,518	2,570,178	-	(64,254)	2,505,924
Net loss and comprehensive loss for 3 months	-	-	-	(1,991,363)	(1,991,363)
Shares issued on Reverse Take Over (Note 4)	68,519,382	1,017,332	-	-	1,017,332
Shares issued in private placement (Note 4)	7,729,635	850,260	-	-	850,260
Shares issued on conversion of debt (Note 4)	1,700,000	187,000	-	-	187,000
Issuance of options	-	-	360,000	-	360,000
Adjustment for Reverse Take Over (Note 4)	(1,231,518)	-	-	-	-
Balance as at September 30, 2021	77,949,017	4,624,770	360,000	(2,055,617)	2,929,153

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

Poko Group Limited
Consolidated Statement of Cash Flows – Amended and Restated

For the 3 months ended September 30, 2021

3 Months ended

September 30, 2021

\$

OPERATING ACTIVITIES	
Net loss	(1,991,363)
Non cash items	
Listing costs	1,492,032
Amortisation	64,254
Loss on retirement of debts	4,009
Share-based payments	360,000
Changes in non-cash working capital items	
Stock	(75,627)
Trade and other receivables	(21,291)
Accounts payable and accrued liabilities	(119,748)
Cashflows used by Operating Activities	(287,733)
INVESTING ACTIVITIES	
Cash acquired on RTO	54,205
Increase in intangible assets	-
Cashflows used by Investing Activities	54,205
FINANCING ACTIVITIES	
Proceeds from issuance of units	850,260
Cash flows from Financing Activities	850,260
Foreign Exchange impact on cash	
Increase / (Decrease) in cash and cash equivalents	616,732
Cash and cash equivalents, beginning of the period	-
Cash and cash equivalents, end of the period	616,732
Supplementary cash flow information	
Working Capital items acquired on RTO	
Taxes receivable	15,192
Prepaid expenses	5,000
Accounts payable and accrued liabilities	(222,093)
Provision for penalties	(62,671)
Due to directors	(760)
Loan with interest	(165,067)
Total	(430,399)

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

Poko Group Limited
Notes to the Consolidated Financial Statements – Amended and Restated
For the 3 months ended September 30, 2021

1. Statement of incorporation and nature of activities

Poko Group Limited is a company limited by shares incorporated in the United Kingdom and registered in England. The company's registered office address is 27 Old Gloucester Street, London, WC1N 3AX. Its registered number is 12912620. The company was incorporated on 29th September 2020. The company is an award-winning international UK-based integrated company with a robust portfolio of CBD brands, a financial services platform, Lumipay, a portfolio of consumer brands and a roster of marketing and media sites. The Company's shares are currently traded on the Canadian Securities Exchange ("CSE") under the symbol "POKO".

2. Basis of presentation

Statement of compliance and going concern

These amended and restated unaudited condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and the basis of the going concern assumption, meaning the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company's ability to continue as a going concern depends upon its ability to obtain necessary financing to fund its prospection operations, its projects and continued support of suppliers and creditors.

Pursuant to the Reverse Take Over transaction ("RTO" or the "Transaction") referred in detail in Note 4 below, for accounting purposes, Poko Group Limited is considered the accounting acquirer and the Company the accounting acquiree. The financial statements therefore reflects the financial position of Poko Group for the current period and the comparative periods of 2021. Since the Poko Group did not have any operations for Q1, Q2 and Q3 of the previous year ended June 30, 2021, the same has been reported as Nil in these financial statements.

The functional currency of the company is the Canadian dollar which is also the presentation currency of the consolidated financial statements.

The Company's business involves a high degree of risk and there is no assurance that the Company will be successful in discovering economically recoverable deposits on its mineral properties. Furthermore, the Company has not yet generated any income or cash flows from its operations and there is no assurance that the business will be profitable in the future.

