

CARL CAPITAL CORP.

Condensed Consolidated Interim Financial Statements

Three Month Period Ended September 30, 2014

Expressed in Canadian Dollars

Unaudited . Prepared by Management

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**NOTICE OF NO AUDITOR REVIEW OF CONDENSED
CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

The accompanying unaudited condensed consolidated interim financial statements of Carl Capital Corp. for the three month period ended September 30, 2014 have been prepared by the management of the Company and have been approved by the Company's audit committee.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of the condensed consolidated interim financial statements by an entity's auditor.

Carl Capital Corp.

Consolidated Statements of Financial Position

As at	Notes	September 30, 2014	June 30, 2014
		\$	\$
ASSETS			
Current assets			
Cash		18,721	92,469
Amounts receivable	6	4,178	510
Prepaid expenses		15,000	5,000
Total current assets		37,899	97,979
Non-current assets			
Software in development	5 & 7	230,000	230,000
Goodwill	5	36,421	36,421
Total assets		304,320	364,400
LIABILITIES			
Current liabilities			
Accounts payable		32,908	6,210
Short-term loan		4,000	4,000
Total current liabilities		36,908	10,210
Long term Liabilities			
Deferred income taxes	5	52,000	52,000
Total liabilities		88,908	62,210
SHAREHOLDERS' EQUITY			
Share capital	8	373,500	373,500
Deferred charges		(22,500)	-
Issue costs		(11,377)	(10,000)
Deficit		(124,211)	(61,310)
Total equity		215,412	302,190
Total equity and liabilities		304,320	364,400

These condensed consolidated financial statements are authorized for issue by the board of directors on November 28, 2014. They are signed on the Company's behalf by:

"Brad Scharfe"

Brad Scharfe, President, Chief Executive Officer and Director

"Brian Cale Thomas"

Brian Cale Thomas, Chief Financial Officer and Director

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

Carl Capital Corp.

Consolidated Statement of Comprehensive Loss

For the three month period ended	Notes	September 30, 2014
		\$
General and administrative expenses		
Consulting	9	19,300
Filing fees		2,608
Occupancy costs		1,500
Office expenses		1,024
Professional fees		38,469
Loss and comprehensive loss for the period		(62,901)
Loss per share for the period - basic and diluted		(0.005)
Weighted average common shares outstanding		12,600,000

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

Carl Capital Corp.

Consolidated Statement of Changes in Equity

For the period from January 17, 2014 (Date of Incorporation) to September 30, 2014	Number of Shares	Share Capital \$	Deferred Charges \$	Issue Costs \$	Deficit \$	Equity \$
Incorporation - January 17, 2014	-	-	-	-	-	-
Issue of shares for cash	5,700,000	109,500	-	-	-	109,500
Issue of shares for settlement of debt	2,700,000	54,000	-	-	-	54,000
Issue of shares on acquisition of subsidiary	4,200,000	210,000	-	-	-	210,000
Issue costs	-	-	-	(10,000)	-	(10,000)
Loss and comprehensive loss for the period	-	-	-	-	(61,310)	(61,310)
Balance - June 30, 2014	12,600,000	373,500	-	(10,000)	(61,310)	302,190
Deferred charges	-	-	(22,500)	-	-	(22,500)
Issue costs	-	-	-	(1,377)	-	(1,377)
Loss and comprehensive loss for the period	-	-	-	-	(62,901)	(62,901)
Balance - September 30, 2014	12,600,000	373,500	(22,500)	(11,377)	(124,211)	215,412

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

Carl Capital Corp.

Consolidated Statement of Cash Flows

For the three month period ended	September 30, 2014
	\$
Cash derived from (applied to):	
Operating activities	
Loss for the period	(62,901)
Changes in non-cash operating working capital items:	
Amounts receivable	(3,668)
Prepaid expenses	(10,000)
Accounts payable	26,698
	(49,871)
Financing activities	
Deferred charges	(22,500)
Issue costs	(1,377)
	(23,877)
Net change in cash	(73,748)
Cash	
Beginning of period	92,469
End of period	18,721

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

Carl Capital Corp.

