

The Good Flour Corp.
(formerly LOOPShare Ltd.)

Condensed Interim Consolidated Financial Statements

For the Nine Months Ended September 30, 2021 and 2020

Notice of No Auditor Review

The accompanying unaudited condensed interim consolidated financial statements of The Good Flour Corp. (the “Company”) have been prepared by and are the responsibility of the Company’s management. In accordance with National Instrument 51-102, Company discloses that its independent auditor has not performed a review of these condensed interim consolidated financial statements.

The Good Flour Corp. (formerly LOOPShare Ltd.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at September 30, 2021 and December 31, 2020
(Expressed in Canadian Dollars)

		September 30, 2021	December 31, 2020
Assets	Note		
Current assets:			
Cash and cash equivalent		\$ 32,063	\$ 35,626
Accounts receivable	5	21,426	43,758
Prepaid expenses and deposits	6	55,987	207,293
Inventory	7	355,332	351,632
Total current assets		464,808	638,309
Non-current assets:			
Right of use asset	8,14	1,828	23,788
Total Assets		\$ 466,636	\$ 662,097
Liabilities and Shareholders' Equity (Deficiency)			
Current liabilities:			
Accounts payable and accrued liabilities	10	\$ 1,079,811	\$ 972,072
Accrued compensation	10	64,089	118,346
Due to related parties	12	138,252	49,481
Loan payable	13	349,665	244,665
Convertible debentures and related interest	15	338,831	317,956
Lease liability	14	8,727	24,931
Total current Liabilities		1,979,375	1,727,451
Non-current liabilities:			
Lease liability	14	-	2,213
Convertible debentures and related interest	15	281,936	247,157
Loan payable	13	20,612	17,756
Total Liabilities		\$ 2,281,923	\$ 1,994,577
Shareholders' Equity (Deficiency)			
Class A common share capital	16	\$ 17,422,161	\$ 17,278,661
Reserves		2,374,162	2,326,941
Deficit		(21,588,158)	(20,914,630)
Accumulated other comprehensive loss		(23,452)	(23,452)
Total Shareholders' Deficiency		\$ (1,815,287)	\$ (1,332,480)
Total Liabilities and Shareholders' Equity (Deficiency)		\$ 466,636	\$ 662,097

Going concern – Note 2
Subsequent events – Note 21

Approved by the directors:

“MATTHEW CLAYTON”

“DEAN GOLBECK”

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

The Good Flour Corp. (formerly LOOPShare Ltd.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
For the Three and Nine Months Ended September 30, 2021 and 2020
(Expressed in Canadian Dollars)

	Note	For the Three Months ended September 30,		For the Nine Months ended September 30,	
		2021	2020	2021	2020
Revenue	17	\$ 60,552	\$ 49,138	\$ 269,459	\$ 665,476
Cost of Sales		(43,542)	(40,290)	(240,954)	(431,329)
Gross Margin		17,010	8,848	28,505	234,147
Expenses					
Operating expenses:					
Amortization of intangible asset	9	-	12,500	-	88,187
Depreciation	8	7,320	51,595	21,960	120,771
Finance costs	13,14,15	26,042	8,505	73,253	225,834
General and administrative	18	137,484	200,385	419,664	822,581
Research and development	18	-	5,374	-	57,441
Sales and marketing	18	29,822	42,301	248,255	144,983
Share-based compensation	16	11,212	83,277	47,221	501,594
Total expenses		211,880	403,937	810,353	1,961,391
Net loss before other items		\$ (194,870)	\$ (395,089)	\$ (781,848)	\$ (1,727,244)
Other items					
Currency exchange gain		(9,459)	(16,787)	72,174	3,711
Gain on settlement of accounts payable	10	-	23,338	52,270	98,338
Gain on modification of debt	15	-	-	14,376	-
Loss on settlement of debt	16	-	-	(30,500)	-
Net Loss		\$(204,329)	\$(388,538)	\$(673,528)	\$(1,625,195)
Other comprehensive loss					
Foreign currency translation adjustment		-	31,949	-	(37,175)
Total Comprehensive Loss		\$(204,329)	\$(356,589)	\$(673,528)	\$(1,662,370)
Loss per share – basic and diluted					
		\$ (0.06)	\$ (0.01)	\$ (0.21)	\$ (0.05)
Weighted average number of common shares					
		3,209,468	2,984,478	3,193,536	2,983,683

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

The Good Flour Corp. (formerly LOOPShare Ltd.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
For Nine Months Ended September 30, 2021 and Year Ended December 31, 2020
(Expressed in Canadian Dollars)