	3 months ended September 30, 2021	Year Ended June 30, 2021
	\$	\$
Net Loss and Comprehensive Loss for the period	1,991,363	64,254
Deficit	(2,065,617)	(64,254)
Working Capital Surplus / (Deficiency)	487,485	2

For the three months ending September 30, 2021, the company reported a loss of \$1,991,363 mainly however as a result of listing cost. Those costs are not considered as usual costs for the Company and they should not be considered in the current activities and profitability of the Company. Those costs were recorded only as a result of the RTO. Management is currently implementing several initiatives to improve its cost structure, drive increased revenues and improve operating profitability. Although the Company was able to raise \$850,260 during the 3 months ended September 30, 2021, there still exist material uncertainties that cast significant doubt regarding the Company's ability to continue as a going concern. The carrying amounts of assets, liabilities and expenses presented in the consolidated financial statements and the classification used in the consolidated financial statements have not been adjusted as would be required if the going concern assumption was not appropriate. Those adjustments could be material. Management routinely plans future activities including forecasting cash flows. Management has reviewed their plan with the Directors and has collectively formed a judgment that the Company has adequate resources to continue as a going concern for the foreseeable future, which Management and the Directors have defined as being at least the next 12 months from the date of the financial position.

Poko Group Limited
Notes to the Consolidated Financial Statements – Amended and Restated
For the 3 months ended September 30, 2021

2. Basis of presentation (Continued from previous page)

Coronavirus (“COVID-19”)

The duration and full financial effect of the COVID-19 pandemic is unknown at this time, as are the measures taken by governments, companies and others to attempt to reduce the spread of COVID-19. Any estimate of the length and severity of these developments is therefore subject to significant uncertainty, and accordingly estimates of the extent to which the COVID-19 may materially and adversely affect the Company's operations, financial results and condition in future periods are also subject to significant uncertainty. In the current environment, the assumptions and judgements made by the Company are subject to greater variability than normal, which could in the future significantly affect judgments, estimates and assumptions made by management as they relate to potential impact of the COVID-19 and could lead to a material adjustment to the carrying value of the assets or liabilities affected.

Approval of consolidated financial statements

These consolidated financial statements were approved for issuance by the Board of Directors on May 30, 2022.

3. Significant accounting policies

The consolidated financial statements are prepared using the significant accounting policies described in the present note. These methods have been applied consistently to all periods presented in these unaudited condensed consolidated financial statements.

Basis of measurement

The unaudited condensed consolidated financial statements have been prepared on a historical cost basis.

Foreign currency translation

Functional and presentation currency

These unaudited condensed consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency, using the exchange rates prevailing at the dates of the transactions (spot exchange rates). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates recognized in profit or loss.

Non-monetary items are not re-translated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the dates when fair value was determined.

Financial Instruments:

a) Classification

Financial Assets/Liabilities	Classification under IFRS 9
Cash and cash equivalents	Financial asset at amortized cost
Other receivables	Financial assets at amortized cost
Inventory	Financial assets at amortized cost
Accounts payable and accrued liabilities	Financial liabilities at amortized cost

The Company determines the classification of financial assets at initial recognition. The classification of its instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Financial assets are recognized at fair value and are subsequently classified and measured at amortized cost, fair value through other comprehensive income (“FVOCI”), or fair value through profit or loss (“FVTPL”).

3. Significant accounting policies (continued from previous page)

b) Measurement

Financial assets and liabilities at amortized cost:

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment for a financial asset.

Financial assets and liabilities at FVTPL:

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of net loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of net loss and comprehensive loss in the period in which they arise. Where Company has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses. The Company recognizes an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Cash and cash equivalents

Cash and cash equivalents comprise cash in bank and demand deposits that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Inventory

Inventories are valued at the lower of cost and net realisable value. Cost includes raw materials, direct labour and all other expenditure incurred in the normal course of business in bringing the products to their present location and condition. Cost is calculated at the weighted average cost incurred in acquiring inventories. Net realisable value is the estimated selling price of inventory on hand less all further costs to completion and all costs expected to be incurred in distribution and selling.

Equity

Share capital

Share capital represents the amount received on the issue of shares, less issuance costs, net of any underlying income tax benefit from these issuance costs. In addition, if shares were issued as consideration for the acquisition of a mineral property or some other form of non-monetary assets, they are measured at their fair value according to the price of the most recent share issue of the Company or, after the Company being listed, their fair value according to the quoted price on the date of the conclusion of the agreement.

