PURE TO PURE BEAUTY INC.
(formerly P2P INFO INC.)

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED JUNE 30, 2021 AND 2020

(Expressed in Canadian Dollars)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The condensed interim financial statements of Pure to Pure Beauty Inc. (formerly P2P Info Inc.) (the "Company") are the responsibility of the Company's management. The condensed interim financial statements are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and reflect management's best estimates and judgments based on information currently available.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities. The Audit Committee reviews the results of the annual audit and reviews the condensed interim financial statements prior to their submission to the Board of Directors for approval.

The condensed interim financial statements as at June 30, 2021, and for the periods ended June 30, 2021 and 2020, have not been reviewed or audited by the Company's independent auditors.

"Simon Cheng"

Simon Cheng
President & CEO
August 17, 2021

"Heidi Gutte"

Heidi Gutte
CFO & Corporate Secretary
August 17, 2021

PURE TO PURE BEAUTY INC. (formerly P2P INFO INC.)
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2021 AND SEPTEMBER 30, 2020
(Expressed in Canadian dollars)

	Notes	**June 30, 2021**	September 30, 2020
		$	$
ASSETS			
Current assets			
Cash	7	**143,169**	541
Amounts receivables	3	**115,890**	678
Total current assets		**259,059**	1,219
Intangible assets	4	**125,000**	-
Total assets		**384,059**	1,219
LIABILITIES AND DEFICIENCY			
Current liabilities			
Accounts payable and accrued liabilities		**18,109**	19,026
Note payable	6	**75,000**	-
Due to related parties	6	**52,929**	-
Total current liabilities		**146,038**	19,026
Due to related parties	6	**-**	58,715
Total liabilities		**146,038**	77,741
Equity			
Share capital	5	**578,908**	213,776
Contributed surplus	5	**907**	-
Deficit		**(341,794)**	(290,298)
Total equity		**238,021**	(76,522)
Total equity and liabilities		**384,059**	1,219

NATURE OF BUSINESS AND GOING CONCERN (Note 1)
SUBSEQUENT EVENTS (Note 7)

The condensed interim financial statements were authorized for issue by the board of directors on August 17, 2021 and were signed on its behalf by:

/s/ "Simon Cheng"

Simon Cheng, Director

/s/ "Heidi Gutte"

Heidi Gutte, Director

PURE TO PURE BEAUTY INC. (formerly P2P INFO INC.)
CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
FOR THE THREE AND NINE MONTHS ENDED JUNE 30, 2021 AND 2020
(Expressed in Canadian dollars)

	Note	**Three months ended June 30, 2021**	**Three months ended June 30, 2020**	**Nine months ended June 30, 2021**	**Nine months ended June 30, 2020**
		$	$	**$**	$
EXPENSES					
Advertising and marketing		**2,100**	-	**2,100**	-
Interest and bank charges		**93**	1,077	**130**	2,955
Listing and transfer agent expenses		**1,173**	923	**6,345**	8,323
Management fees	6	**2,000**	-	**32,000**	-
Office expenses		**25**	-	**25**	-
Professional fees		**4,535**	-	**12,858**	6,172
Salaries and benefits	6	**-**	550	**500**	3,913
Total expenses		**9,926**	2,550	**53,958**	21,363
Loss before other items		**(9,926)**	(2,550)	**(53,958)**	(21,363)
Other items					
Gain (loss) on settlement of debt	6	**-**	-	**2,462**	-
Net loss and comprehensive loss for the period		**(9,926)**	(2,550)	**(51,496)**	(21,363)
Net loss per common share, basic and diluted		**(0.00)**	(0.00)	**(0.00)**	(0.00)
Weighted average number of common shares outstanding		**33,228,100**	30,970,682	**31,723,155**	30,970,682

PURE TO PURE BEAUTY INC. (formerly P2P INFO INC.)
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUTY
FOR THE NINE MONTHS ENDED JUNE 30, 2021 AND 2020
(Expressed in Canadian dollars)