	Class A Common Shares	Amount (\$)	Reserves				Shares to be Issued (\$)	Deficit (\$)	Accumulated Other Comprehensive Loss (\$)	Total (\$)
			Stock Options (\$)	Warrants (\$)	Contributed Surplus (\$)	Total Reserve (\$)				
Balance, December 31, 2019	2,979,479	17,208,661	769,095	200,376	207,060	1,176,531	75,000	(18,113,015)	(9,423)	337,754
Share-based compensation	-	-	722,393	-	-	722,393	-	-	-	722,393
Shares issued for cash – Exercise of warrants	5,000	25,000	-	-	-	-	-	-	-	25,000
Shares issued for debt settlement	60,000	45,000	-	-	-	-	-	-	-	45,000
Issuance of convertible debentures	-	-	-	-	293,680	293,680	-	-	-	293,680
Warrants issued for loan payable	-	-	-	134,337	-	134,337	-	-	-	134,337
Settlement of debt with related party	-	-	-	-	-	-	(75,000)	-	-	(75,000)
Comprehensive loss for the year	-	-	-	-	-	-	-	(2,801,615)	(14,029)	(2,815,644)
Balance, December 31, 2020	3,044,479	17,278,661	1,491,488	334,713	500,740	2,326,941	-	(20,914,630)	(23,452)	(1,332,480)
Share-based compensation	-	-	47,221	-	-	47,221	-	-	-	47,221
Shares issued for debt settlement	165,000	143,500	-	-	-	-	-	-	-	143,500
Shares consolidation adjustment	(11)	-	-	-	-	-	-	-	-	-
Comprehensive loss for the period	-	-	-	-	-	-	-	(673,528)	-	(673,528)
Balance, September 30, 2021	3,209,468	17,422,161	47,221	-	-	2,374,162	-	(21,588,158)	(23,452)	(1,815,287)

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

The Good Flour Corp. (formerly LOOPShare Ltd.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Nine Months Ended September 30, 2021 and 2020
(Expressed in Canadian Dollars)

	For the Nine Months ended September 30,	
	2021	2020
<i>Cashflow provided by (used in) operating activities:</i>		
Net loss	\$ (673,528)	\$ (1,625,195)
Items not involving cash		
Amortization of intangible asset	-	88,187
Depreciation	21,960	120,771
Finance costs	73,253	221,833
Share-based payment	47,221	501,594
Gain on settlement of accounts payable	(52,270)	(98,338)
Gain on modification of debt	(14,376)	-
Loss on settlement of debt	30,500	-
Changes in non-cash working capital		
Accounts receivable and due from related party	181,133	26,211
Prepaid expenses and deposits	151,306	(89,881)
Inventory	(3,700)	-
Accounts payables and accrued liabilities	269,036	334,885
Deferred revenue	-	(339,165)
Cash provided by (used in) operating activities	\$ 30,535	\$ (859,098)
<i>Cashflow used in investing activities:</i>		
Purchase of property and equipment	-	3,444
Cash used in investing activities	\$ -	\$ 3,444
<i>Cashflow provided by (used in) financing activities:</i>		
Lease payments	(34,098)	-
Proceeds from loans advanced	-	40,000
Issuance of common shares	-	25,000
Repayment of loan payable, related party loan, and bridge loan	-	(27,466)
Proceeds from convertible debentures issued	-	300,000
Cash provided by (used in) financing activities	\$ (34,098)	\$ 337,534
Effect of foreign exchange	-	(37,175)
Net decrease in cash	\$ (3,563)	\$ (555,295)
Cash and cash equivalent, beginning of the year	\$ 35,626	\$ 661,121
Cash and cash equivalent, end of the year	\$ 32,063	\$ 105,826
Cash and cash equivalent consists of		
Cash	\$ 30,063	\$ 105,826
Guaranteed Investment Certificate (GIC)	\$ 2,000	-

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

The Good Flour Corp. (formerly LOOPShare Ltd.)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Nine Months Ended September 30, 2021

(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS

The Good Flour Corp., formerly LOOPShare Ltd., (the “Company”) was incorporated under the provisions of The Business Corporations Act (Saskatchewan) on September 25, 2009. On September 4, 2014, the Company completed its continuance to British Columbia under the Business Corporations Act (British Columbia). The Company’s head office, principal address and the registered and records office are located at 106 – 131 Water Street, Vancouver, BC V6B 4M3.

Prior to November 4, 2021, trading under the former name “LOOPShare Ltd.”, the Company was classified as a technology company focused on two-wheel electric vehicle transportation. The Company deployed connected end-to-end Telematics-based solutions for inner-city transportation vehicles and direct to consumer sales of its Scoot-E-Bike® branded electric scooters. The Company was listed on the TSX-V, trading under the symbol is LOOP, and in the United States on the OTCQB, trading under the symbol LPPPF.