Notes to the Consolidated Financial Statements

For the three month period ended September 30, 2014

1. Nature of Operations and Going Concern

Carl Capital Corp. (Carl Capital or together with its wholly owned subsidiary, Extend to Social Media Inc. (ETS), as applicable, the Company) was incorporated under the Business Corporations Act (*British Columbia*) on January 17, 2014. Carl Capital is in the business of the acquisition of business ventures with growth potential, and the development of these businesses to their full potential by supplying capital, personnel and innovation. ETS was incorporated in the province of British Columbia on January 30, 2013, and its principal business is in the social network marketing industry. ETS has created a software technology that enables companies to reward existing customers for promoting or referring products and services to their social and business networks. Carl Capital acquired all of the outstanding share capital of ETS on May 30, 2014.

The Company intends to list its shares for trading on the Canadian Securities Exchange (CSE) and on November 25, 2014 the Company received a receipt from the British Columbia Securities Commission for its final long form prospectus.

These condensed consolidated interim 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 its next fiscal year. Realization values may be substantially different from carrying values as recorded in these condensed consolidated interim financial statements. These condensed consolidated interim 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. At September 30, 2014, the Company had not achieved profitable operations, had accumulated a deficit of \$124,211 since inception and expects to incur further operating losses in the development of its business. The Company's ability to continue as a going concern is dependent upon the ability to find, acquire and develop various businesses with growth potential, its ability to obtain the necessary financing to carry out this strategy and to meet its corporate overhead needs and discharge its liabilities as they come due. 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. Therefore, this indicates a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The head office and principal address of the Company is located at Suite 700 - 510 West Hastings Street, Vancouver, British Columbia V6B 1L8.

2. Basis of Preparation

Statement of Compliance

These condensed consolidated interim financial statements for the three month period ended September 30, 2014 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). These condensed consolidated interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Company for the period from January 17, 2014 (date of incorporation) to June 30, 2014. As the incorporation date of the Company was January 17, 2014, there is no comparative quarter information available for the period from July 1, 2013 to September 30, 2013. The Company's subsidiary, ETS was in operation in the prior period so past financial information is available in the final long form prospectus for the Company posted at www.sedar.com on November 24, 2014.

Carl Capital Corp.

Notes to the Consolidated Financial Statements

For the three month period ended September 30, 2014

2. Basis of Preparation (continued)

Basis of Measurement

These condensed consolidated interim financial statements have been prepared on a historical cost basis. The financial information is presented in Canadian dollars, which is the functional currency of the Company.

The preparation of consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

3. Summary of Significant Accounting Policies

The accounting policies set out below have been applied consistently by the Company, including its subsidiaries.

a) Cash

Cash includes cash on hand and demand deposits with financial institutions. For cash flow statement presentation purposes, cash includes bank overdrafts.

b) Basis of Consolidation

These condensed consolidated interim financial statements include the financial statements of Carl Capital and its controlled and wholly-owned subsidiary ETS. Control is achieved where the Company has power over an entity, has exposure or rights to variable returns from its involvement with the entity and has the ability to use its power over the entity to affect the amount of the investor's returns. Subsidiaries are included in the condensed consolidated interim financial statements from the date control commences until the date control ceases. All inter-company balances, transactions, revenues and expenses have been eliminated on consolidation.

Business Combinations

Business combinations are accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values at the date of acquisition, of assets transferred, liabilities incurred or assumed, and equity instruments issued by the Company. The acquirer's identifiable assets and liabilities assumed are recognized at their fair value at the acquisition date. Acquisition-related costs are recognized in earnings as incurred. The excess of the consideration over the fair value of the net identifiable assets and liabilities acquired is recorded as goodwill. Any gain on a bargain purchase is recorded in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities. Any goodwill that arises is tested annually for impairment.

Carl Capital Corp.

Notes to the Consolidated Financial Statements

For the three month period ended September 30, 2014

3. Summary of Significant Accounting Policies (continued)

c) Software Development Expenditures

Software development expenditures consist of costs incurred to develop the Company's software to earn revenue with respect to the Company's business operations. Development costs are capitalized in accordance with IAS 38, *Intangible Assets*, and accordingly are recognized when the Company can demonstrate (i) the technical feasibility of the asset, (ii) the intention to complete and use or sell the asset, (iii) the ability to use or sell the asset, (iv) how the intangible asset will generate probable future economic benefits, (v) the availability of adequate technical, financial and other resources to complete the development and to use or sell the asset, and (vi) ability to reliably measure the expenditure attributable to the asset during its development. Costs that do not meet these criteria are considered research costs and are expensed as incurred.

Intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Software development costs are intangible assets with a finite useful life, and accordingly are amortized over the asset's estimated useful life commencing when the software is available for use, being when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

When a project is deemed to no longer have commercially viable prospects to the Company, development expenditures in respect of that project are deemed to be impaired. As a result, those development costs, in excess of estimated recoveries, are written off to the statement of comprehensive loss/income.

d) Impairment of Non-Financial Assets

Impairment tests on intangible assets with indefinite useful economic lives are undertaken annually at the financial year-end. Other non-financial 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 an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down 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, which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets. The Company performs impairment testing on each cash-generating unit.

An impairment loss is charged to profit or loss, except to the extent it reverses gains previously recognised in comprehensive loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognised.

e) Financial Instruments

The Company recognizes a financial instrument when, and only when, the Company becomes a party to the contractual provisions of the instrument.

Financial assets are classified based on the purpose for which the asset was acquired. All transactions related to financial instruments are recorded on a trade date basis.

Carl Capital Corp.

Notes to the Consolidated Financial Statements

For the three month period ended September 30, 2014

3. Summary of Significant Accounting Policies (continued)

e) Financial Instruments (continued)

The Company's accounting policy for each category is as follows:

Fair Value Through Profit or Loss

Instruments classified as fair value through profit or loss are recognized at fair value with changes in fair value recognized in profit or loss. The Company does not have any financial assets classified in this category.

Held-to-Maturity

Instruments classified as held-to-maturity are initially recognized at fair value and subsequently measured at amortized cost using the effective interest rate method. The Company does not have any financial assets classified in this category.

Available-for-Sale

These financial assets are measured at fair value, with changes in fair value recorded in other comprehensive income and classified as a component of equity until the instrument is derecognized or impaired. The Company does not have any financial assets classified in this category.

Loans and Receivables

These assets are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and subsequently carried at amortized cost, using the effective interest rate method, less any impairment losses. Amortized cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortization process. The Company's cash and prepaid expenses are classified in this category.

Financial Liabilities

Financial liabilities are classified as other financial liabilities, based on the purpose for which the liability was incurred, and comprise the Company's payables and short term loan. These liabilities are initially recognised at fair value net of any transaction costs directly attributable to the issuance of the instrument and subsequently carried at amortized cost using the effective interest rate method. This ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. Interest expense in this context includes initial transaction costs and premiums payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

At each reporting date the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

Carl Capital Corp.

Notes to the Consolidated Financial Statements

For the three month period ended September 30, 2014

3. Summary of Significant Accounting Policies (continued)

f) Share Capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share warrants and options are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

g) Basic and Diluted Loss per Share

Basic loss per share is computed by dividing the net income or loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

h) Standards, Amendments and Interpretations Not Yet Effective

The following standards and interpretations have been issued but are not yet effective:

IFRS 9 Financial Instruments

IFRS 9 Financial Instruments is part of the IASB's wider project to replace IAS 39, *Financial Instruments: Recognition and Measurement*. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2018 but is not likely to have a material impact on the Company's consolidated financial statements.

4. Critical Accounting Estimates and Judgements

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognised prospectively by including it in comprehensive loss/income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both. Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognised in the consolidated financial statements within the next financial year are discussed below:

Software in Development

The application of the Company's accounting policy for software development expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after the expenditure is capitalised, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalised is written off in the profit or loss in the period the new information becomes available.

Carl Capital Corp.

Notes to the Consolidated Financial Statements

For the three month period ended September 30, 2014

5. Acquisition of Extend to Social Media Inc.

On May 30, 2014, Carl Capital completed the purchase of ETS pursuant to the terms of a share exchange agreement between Carl Capital, ETS and the shareholders of ETS. Carl Capital purchased 100% of the outstanding common shares of ETS in exchange for 4,200,000 common shares of the Company. A corporation that was one of the shareholders of ETS received 466,620 of the common shares. The sole director of that corporation is a director of Carl Capital. The value of the shares issued pursuant to the purchase was based on the fair value of the software in development at the time of purchase as estimated by management with input from a third party valuator.

	May 30, 2014
	\$
Purchase price consideration	
Value of 4,200,000 common shares issued	210,000
Assets acquired and liabilities assumed	
Cash	1,275
Software in development	230,000
Current liabilities	(5,696)
Goodwill	36,421
Deferred income tax liabilities	(52,000)
	<u>210,000</u>

The software in development is the ETS software technology that enables companies to reward existing customers for promoting or referring products and services to their social and business networks. Income tax consequences of the transaction included a deferred income tax liability of \$52,000 which created, net, \$36,421 in goodwill.