Unit placements

Proceeds from unit placements are allocated between shares and warrants issued using the residual method. Proceeds are first allocated to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

Other elements of equity

Contributed surplus includes charges related to stock options until such stock options are exercised. When stock options are exercised, the related cost and fair value are transferred to share capital. Upon expiry, the fair value initially recorded under contributed surplus reserve is transferred to deficit.

Deficit includes all current and prior period retained profits and losses. Deficit also includes charges related to warrants and stocks options expired and any amounts in excess of total contributed surplus related to shares repurchased.

3. Significant accounting policies *(continued from previous page)*

Share-based payments

Stock options plan

The Company operates an equity-settled share-based payment plan for its eligible directors, officers, employees and consultants. The Company's plan does not feature any options for a cash settlement.

All goods and services received in exchange for the grant of any share-based payments are measured at their fair values, unless that fair value cannot be estimated reliably. If the Company cannot estimate reliably the fair value of the goods or services received, the Company measures their value indirectly by reference to the fair value of the equity instruments granted. For the transactions with employees and others providing similar services, the Company measures the fair value of the services received by reference to the fair value of the equity instruments granted.

All equity-settled share-based payments (except equity-settled share-based payments to brokers) are ultimately recognized as an expense in loss or capitalized as an exploration and evaluation asset, depending on the nature of the payment with a corresponding credit to contributed surplus or warrant reserve, in equity. Equity-settled share-based payments to brokers, in respect of an equity financing are recognized as issuance costs of the equity instruments with a corresponding credit to contributed surplus or warrant reserve, in equity.

The fair value of stock options for each vesting period is determined using the Black Scholes option pricing model and is recorded over the vesting period as an increase to stock-based compensation and contributed surplus. A forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number of options that vest. Upon the exercise of stock options, the proceeds received by the Company and the related contributed surplus are recorded as an increase to share capital. In the event that vested stock options expire, previously recognized share-based compensation is not reversed. In the event that stock options are forfeited, previously recognized share-based compensation associated with the unvested portion of the stock options forfeited is reversed.

Basic and diluted loss per share

Basic loss per share is calculated by dividing net loss attributable to common equity holders of the Company by the weighted average number of common shares outstanding during the reporting period. Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all potentially dilutive share equivalents, such as stock options warrants and restricted share units.

When a loss is incurred during a period, basic and diluted loss per share are the same because the exercise of share equivalents is then considered to be anti-dilutive.

Accounting standards issued but not yet effective

At the date of authorization of these consolidated financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective and have not been adopted early by the Company. Management anticipates that all of the pronouncements will be adopted in the Company's accounting policy for the first period beginning after the effective date of each pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Company's consolidated financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Company's consolidated financial statements. In May 2020, the IASB issued a package of narrow-scope amendments to three standards (IFRS 3 "Business Combinations", IAS 16 "Property, Plant and Equipment" and IAS 37 "Provisions, Contingent Liabilities and Contingent Assets") as well as the IASB's Annual Improvements to IFRS Standards 2018 - 2020. These amendments to existing IFRS standards are to clarify guidance and wording, or to correct for relatively minor unintended consequences, conflicts or oversights. These amendments are effective for annual periods beginning on or after January 1, 2022. The Company is assessing the potential impact of these narrow-scope amendments.

3. Judgments, estimates and assumptions

The preparation of the Company's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainties about these assumptions and estimates could result in outcomes that would require a material adjustment to the carrying amount of the asset or liability affected in the future.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the consolidated financial statements.

Judgments

Going concern

The evaluation of the Company's ability to continue as a going concern, to raise additional financing in order to cover its operating expenses and its obligations for the incoming year requires significant judgment based assumptions including the probability that future events are considered reasonable according to the circumstances. Please refer to Note 2 for further information.