On November 4, 2021, the Company completed a change of business transaction to become a foods products company focused on production and distribution of healthy, gluten free and plant-based foods products. and changed its name to "The Good Flour Corp." On November 5, 2021, the Company acquired all of issued and outstanding shares of VGAN Brands Inc. and was delisted from the TSX-V at the close of market. On November 8, 2021, the Company began trading on the Canadian Securities Exchange (“CSE”) at the open of market on under the symbol “GFCO”.

2. BASIS OF PREPARATION

Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), applicable to the preparation of interim financial statements, including International Accounting Standard (“IAS”) 34 *Interim Financial Reporting* (“IAS 34”) and should be read in conjunction with the Company’s annual consolidation financial statements for the year ended December 31, 2020.

These condensed interim consolidated financial statements were approved by the Board of Directors on November 29, 2021.

Basis of Measurement

These condensed interim consolidated financial statements have been prepared on a historical cost basis since inception, except for those assets and liabilities that are measured at fair value at the end of each reporting period. Additionally, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Basis of Consolidation

These condensed interim consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control exists when the Company has power over an investee, exposure or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the Company’s returns.

The Good Flour Corp. (formerly LOOPShare Ltd.)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Nine Months Ended September 30, 2021

(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION (continued)

Basis of Consolidation (continued)

These condensed interim consolidated financial statements include the financial statements of the Company and its significant subsidiaries listed below:

Name	Country of Incorporation	Functional Currency	% equity interest As at September 30, 2021
Loop Japan KK	Japan	Japanese Yen	100%
1022313 B.C. Ltd.	Canada	Canadian \$	100%
LOOPShare USA Corp.	Nevada, U.S.A.	US \$	100%
Scoot-E- Bike Inc.	Canada	Canadian \$	100%

Going Concern

These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for the next twelve months. Realization values may be substantially different from carrying values as shown and these condensed interim consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material. The Company is dependent upon raising debt and equity financing to provide the funding necessary to meet its general operating expenses and will require additional financing to continue to develop and deploy its technology, and settle liabilities. The Company has incurred losses since inception and expects to incur further losses in the development of its business.

As at September 30, 2021 the Company had a net working capital deficiency of \$1,514,567 and a deficit of \$21,588,158. The Company generated \$269,459 in revenues for the nine months ended September 30, 2021 (2020 - \$665,476). These factors indicate a material uncertainty which may cast significant doubt upon the Company's ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies disclosed in the notes to the annual consolidated financial statements of the Company for the year ended December 31, 2020 have been applied consistently to all periods presented in these condensed interim consolidated financial statements.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Company's condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the condensed interim consolidated financial statements and reported amounts of income 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 and judgements.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (continued)

Areas requiring a significant degree of estimation and judgment include the following:

(a) Allowances for Doubtful Accounts

The Company must make an assessment of whether trade receivables are collectible from customers. Accordingly, management establishes an allowance for estimated losses arising from non-payment, taking into consideration customer credit, current economic trends and past experience. If future collections differ from estimates, future earnings would be affected.

(b) Inventory Valuation

The Company adjusts inventory values so that the carrying values do not exceed the net realizable value. The valuation of inventory at the lower of cost or net realizable value requires the use of estimates with regards to the amount of current inventory that will be sold, the prices at which it will be sold, and an estimate of expected orders from customers. Additionally, the estimates reflect changes in products or changes in demand because of various factors, including the market for products, obsolescence, change in product offerings, technology changes and competition.

(c) Determination of Functional Currency

The functional currency of each of the Company and its subsidiaries is the currency of the primary economic environment in which the entity operates.

Determination of functional currency may involve certain judgments to determine the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions which determine the primary economic environment.

(d) Going Concern

Judgment is required in the determination that the Company will continue as a going concern for the next year. See Note 2.

(e) Determination of the Fair Value of Share-based Compensation

The Company measures the cost of equity settled transactions with employees and non-employees by reference to the fair value of the related instrument at the date in which they are granted and fair value of services, respectively. Estimating fair value for share-based payments requires determining the most appropriate valuation model for a grant, which is dependent on the terms and conditions of the grant. In addition, the option pricing models used require management to make various estimates and assumptions in relation to the expected life of the awards, volatility and forfeiture rates. Significant judgement is required in estimating the number of performance shares that are expected to vest. This estimate is subsequently tried up for differences between the number of instruments expected to vest and the actual number of instruments vested.