	Number of Shares	Share Capital	Contributed Surplus	Deficit	Total
		$	$	$	$
Balance, September 30, 2019	**30,970,682**	**213,776**	**-**	**(272,748)**	**(58,972)**
Comprehensive loss for the period	-	-	-	(21,363)	(21,363)
Balance, June 30, 2020	**30,970,682**	**213,776**	**-**	**(294,111)**	**(80,335)**
Balance, September 30, 2020	**30,970,682**	**213,776**		**(290,298)**	**(76,522)**
Shares issued for:					
Cash	12,646,200	248,999	-	-	248,999
Finder’s fee		(8,867)	907	-	(7,960)
Intellectual properties	2,500,000	125,000	-	-	125,000
Comprehensive loss for the period	-	-	-	(51,496)	(51,496)
Balance, June 30, 2021	**46,116,882**	**578,908**	**907**	**(341,794)**	**238,021**

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

PURE TO PURE BEAUTY INC. (formerly P2P INFO INC.)
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED JUNE 30, 2021 AND 2020
(Expressed in Canadian dollars)

	2021	2020
	$	$
OPERATING ACTIVITIES		
Net loss for the period	**(51,496)**	(21,363)
Adjustment for:		
Gain on settlement of debt	**(2,462)**	-
Changes in operating working capital		
(Increase) / decrease in other receivable	**(115,212)**	270
(Decrease) / increase in accounts payable and accrued liabilities	**(917)**	7
Cash used in operating activities	**(170,087)**	(21,086)
FINANCING ACTIVITIES		
Note payable	**75,000**	21,423
Due to related parties	**(3,324)**	-
Proceeds from shares issued during the period	**241,039**	-
Cash from financing activities	**312,715**	21,423
Increase in cash	**142,628**	337
Cash, beginning of the period	**541**	222
Cash, end of the period	**143,169**	559

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

1. NATURE OF BUSINESS AND GOING CONCERN

Pure to Pure Beauty Inc. (formerly P2P Info Inc.) (the "Company" or "P2P") was incorporated on September 29, 2014 under the laws of British Columbia, Canada. Its registered office is located at 2200 HSBC Building 885 West Georgia Street, Vancouver, British Columbia V6C 3E8. The Company was incorporated as a wholly-owned subsidiary of Cascadia Blockchain Group Corp. ("Cascadia") for the purposes of a re-organization of Cascadia pursuant to a plan of arrangement ("Plan of Arrangement ") under the Business Corporation Act of British Columbia. The Plan of Arrangement became effective on November 28, 2014. The Company became a reporting issuer in British Columbia, Alberta and Ontario on November 28, 2014. The principal business of the Company is the identification, evaluation and acquisition of a business.

The Company is currently in the process of developing and finalizing its intended business operations.

On May 10, 2021, the Company changed its name to Pure to Pure Beauty Inc.

Going concern

These condensed interim financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for a reasonable period. As at June 30, 2021, the Company has incurred losses since its inception and has an accumulated deficit of $341,794 (September 30, 2020: $290,298). The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors, identifying and acquiring businesses or assets, and generating profitable operations in the future, which raises significant doubt about the Company's ability to continue as a going concern. These condensed interim financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

These condensed interim financial statements do not include any additional adjustments to the recoverability and classification of certain recorded assets amounts, classification of certain liabilities and changes to the statement of loss and comprehensive loss that might be necessary if the Company was unable to continue as a going concern.

In March 2020, the World Health Organization declared a global pandemic known as COVID-19. This is causing significant financial market and social dislocation. This has also resulted in significant economic uncertainty and consequently, it is difficult to reliably measure the potential impact of this uncertainty on the Company's future financial results.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The interim financial statements of the Company have been prepared in accordance with International Accounting Standards ("IAS") 34, 'Interim Financial Reporting' using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of measurement

These condensed interim financial statements have been prepared on a historical cost basis except for certain financial instruments that are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and presentation currency

The presentation and functional currency of the Company and its subsidiary is the Canadian dollar.