6. Amounts Receivable

The amounts receivable is comprised of amounts owing from Canada Revenue Agency in respect of Goods and Services input tax credits accumulated by the Company.

7. Software in Development

A total of \$25,828 has been expended on third party software programmers in the development of the customer referral software that ETS has created. The remaining \$204,172 is a fair market valuation adjustment upon the purchase of ETS by Carl Capital. The following chart shows the composition of the value of the software in development:

	September 30, and June 30, 2014
	\$
Total expenditure on software development	25,828
Fair value adjustment on acquisition of ETS	204,172
Value at end of period	<u>230,000</u>

Carl Capital Corp.
Notes to the Consolidated Financial Statements
For the three month period ended September 30, 2014

8. Share Capital

Share capital includes changes to the authorized capital of the Company. The authorized share capital comprises an unlimited number of common shares with no par value.

The following is a summary of changes in common share capital from inception January 17, 2014, to September 30, 2014:

	Number of Shares	Issue Price \$	Share Capital \$
Incorporation - January 17, 2014			
Private placement of shares	3,900,000	0.005	19,500
Shares issued for debt settlement	2,700,000	0.02	54,000
Private placement of shares	900,000	0.02	18,000
Issue of shares for acquisition	4,200,000	0.05	210,000
Private placement of shares	900,000	0.08	72,000
Balance - June 30, 2014 and September 30, 2014	12,600,000		373,500

Fiscal 2014

On May 20, 2014 the Company issued 3,900,000 common shares at a price of \$0.005 per share for proceeds of \$19,500.

On May 28, 2014 the Company issued 900,000 common shares at a price of \$0.02 per share for proceeds of \$18,000 and settled certain debts through the issuance of 2,700,000 common shares at a price of \$0.02 per share.

On May 30, 2014 the Company issued 4,200,000 common shares at a deemed price of \$0.05 per share in exchange for all of the outstanding shares of ETS.

On June 18, 2014 the Company issued 900,000 common shares at a price of \$0.08 per share for proceeds of \$72,000.

9. Related Party Transactions and Balances

The terms and conditions of transactions with management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

On July 1, 2014, ETS entered into an executive consulting agreement for the services of the President and CEO of ETS, who is also a director of the Company. The counterparty to this agreement is a company which is a related party by way of the President and CEO of ETS being the sole director. Under the terms of this agreement, ETS will pay the company a total of \$4,000 per month plus GST in advance for the services of the President and CEO of ETS. Either ETS or the counterparty may terminate this agreement with 30 days notice.

Carl Capital Corp.

Notes to the Consolidated Financial Statements

For the three month period ended September 30, 2014

9. Related Party Transactions and Balances (continued)

Key management personnel compensation under this agreement comprised the following:

Period ended September 30,	2014
	\$
Consulting fees	12,000

10. Segmented Information

The Company has one reportable operating segment, being the development of referral marketing software.

11. Capital Management

The Company's objective is to have sufficient working capital to maintain financial flexibility and to sustain its software development project. In order to maintain financial flexibility, the Company may from time to time issue shares and adjust its capital spending to manage current and projected cash requirements. To assess its financial strength, the Company continually monitors its cash balances and working capital. In the management of capital, the Company includes the components of shareholders' equity as well as cash and cash equivalents.

12. Financial Risk Management

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the fair value or future cash flows of a financial instrument. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. At September 30, 2014, the Company was not subject to significant market risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk mainly arises from changes in the interest rates on cash. Cash generates interest based on market interest rates. At September 30, 2014, the Company was not subject to significant interest rate risk.

Credit Risk

Credit risk arises from the non-performance by counterparties of contractual financial obligations. The Company's maximum exposure to credit risk at the reporting date is the carrying value of cash, which the Company holds at a major Canadian chartered bank in a chequing account.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages liquidity risk by maintaining adequate cash balances. If necessary, the Company may raise funds through the issuance of debt, equity or sale of non-core assets. The Company ensures that there is sufficient capital to meet its obligations by continuously monitoring and reviewing actual and forecasted cash flows, and matching the maturity profile of financial assets to development, capital and operating needs. The Company's accounts payable are due within 30 to 60 days, and the short-term loan has no interest rate or deadline for repayment.