The Good Flour Corp. (formerly LOOPShare Ltd.)**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the Nine Months Ended September 30, 2021

(Expressed in Canadian Dollars)

5. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (continued)**(f) Research and Development Expenditure**

Expenditure on research activities is recognized as an expense in the period in which it is incurred. An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally-generated intangible assets is the sum of the expenditures incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognized, development expenditure is recognized in loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. As at September 30, 2021, the Company had not recognized any internally-generated intangible assets.

5. ACCOUNTS RECEIVABLE

	September 30, 2021	December 31, 2020
Accounts receivable	\$ 1,058	\$ 25,719
Sales tax receivable	20,368	18,039
	\$ 21,426	\$ 43,758

6. PREPAID EXPENSES AND DEPOSITS

	September 30, 2021	December 31, 2020
Deposit for inventory	\$ 54,921	\$ 206,227
General expenses	1,066	1,066
	\$ 55,987	\$ 207,293

7. INVENTORY

	September 30, 2021	December 31, 2020
Inventory parts	\$ 1,731	\$ -
Finished goods	-	27,622
Scooters	65,419	217,072
Consignment (Scoot-E-Bikes)	288,182	106,938
	\$ 355,332	\$ 351,632

During the fiscal year 2020, the Company reclassified all Scooters from Property and Equipment to Inventory. Units available for sale are carried at their net realizable value. Finished goods consists of scooters purchased from third parties to resell.

The Good Flour Corp. (formerly LOOPShare Ltd.)
NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the Nine Months Ended September 30, 2021
(Expressed in Canadian Dollars)

8. RIGHT OF USE ASSET

	Right-of-Use Asset
Cost	
As at December 31, 2019 and 2020, and September 30, 2021	\$ 65,876
Accumulated depreciation	
As at December 31, 2019	(20,129)
Additions	(21,959)
As at December 31, 2020	\$ (42,088)
Additions	(21,960)
As at September 30, 2021	\$ (64,048)
Net book value	
As at December 31, 2020	\$ 23,788
As at September 30, 2021	\$ 1,828

9. INTANGIBLE ASSET

On March 13, 2019, the Company completed an Asset Purchase Agreement with a third party, Raytroniks, to acquire the Scoot-E brand. The total consideration paid to Raytroniks was 1,824,000 class A common shares plus 91,200 finders shares with a combined fair value of \$1,263,747. Management determined that the Scoot-E brand did not have inputs and processes capable of producing outputs that are necessary to meet the definition of a business as defined by IFRS 3. Accordingly, the acquisition was accounted for as an asset acquisition.

Following the initial recognition, the intangible asset was carried at the initial fair value less accumulated amortization and impairment losses, if any. Amortization of intangible asset with finite lives is based on the estimated useful life of the asset and was recognized on a straight-line basis. The Company determined that the estimated useful life of the intangible asset was to be 5 years. The Company assesses the intangible asset for impairment at each reporting date and whenever there is an indication that the asset may be impaired.

During the year ended December 31, 2020, the Company determined that \$82,417 of remaining net book value of the intangible asset was impaired based on no estimated future economic benefits. (2019 – impairment of \$860,855)

Cost	Scoot E Brand	
Balance, September 30, 2021 and December 31, 2020	\$	1,263,747
Accumulated Amortization		
Balance, December 31, 2019	\$	(1,063,747)
Amortization		(117,583)
Impairment		(82,417)
Balance, December 31, 2020	\$	(1,263,747)
Carrying Amounts		
Balance, September 30, 2021 and December 31, 2020	\$	-

The Good Flour Corp. (formerly LOOPShare Ltd.)**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the Nine Months Ended September 30, 2021

(Expressed in Canadian Dollars)

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2021		December 31, 2020	
Accounts payable	\$	897,561	\$	828,072
Accrued liabilities		182,250		144,000
Accrued compensation		64,089		118,346
	\$	1,143,900	\$	1,090,418

During the nine months ended September 30, 2021, the Company entered into several debt settlement agreements with third-party vendors and employees for past services performed. The Company recognized gain on settlements of debt of \$52,270 in the statement of loss and comprehensive loss related to the debt settled with employees and vendors. (2020 - \$Nil)

11. DISPOSAL OF SUBSIDIARY**Saturna Green Systems Inc.**

On December 9, 2020, the Company and Saturna Green Systems Inc. (“Saturna”) reached a debt settlement to settle shareholder loans advanced from the Company to Saturna by transferring certain assets, including cash and cash equivalent and inventory, less certain account payables balances to the Company. Upon debt settlement, the Company recognized a non-interest bearing loan payable of \$228,122 (Note 12).