Impairment of intangible assets

Intangible assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of the non-financial asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to dispose), the asset is written down and impairment charge is recognized accordingly. Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit (i.e. the smallest Company of assets to which the asset belongs that generates cash inflow that are largely independent of cash inflows from other assets).

Amortization periods of intangible assets

The directors are required to estimate the useful economic life and amortization policies for all of the company's intangible fixed assets and this requires an estimate of the time period over which the underlying assets are expected to generate profits for the company. The Company amortizes the intangible assets over 20 years.

Estimation uncertainty

Share-based payments and warrant valuation

The estimation of share-based payment costs requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The model used by the Company is the Black Scholes valuation model. For the significant inputs in the Black Scholes option pricing model, management made the following assumptions:

- Underlying stock price: Set the stock price based on the equity offering from non-brokered private placements at or near the grant date of the options.
- Underlying stock price volatility: Based on historical data of comparable publicly traded companies in the mining industry.
- Expected life: Given the limited history of the stock option plan and the Company, setting expected life was inherently subjective.

Additionally, management is required to make an estimate of future forfeitures at the time of each grant and reduce the share-based payment accordingly. This was also inherently subjective due to the limited history of the Company.

Poko Group Limited

Notes to the Consolidated Financial Statements – Amended and Restated

For the 3 months ended September 30, 2021

4. Reverse Takeover (“RTO” or the “Transaction”)

Pursuant to the terms of a share exchange agreement dated effective August 13, 2021 (the “Share Exchange Agreement”), the Company acquired all of the issued and outstanding ordinary shares of Poko Group Limited from the sole shareholder of Poko Group Limited, Cannmed Products Limited (“Cannmed”), in exchange for the issuance to Cannmed of 59,090,909 post-Consolidation (as hereinafter defined) common shares in the capital of the Company, resulting in Poko Group Limited becoming a wholly owned subsidiary of the Company. In connection with the Transaction, the Company completed a consolidation (the “Consolidation”) on the basis of five (5) pre-Consolidation Common Shares to one (1) post-Consolidation common share (each post-Consolidation common share, a “Common Share”). Further in connection with the Transaction, the Company issued an aggregate of 1,700,000 Common Shares at a deemed price of \$0.11 per Common Shares to certain arm’s length creditors to satisfy indebtedness in the amount of \$187,000. Under the provisions of IFRIC 19, the company also recorded a loss on extinguishing the debt for \$4,009.

The Company also closed a non-brokered private placement of 7,729,635 Common Shares at a price of \$0.11 per Common Share for gross proceeds of \$850,260 (the “Concurrent Private Placement”). With the completion of the Transaction and the Concurrent Private Placement, the Company has 77,949,017 Common Shares issued and outstanding on an undiluted basis. Additional information is available in the Company’s listing statement dated August 13, 2021 (the “Listing Statement”), available under the Company’s profile on www.sedar.com.

Although the Transaction resulted in Poko Group Limited becoming a wholly-owned subsidiary of the Company, the Transaction constitutes a reverse acquisition of the Company in-as-much as the former shareholders of Poko Group Limited own a substantial majority of the issued and outstanding common shares of the resulting corporation. For accounting purposes, Poko Group Limited is considered the accounting acquirer and the Company the accounting acquiree. As Company did not meet the definition of a business under guidance from IFRS 3, the reverse acquisition does not constitute a business combination and accordingly, the reverse acquisition has been accounted for in accordance with guidance provided in IFRS 2, “Share-Based Payment”.

As Poko Group Limited is deemed to be the acquirer for accounting purposes, its assets and liabilities and operations since incorporation are included in the condensed consolidated interim financial statements at their historical carrying value. The Company’s results of operations are included from the date of the transaction onwards.

The value of the consideration paid was determined based on the fair value of the net assets of the Company acquired on August 13, 2021, which was computed as \$1,115,838 as follows:

Fair Value of 9,428,473 common shares of the Company @\$0.11	1,017,332
Legal Fees	98,506
Total Consideration	1,115,838
<hr/>	
Net Assets acquired	
Bank Balance	54,205
Taxes receivable	15,192
Prepaid Expenses	5,000
Accounts payable and accrued liabilities	(222,093)
Provision for penalties	(62,671)
Due to directors	(760)
Loan with interest	(165,067)
Total	(376,194)
<hr/>	
Listing Costs	1,492,032

The fair value of the common shares was estimated to be \$1,017,332 based on 9,248,473 common shares of the Company at a fair value of \$0.11 per share, based on the fair value of shares issued in the concurrent private placement completed as part of the reverse acquisition.