Use of estimates and judgements

The preparation of these condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed interim financial statements and revenues and expenses for the periods reported. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. A significant area requiring the use of management estimates is the amount to be recognized on deferred income taxes and liabilities. Actual results could differ from these estimates.

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 the revision affects only that period, or in the period of the revision and further periods if the review affects both current and future periods.

Critical accounting judgements are accounting policies that have been identified as being complex or involve subjective judgments or assessments with a significant risk of material adjustment in the next fiscal year. The more significant area where management judgement has been applied is the ability of the Company to continue as a going concern.

Financial instruments

(i) Financial assets - Classification

The Company classifies its financial assets in the following categories:

- Those to be measured subsequently at fair value (either through Other Comprehensive Income ("FVOCI"), or through profit or loss ("FVTPL"), and
- Those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses are either recorded in profit or loss or other comprehensive income.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(i) Financial assets - Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. There are three measurement categories under which the Company classifies its financial instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method.

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income ("OCI"), except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest method. The Company has not designated any financial assets at FVOCI.

- FVTPL: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the Statement of Loss and Comprehensive Loss in the period in which it arises. The Company has classified its cash as FVTPL.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(ii) Financial liabilities

The Company classifies its financial liabilities into the following categories:

- FVTPL; and
- Amortized cost.

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows:

- the amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and
- the remaining amount of the change in the fair value is resented in profit or loss. The Company has not designated any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method. The Company has classified its accounts payable and shareholder loan as amortized cost.

Impairment

(i) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred income tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets (the "cash-generating unit").

An impairment loss is recognized if the carrying amount of a cash-generating unit exceeds its estimated recoverable amount. The recoverable amount of an asset or a cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cost flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the assets. Impairment losses are recognized in net income (loss).

Impairment losses recognized in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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 depreciation, if no impairment loss has been recognized.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment (continued)

(ii) Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

The Company recognizes loss allowances for expected credit losses ("ECLs") on its financial assets measured at amortized cost. Due to the nature of its financial assets, the Company measures loss allowances at an amount equal to expected lifetime ECLs. Lifetime ECLs are the anticipated ECLs that result from all possible default events over the expected life of a financial asset. ECLs are a probability- weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the related financial asset. The Company does not have any financial assets that contain a financing component.

Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all the economic benefits required to settle, a provision is expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

Share capital

The Company records proceeds from the issuance of its common shares as equity. Incremental costs directly attributable to the issue of new common shares are shown in equity as a deduction, net of tax, from the proceeds. Common shares issued for consideration other than cash are valued based on their market value at the date that the shares are issued.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the most easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financing costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise, they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are charged to earnings.

Leases

On January 2016, the IASB issued IFRS 16 which replaces IAS 17 Leases and its associated interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting remains similar to current accounting practice. The Company does not have any leases that would be applicable to this standard and the implementation of these amendments did not have an impact on the financial statements.

Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the 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.

Income taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and includes any adjustment to tax payable or receivable in respect of previous years.
Deferred taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the end of each reporting period. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affect neither accounting nor taxable profit nor loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Changes in accounting policies including initial adoption

The IASB issued a number of new and revised IASs, IFRSs, amendments and related IFRIC interpretations, which are effective for the Company's financial year beginning on January 1, 2020. For the purpose of preparing and presenting the financial statements, the Company has consistently adopted all these new standards for the year ended September 30, 2020.

IFRS 3 – Definition of a Business

In October 2018, the IASB issued amendments to IFRS 3, "Definition of a Business", which:

- Clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs;
- Narrow the definitions of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs;
- Add guidance and illustrative examples to help entities assess whether a substantive process has been acquired;
- Remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs; and
- Add an option concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

The amendments are effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020, and to asset acquisitions that occurred on or after the beginning of that period. The Company adopted IFRS 3 with no material impact on the financial statements.