Subsequent to the debt settlement, on December 10, 2020, the Company reached settlement agreement with the former President and Chief Executive Officer of the Company to transfer the 100% ownership interest of Saturna to him for a nominal amount of \$10 (Note 12). The Company recognized loss on disposal of subsidiary of \$133,067 in the statements of loss and comprehensive loss during the year ended December 31, 2020. As at December 31, 2020, the Company no longer has any ownership interest in Saturna.

12. RELATED PARTY TRANSACTIONS**Key Management Compensation**

The Company incurred the following transactions with directors, officers and companies that are controlled by directors of the Company. These amounts are unsecured, are non-interest bearing and have no fixed terms of repayment.

	For the Nine Months Ended September 30,			
	2021		2020	
Salary & management fees	\$	-	\$	39,000
Consulting		157,700		43,200
Directors’ fees		-		-
Rent to a company controlled by a director		-		8,000
Share-based compensation expensed		34,330		305,615
Gain on settlement of debt		-		-
	\$	192,030	\$	395,815

The Good Flour Corp. (formerly LOOPShare Ltd.)**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the Nine Months Ended September 30, 2021

(Expressed in Canadian Dollars)

12. RELATED PARTY TRANSACTIONS (continued)

The following amounts are payable and due to/from related parties:

	September 30, 2021	December 31, 2020
Companies controlled by directors and officers	\$ 23,522	\$ 24,491
Due to directors and officers	114,730	24,990
	\$ 138,252	\$ 49,481

On December 10, 2020, the Company reached settlement of a litigation with the former President and Chief Executive Officer of the Company. The terms of the settlement were as follows:

- The Company shall make a cash payment of \$50,000 and issue 60,000 class A common shares;
- The Company shall transfer the ownership interest of Saturna Green Systems Inc. to a nominee of the former President and Chief Executive Officer, including the assignment of the Zone Operator Agreement with Loop s.a.l., and;
- The former President and Chief Executive Officer to be appointed as a sales agent with respect to the Company's remaining fleet of Scooters.

As a result of the settlement, as at December 31, 2020, the Company had nil amount owed to the former President and Chief Executive Officer of the Company.

13. LOANS PAYABLE

	September 30, 2021	December 31, 2020
Current		
Accrued interest	121,544	16,544
Loan payable	228,121	228,121
	\$ 349,665	\$ 244,665
Non-Current		
CEBA Loan	20,612	17,756
Total	\$ 370,277	\$ 262,421

On December 9, 2020, the Company and Saturna Green Systems Inc. ("Saturna") reached a debt settlement to settle shareholder loans advanced from the Company to Saturna by transferring certain assets, including cash and cash equivalent and inventory, less certain account payables balances to the Company. Upon debt settlement, the Company recognized a non-interest bearing loan payable of \$228,121.

CEBA Loan

On May 5, 2020, the Company received an interest-free Canada Emergency Business Account ("CEBA") loan in the amount of \$40,000 to help cover the Company's operating expenses, payroll and other non-deferrable expenses which are critical to sustain business continuity. The program has been implemented by Bank of Montreal in collaboration with the Government of Canada as part of the COVID-19 relief initiatives.

During the period from receipt of the CEBA loan to December 31, 2022 (the "Initial Term"), no interest is charged on the amount outstanding. If at the end of the Initial Term the loan is not repaid, the Company has the right to exercise the option to convert the CEBA loan into a three-year term loan bearing interest at 5% per annum. The Company does not anticipate to repay any amount prior to the end of the Initial Term.

The Good Flour Corp. (formerly LOOPShare Ltd.)**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the Nine Months Ended September 30, 2021

(Expressed in Canadian Dollars)

13. LOANS PAYABLE (continued)

The loan is carried at amortized cost based on an 20% market interest rate causing the underlying value to be lower than the original principal value with a difference of \$24,358 at inception which was recognized as a government grant income in other income during the year ended December 31, 2020.

During the nine months ended September 30 2021, interest accretion was \$2,856 (2020 - \$nil). As of September 30, 2021, the carrying balance of the loan is \$20,612 (December 31, 2020 - \$17,756).

14. LEASES

The Company has one lease agreement for its office premises in Vancouver which was entered into on February 1, 2019. The lease agreement will expire on January 31, 2022 with no renewal option.

The Company has elected to record the right-of-use asset based on the corresponding lease liability. For the lease of its office, the Company discounted future lease payments using its incremental borrowing rate as at February 1, 2019 which was 12% per annum.

The recognized right-of-use asset relates to the Company's lease agreement which is included under property and equipment in the consolidated statements of financial position as follow:

		September 30, 2021	December 31, 2020
Right-of-use asset	\$	1,828	23,788
Lease liability			
Short term	\$	8,727	24,931
Long term	\$	-	2,213

During the nine months ended September 30, 2021, depreciation expense of \$21,960 was recognized on the right-of-use asset (2020 - \$10,980) and lease liability payments of \$18,417 and finance cost of \$1,623 were recognized (2020 - \$10,980 and \$Nil).