Poko Group Limited
Notes to the Consolidated Financial Statements – Amended and Restated
For the 3 months ended September 30, 2021

5. Intangible assets

On September 30, 2020, Poko entered into the Asset Purchase Agreement with ORH and Cannmed, pursuant to which Poko purchased from Cannmed its portfolio of assets from Cannmed, including the domains, trademarks, licenses and intellectual property rights relating to CBD Village, Vapor Blog, Candid Magazine, The Extract, certain social media accounts, the Poko skincare range, the Cannmed Wholesale and white label business, the Cannmed Marketplace and LumiPay (together, the “Cannmed Assets”), for the issuance of 1,231,517 Poko shares at a deemed price of \$2.087 per Poko Share for the aggregate purchase price of \$2,570,265.

The intangible assets of the Company consist of the following:

Cannmed white label and media division:

The Cannmed white label and media division has over 1,000 SKUs available to white label. The division is fed sales leads via the media websites controlled by Poko Group that help drive traffic to the sites and to generate sales leads. This media will also be used in the Poko Marketplace, which is being built with the capability in mind to handle large volumes of orders and supplier SKUs across multiple warehouses on the platform.

Poko Division: The Poko division is an innovative CBD skincare brand with a focus on problem skin conditions such as psoriasis, rosacea, acne and eczema using CBD and other active ingredients in its formulations.

Lumipay division: The Lumipay division offers a CBD friendly payment gateway. Currently expanding its client base with the goal of being acquired or separating out of the group at a later stage to IPO as its own Financial Service.

Cannmed Products Wholesale Brand division: The Cannmed Products Wholesale Brand division is a raw materials, white labelling and isolate supplier in the UK.

News and Media division: The News and Media consists of 3 streams as follows:

- The Extract: One of the leading news and media sites for the CBD and Cannabis industry in the UK. Its main aim is to provide lead generation for the raw materials and marketplace sites.
- Candid Magazine: A lifestyle focused e-zine, newly acquired and repurposed, it's still finding its audience. Similar to The Extract, its purpose is lead generation and support for the other assets in the group.
- CBD Village: One of the main revenue drivers for the Cannmed Group. CBD Village is an ecommerce store focussed on education and sales of CBD direct to the consumer.

On September 30th, 2020, the company acquired the following intangible assets for a total consideration of CAD\$2,570,176 by way of an asset transfer agreement and in exchange for share capital in the company.

	Cannmed White Label & Media	Poko	Lumipay	Cannmed	News Media	Total
	\$	\$	\$	\$	\$	\$
Cost	719,625	565,419	462,616	257,008	565,508	2,570,176
Balance as at June 30, 2021	719,625	565,419	462,616	257,008	565,508	2,570,176
Amortization						
Opening balance	17,991	14,135	11,565	6,425	14,138	64,254
Additions	17,991	14,135	11,565	6,425	14,138	64,254
Net Balance as at September 30, 2021	683,643	537,149	439,486	244,158	537,232	2,441,668

The intangible assets are amortised over the expected life of the assets estimated at 10 years.

Poko Group Limited
Notes to the Consolidated Financial Statements – Amended and Restated
For the 3 months ended September 30, 2021

6. Trade and other receivables

	<i>As at September 30, 2021</i>	<i>As at June 30, 2021</i>
	\$	\$
Accounts receivable	2,469	8,748
Prepayments	21,851	2
Taxes receivable	25,913	
	<u>50,233</u>	<u>8,750</u>

7. Share capital

a. Capital stock

The capital stock of the Company consists only of fully paid common shares.