15. CONVERTIBLE DEBENTURES

Balance, as at December 31, 2019	\$	-
Convertible debenture issued		478,333
Accretion and interest accrued		86,780
Balance as at December 31, 2020	\$	565,113
Accretion and interest accrued		70,030
Gain on modification of debt		(14,376)
Balance as at September 30, 2021	\$	620,767
Current	\$	338,831
Long-term	\$	281,936

The Good Flour Corp. (formerly LOOPShare Ltd.)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Nine Months Ended September 30, 2021

(Expressed in Canadian Dollars)

15. CONVERTIBLE DEBENTURES (continued)

There were no convertible debentures issued during the nine months ended September 30, 2021.

During the fiscal year ended December 31, 2020, the following convertible debentures were issued:

- (a) On January 22, 2020, the Company restructured an existing bridge loan whereby \$257,595 of the loan outstanding was converted into a convertible debenture. The debenture have a maturity date of 3 years bearing an interest at a rate of 10% per annum. The principal amount of the debenture is convertible into class A common shares at a conversion price of \$0.385.

For accounting purposes, the debenture contains both a liability and equity component, being the lender's conversion option to shares, which have been separately presented on the consolidated statement of financial position. The Company established the fair value of the liability component at the date of issue at \$268,680 and the fair value of the equity component of \$134,337. The Company recognized a loss on debt settlement of \$348,755. The fair value of the liability component was determined by discounting the stream of future payments of interest and principal amounts at the estimated prevailing market rate at the date of issuance of 20.0% for a debt instrument of similar maturity and credit quality but without any share conversion option for the lenders.

- (b) On March 18, 2020, the Company entered into an inventory financing agreement in the form of newly issued convertible debenture with a principal amount of \$300,000. The debenture has a maturity date of March 18, 2021, bearing an interest at the rate of 10% per annum, which interest will be payable on the maturity date, unless earlier converted. The principal and the interest of the debenture is convertible into class A common shares of the Company at the option of the holder at a conversion price of \$0.245 per share.

For accounting purposes, the debentures contain both a liability and equity component, being the lender's conversion option to shares. The Company allocated the original \$300,000 principal of the debenture to the individual liability component and equity components by establishing the fair value of the liability component at the date of issue at \$275,000 and then allocated the remaining balance of the net proceeds of \$25,000 to the equity component. The fair value of the liability component was determined by discounting the stream of future payments of interest and principal amounts at the estimated prevailing market rate at the date of issuance of 20.0% for a debt instrument of similar maturity and credit quality but without any share conversion option for the lenders.

During the nine months ended September 30, 2021, the convertible debenture's maturity was extended for six months to November 18, 2021. On the date of conversion, the Company recorded a present value of \$315,624 and recorded a gain on conversion of debt of \$14,376.

As at September 30, 2021, the carrying value of the convertible debentures, including interest was \$620,767 (December 31, 2020 - \$565,113). During the nine months ended September 30, 2021, accretion expense totaled \$28,851 and the interest expense totaled \$41,178 (2020 - \$34,860 and \$11,753) and are included in the finance costs in the statement of loss and comprehensive loss.

16. SHARE CAPITAL AND RESERVES

- (a) Authorized

An unlimited number of class A common shares without par value, class B common shares without par value, class C common shares without par value, and preferred shares without par value.

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16. SHARE CAPITAL AND RESERVES (continued)

(b) Issued Share Capital

As at September 30, 2021 there were 3,209,468 (December 31, 2020 – 3,044,479) issued and fully paid class A common shares.

(c) Share Issuances

The following class A common shares were issued during the nine months ended September 30, 2021:

- On January 25, 2021 and February 3, 2021, The Company reached debt settlement agreement with former employees of the Company to settle debt of \$113,000 by issuing 165,000 class A common shares at a fair value of \$143,500. As a result the Company recorded a loss of settlement of debt of \$30,500.

The following class A common shares were issued during the year ended December 31, 2020:

- On January 29, 2020, 5,000 warrants were exercised at an exercise price of \$5.00 resulting in the issuance of 5,000 class A common shares.
- On December 18, 2020, The Company settled the litigation with the founder, former President and CEO by issuing 60,000 class A common shares at a fair value of \$45,000. (Note 12)

(d) Escrow shares

During the nine months ended September 30, 2021, 156,852 class A common shares were released from escrow and Nil class A common shares were deposited. The resulting balance of shares held in escrow as at September 30, 2021 is 80,272.