Authorized

- Unlimited number of common shares, without par value, voting and participating.
- Unlimited number of preferred shares, without par value, non-participating. The directors will define the rights, privileges, restrictions and conditions of these shares upon issuance.

b. Issued

Year ended June 30, 2021

On September 30, 2020, Poko entered into the Asset Purchase Agreement with ORH and Cannmed, pursuant to which Poko purchased from Cannmed its portfolio of assets from Cannmed, including the domains, trademarks, licenses and intellectual property rights relating to CBD Village, Vapor Blog, Candid Magazine, The Extract, certain social media accounts, the Poko skincare range, the Cannmed Wholesale and white label business, the Cannmed Marketplace and LumiPay (together, the "Cannmed Assets"), for the issuance of 1,231,517 Poko shares at a deemed price of \$2.087 per Poko Share for the aggregate purchase price of \$2,570,265.

3 months ended September 30, 2021

Pursuant to the Reverse Takeover transaction (the "Transaction") the following were effected during the quarter ended June 30, 2021:

- a) The shares of Poko Innovations Inc. (formerly Brunswick Resources Inc. (BRU.H)) were consolidated on the basis of five (5) pre-Consolidation Common Shares to one (1) post-Consolidation common share (each post-Consolidation common share, a "Common Share").
- b) 59,090,909 Common Shares were also issued to Cannmed such that they represented 75.8% of the issued and outstanding Common Shares.
- c) Further in connection with the Transaction, the Company issued an aggregate of 1,700,000 Common Shares at a deemed price of \$0.11 per Common Shares to certain arm's length creditors to satisfy indebtedness in the amount of \$187,000.
- d) The Company also closed a non-brokered private placement of 7,729,635 Common Shares at a price of \$0.11 per Common Share for gross proceeds of \$850,260 (the "Concurrent Private Placement"). Common Shares issued to purchasers under the Concurrent Private Placement were sold on a private placement basis pursuant to the "accredited investor" and minimum investment exemptions under National Instrument 45-106 – Prospectus Exemptions.

Poko Group Limited
Notes to the Consolidated Financial Statements – Amended and Restated
For the 3 months ended September 30, 2021

8. Share-based payments

During the year ended June 30, 2021, the Company did not issue any options.

During the three months ended September 30, 2021 the Company issued 3,600,000 stock options (2021: Nil) to directors, officers, and consultants of the Company at an exercise price of \$0.11. The fair value of \$360,000 has been recorded under contributed surplus.

Stock Options	3 months ended September 30, 2021	Year ended June 30, 2021
Outstanding at the beginning of the year	-	-
Options Issued	3,600,000	
Options Expired	-	-
Options Exercised	-	-
Outstanding at September 30, 2021	3,600,000	-

On August 18, 2021, the Company issued 3,600,000 incentive stock options to key management, directors and consultants at \$0.11 vesting immediately. The fair value of the options were estimated using the Black Scholes Option Pricing Model with the following assumptions:

Stock Options	3 months ended September 30, 2021
Exercise price	0.11
Expected life	5 years
Dividend yield	Nil
Volatility (based on data of comparative companies)	128%
Risk free interest rate	0.75%
Fair value	0.10

During the quarter ended September 30, 2021, the Company transferred the fair value of the Stock Options estimated at \$360,000 to Contributed Surplus.

9. Loss per share

Loss per share has been calculated using the weighted average number of common shares outstanding for the 3 months ended September 30, 2021 as follows:

	3 months ended September 30, 2021
Net loss for the year attributable to shareholders	1,991,363
Weighted average number of common shares outstanding	46,021,039
Basic and diluted loss per share	0.04

For the 3 months ended September 30, 2021 potential dilutive common shares from incentive stock options and warrants have not been included in the loss per share calculation as they would result in a reduction of the loss per share.

Poko Group Limited
Notes to the Consolidated Financial Statements – Amended and Restated
For the 3 months ended September 30, 2021

10. Related party transactions

Cannmed Products Limited (incorporated in England and Wales) and its subsidiary ORH Marketing Limited (incorporated in Ireland) and are considered to be related parties as Cannmed David Hughes is a director of both companies at 30th September 2021.