During the year ended December 31, 2020, 160,510 class A common shares were released from escrow and Nil class A common shares were deposited.

(e) Stock Options

Options to purchase class A Common Shares may be granted to directors, consultants, officers and employees of the Company for terms up to five years at a price at least equal to the market price prevailing on the date of the grant.

The continuity of the stock options for nine months ended September 30, 2021 and the year ended December 31, 2020 is as follows:

	Options	Weighted Average Exercise Price
Balance, December 31, 2019	88,000	\$ 7.260
Granted	164,500	4.180
Cancelled	(16,375)	9.000
Forfeited	(5,625)	6.280
Balance, December 31, 2020	230,500	\$ 4.830
Forfeited	(37,450)	4.580
Balance, September 30, 2021	193,050	

During the nine months ended September 30, 2021, the fair value of the options has been estimated using the Black-Scholes Option Pricing Model assuming a risk-free rate of 1.8% with an expected life of 5 years, expected volatility of 135% and no expected dividend.

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(Expressed in Canadian Dollars)

16. SHARE CAPITAL AND RESERVES (continued)

The Company had the following activities during the nine months ended September 30, 2021:

- In March 2021, the Company cancelled a total of 27,500 options previously issued to employees of the Company.
- In April 2021, the Company cancelled a total of 8,000 options previously issued to employees of the Company.
- In July 2021, the Company cancelled a total of 1,950 options previously issued to employees of the Company.

The Company had the following activities during the year ended December 31, 2020:

- On January 3, 2020, the Company issued 164,500 incentive stock options, with a life of approximately 5 years, exercisable at price at \$4.00 per share, to directors, officers, employees and consultants of the Company, 50% vesting on the grant date; and 50% vesting 12 months from the grant date. The options granted expire on January 3, 2025.
- On December 10, 2020, the Company cancelled a total of 5,000 options previously issued to the former President and CEO of the Company.
- On December 31, 2020, the Company cancelled a total of 17,000 options previously issued to consultants, former employees and board member of the Company.

Details of options outstanding and exercisable at Sept 30, 2021 are as follows:

Number of Options Outstanding	Number of Options Exercisable	Exercise Price	Expiry Date	Weighted Average Exercise Price	Remaining Life (Years)
13,050	13,050	\$5.00	November 23, 2023	\$5.00	2.15
500	350	\$11.00	March 15, 2024	\$11.00	2.46
29,000	11,600	\$6.00	July 18, 2024	\$6.00	2.80
150,500	75,250	\$4.00	January 3, 2025	\$4.00	3.26
193,050	101,185			\$4.39	

For the nine months ended September 30, 2021, the Company recorded stock-based compensation of \$47,221 (2020 –\$501,594) in stock-based compensation in respect of incentive stock options.

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16. SHARE CAPITAL AND RESERVES (continued)

(f) Warrants

The continuity of the warrants for the nine months ended September 30, 2021 and the year ended December 31, 2020 is as follows:

	Warrants	Weighted Average Exercise Price
Balance, December 31, 2019	665,825	4.880
Granted ⁽¹⁾	33,454	3.850
Granted ⁽²⁾	60,000	2.450
Exercised	(5,000)	5.000
Expired	(46,358)	3.270
Balance, September 30, 2021 and December 31, 2020	707,921	4,730

(1) On January 22, 2020, in connection with the issuance of convertible debentures (Note 15) 33,454 warrants valued using Black-Scholes Option Pricing Model at \$134,337 were issued, each warrant entitling the holder to acquire one class A Common Share at a price of \$3.85 for six years. The fair value of the warrants has been estimated using the Black-Scholes Option Pricing Model assuming a risk-free rate of 1.52% an expected life of 3 years, an expected volatility of 160%, and no expected dividends.

(2) On March 18, 2020, in connection with the issuance of convertible debentures 60,000 warrants, the fair value was determined to be nominal.

17. REVENUE

Revenue for the nine months ended September 30, 2021, \$269,459 which were derived from the sale of Scoot-E-Bikes and electric scooters (2020 - \$665,476).

Revenue for the nine months ended September 30, 2021 and 2020 were 100% from North America.