During the period, the Company made purchases from Cannmed Products Limited Group totaling \$134,490.

Amounts due to the Cannmed Products Limited Group at September 30, 2021 was \$134,490.

During the 3 months ended September 30, 2021, the Company issued the following stock options to its Directors and key managerial personnel:

		Price	Nos Issued
Michael Porter	Director	\$0.11	250,000
Alex Leigh	Director	\$0.11	250,000
Simon Painter	Director	\$0.11	250,000
Tim Henley	Director	\$0.11	250,000
Chief Executive Officer		\$0.11	500,000
Chief Operating Officer		\$0.11	750,000
Chief Financial Officer		\$0.11	200,000
Chief Technical Officer		\$0.11	50,000
Total			2,500,000

11. Capital management policies and procedures

The Company's objectives in managing capital is to safeguard its ability to continue its operations, to increase the value of the assets of the business and to provide an adequate return to owners. These objectives will be achieved by identifying the right exploration prospects, adding value to these projects and ultimately taking them through to production or sale and cash flow, either with partners or by the Company's own means. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares to improve its financial performance and flexibility. The company monitors capital on the basis of the carrying amount of equity. Capital for reporting period under review is summarized in Note 7 and in the statement of changes in equity. The Company is not subject to any externally imposed capital requirements.

Poko Group Limited
Notes to the Consolidated Financial Statements – Amended and Restated
For the 3 months ended September 30, 2021

13. Financial assets and liabilities

The carrying amounts and fair value of financial instruments presented in the statement of financial position are as follows:

	As at September 30, 2021		As at June 30, 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Cash and cash equivalents	616,732	616,732	-	-
Accounts receivable	2,469	2,469	8,748	8,748
Prepayments	21,851	21,851	2	2
Inventory	75,627	75,627	-	-
Financial liabilities				
Accounts payable and accrued liabilities	255,107	255,107	8,748	8,748

The carrying value of cash and cash equivalents, accounts receivable, prepayments, inventory accounts payable and accrued liabilities is considered to be a reasonable expectation of fair value because of the short-term maturity of these instruments.

14. Financial risks

The Company is exposed to various risks in relation to its financial instruments. The main types of risks the Company is exposed to are credit risk and liquidity risk.

The Company's main financial risk exposure and its financial risk management policies are as follows:

Credit risk

Credit risk relates to the risk that one party to a financial instrument will not fulfill some or all of its obligations, thereby causing the Company to sustain a financial loss. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets, cash and cash equivalents, receivables, prepayments and inventory at the reporting date for the aggregate amounts of \$716,679 at September 30, 2021 (June 30, 2021: \$8,750). The risk related to cash and cash equivalents is considered negligible as the Company is dealing with a reputable financial institution whose credit rating is excellent and the cash held in trust is accessible as and when required.

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's liabilities have contractual maturities (including interest payments where applicable) as summarized below:

	Within 3 months	
	As at September 30, 2021	As at June 30, 2021
Accounts payable	255,107	8,748
Total Liabilities	255,107	8,748

The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of the liabilities at the reporting date. Where the counterparty has a choice of when an amount is paid, the liability has been included on the earliest date on which payment can be required.

Poko Group Limited
Notes to the Consolidated Financial Statements – Amended and Restated
For the 3 months ended September 30, 2021

15. Financial risks (Continued from previous page)

Foreign exchange risk

While the functional currency of the Company is Canadian dollars, the company's operations in UK and Ireland transact in Pound Sterling and Euro respectively.

The Company's cash is dominated by Canadian dollar being 100% of cash as at September 30, 2021 amounting to \$616,732.

15. Events occurring after balance sheet date

- a) On December 10, 2021, the Company issued 2,050,000 shares to certain consultants @\$0.12 as settlement of debt.
- b) On December 10, 2021, the Company issued 3,570,000 stock options at \$0.15. These Stock Options have a tenor of 4 years and vest quarterly over 1 year
- c) 75,000 and 127,545 Stock Options were exercised on Jan 26, 2022 and February 25, 2022 respectively.