18. EXPENSES BY NATURE

For the nine months ended September 30, 2021:

	General and Administration	Research and Development	Sales and Marketing
Office expense	\$ 78,090	\$ -	\$ -
Accounting and legal	157,901	-	-
Consulting	183,673	-	33,800
Personnel	-	-	214,455
Total	\$ 419,664	\$ -	\$ 248,255

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18. EXPENSES BY NATURE (continued)

For the nine months ended September 30, 2020:

	General and Administration	Research and Development	Sales and Marketing
Office expense	\$ 318,211	\$ 245	\$ 5,465
Accounting and legal	150,554	-	-
Consulting	314,601	-	125,261
Personnel	27,121	57,196	14,257
Travel	12,094	-	-
Totals	\$ 822,581	\$ 57,441	\$ 144,983

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a counter-party to a financial instrument fails to meet its contractual obligations. The Company's maximum exposure to credit loss is the book value of its financial instruments. The Company's cash and cash equivalents is deposited with a major Canadian chartered bank and is held in highly-liquid investments. The Company's receivables consist of taxes receivable and other receivables which represents the maximum credit risk for receivables.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company attempts to manage liquidity risk by maintaining sufficient cash and cash equivalent balances. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short-term obligations. As at September 30, 2021, the Company had a cash balance of \$32,063 (December 31, 2020 - \$35,626) to settle current liabilities of \$1,979,375 (December 31, 2020 - \$1,727,451).

(c) 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 six types of risk: interest rate risk, foreign currency risk and other price risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's cash is not subject to interest rate risk. The loan payable and convertible debentures are not subject to interest rate risk as they are a fixed rate. The Company is not exposed to other significant interest rate risk due to the short-term maturity of its monetary assets and liabilities and amounts owing being non-interest bearing or bearing fixed rates of interest.

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For the Nine Months Ended September 30, 2021

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19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(ii) Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company's sales are in US dollars and the Company's manufacturing costs are largely denominated in US dollars, providing a natural hedge against the risk of foreign exchange fluctuations. However due to long lead times for parts used in manufacturing the Company's products, the Company is exposed to the risk of foreign currency fluctuations over time. The Company is also exposed to fluctuations in foreign currencies through its operations in Japan. The Company monitors this exposure but has entered into no formal hedge agreements.

As at September 30, 2021 and December 31, 2020, the Company was exposed to foreign currency risk through the following financial assets and liabilities denominated in foreign source currencies.

	September 30, 2021		December 31, 2020	
	US Dollar	Japanese Yen	US Dollar	Japanese Yen
Cash	43	58,968	2,759	58,968
Accounts receivable	-	-	-	-
Accounts payable	80,052	14,720,800	169,656	14,720,800
Total	80,095	14,779,768	172,415	14,779,768

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to significant other price risk.

(d) Fair Value of Financial Instruments

Fair value measurement disclosure includes classification of financial instrument fair values in a hierarchy comprising six levels reflecting the significance of the inputs used in making the measurements, described as follows:

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

The carrying values of cash and cash equivalent, accounts receivable, accounts payable and accrued liabilities, and due to related parties approximate their fair value given their short-term nature. The loan payable and convertible debentures are recorded at amortized cost. As at Sept 30, 2021 and December 31, 2020, the Company's has no Level 3 instrument.

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NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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20. CAPITAL MANAGEMENT

The Company's objective in managing capital is to ensure sufficient liquidity to pursue its investment growth strategy, fund research and development, engage in sales and marketing activities, and undertake selective acquisitions, while at the same time taking a conservative approach toward financial leverage and management of financial risk. The Company's capital is composed entirely of equity and short term loans. The Company uses capital to finance operating losses, capital expenditures, and increases in non-cash working capital. The Company currently funds these requirements from cash raised through share issuances and short-term debt as required. The Company's objectives when managing capital are to ensure that the Company will continue to have enough liquidity help build its portfolio of successful ridesharing businesses from which it will obtain returns on investment.

The Company monitors its capital on the basis of the adequacy of its cash resources to fund its business plan. In order to maximize flexibility to finance growth, the Company does not currently pay a dividend to holders of its common shares. The Company did not institute any changes to its capital management strategy during the year.

21. SUBSEQUENT EVENTS

On November 5, 2021, the Company completed a change of business transaction to become a foods products company focused on production and distribution of healthy, gluten free and plant-based foods products. and changed its name to "The Good Flour Corp." The transaction involved the Company acquiring all of issued and outstanding shares of VGAN Brands Inc. and subsequently delisting from the TSX-V at the close of market. On November 8, 2021, the Company began trading on the Canadian Securities Exchange ("CSE") at the open of market on under the symbol "GFCO". Prior to the closing of the Transaction, VGAN Brands Inc. completed a concurrent financing of units by issuing 24,075,000 units at \$0.20 per unit for gross proceeds of \$4,815,000. Each unit converted into a share of the Company and a warrant to acquire an additional share of the Company for a period of five years at an exercise price of \$0.25. Additional details regarding the transaction are contained in the Company's Listing Statement which is filed on SEDAR at www.sedar.com.