3. AMOUNTS RECEIVABLES

The Company's amounts receivables are as follows:

	June 30, 2021	September 30, 2020
	$	$
GST/HST receivable	**1,194**	678
Shares considerations	**114,696**	-
Total amounts receivable	**115,890**	678

4. INTANGIBLE ASSETS

During the nine months ended June 30, 2021, the Company acquired certain intellectual property for 2.5 million common shares in the capital of the Company at a fair value of $125,000.

(Expressed in Canadian dollars)

5. SHARE CAPITAL

Authorized:

The Company has authorized an unlimited number of common and preferred shares with no par value.

Issued and outstanding:

On May 6, 2021, the Company acquired from an arms-length vendor certain intellectual property. Consideration for theses assets consists of 2.5 million common shares in the capital of the Company. The shares are subject to a four-month-and-one day statutory hold.

On June 15, 2021, the Company completed a non-brokered private placement for $252,924 comprised of 12,646,200 common shares of the Company at $0.02 per share. All securities issued in this private place are subject to a four-month and one-day hold period.

Escrow Shares

As at June 30, 2021 and September 30, 2020, the Company has 1,080,300 shares held in escrow. The release of the securities will be determined when the Company becomes a listed issuer.

Stock options

The Company did not have a stock option plan in place as at June 30, 2021 and September 30, 2020.

Share purchase warrants

On June 15, 2021, the Company paid finder fees in the amount of 398,000 warrants in connection with the private placement. The finder's warrants have an exercise price of $0.15 per share. The warrant term to expiry is 2 years.

The following is a summary of the changes in the Company's share purchase warrants for the nine months ended June 30, 2021:

	Number of warrants	Weighted- average exercise price ($)
Balance, September 30, 2020	-	-
Granted	398,000	0.15
Exercised	-	-
Expired	-	-
Balance, June 30, 2021	**398,000**	**0.15**

Expiry date	2021 Number of warrants	Weighted- average exercise price ($)	2020 Number of warrants	Weighted- average exercise price ($)
June 15, 2023	398,000	0.15	-	-
Balance, June 30, 2021	**398,000**	**0.15**	**-**	**-**

(Expressed in Canadian dollars)

6. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel compensation

During the three and nine months ended June 30, 2021 and 2020, the Company incurred the following compensation to key management personnel:

	Three months ended June 30, 2021	**Three months ended June 30, 2020**	**Nine months ended June 30, 2021**	**Nine months ended June 30, 2020**
	$	$	$	$
Salaries and benefits (former CFO)	-	550	500	3,913
Management fees	2,000	-	32,000	-
Total compensation accrued for key management personnel	2,000	550	32,500	3,913

Key management includes current and former directors, the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") of the Company. Salaries and benefits incurred are presented gross of any reimbursements from the Company.

Due to related parties

		June 30, 2021	September 30, 2020
		$	$
A shareholder and a former director	(i)	**75,000**	74,662
Directors		**34,929**	-
Little Fish Enterprises		**18,000**	-
Total amounts due to related parties		**127,929**	74,662

(i) During the nine months ended June 30, 2021, the Company settled all amounts due to a shareholder in the amount of $61,015 and amounts due to a former officer and a former director of the Company in the amount of $16,447, for an aggregate settlement amount of $77,462, for a total consideration of $75,000 of which $37,500 is payable in cash or shares at the discretion of the creditors and $37,500 is payable in cash or shares at the Company's discretion. The amounts outstanding are non-interest bearing, with no fixed repayment terms, and repayable on demand. The price per share will be based on the future qualifying transaction to be completed by the Company. The debt settlement resulted in a gain of $2,462.

7. FINANCIAL INSTRUMENTS

Classification and fair value

The Company's financial instruments consist of cash, other receivables - excluding GST recoverable, accounts payable and shareholder loan. Financial instruments are classified into one of the following categories: FVTPL, FVTOC, or amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

7. FINANCIAL INSTRUMENTS (continued)

Classification and fair value (continued)

The following table summarized the carrying values of the Company's financial instruments:

	June 30, 2021	September 30, 2020
	$	$
Financial assets at fair value through profit or loss (i)	143,169	541
Financial liabilities measured at amortized cost (ii)	146,038	77,741

(i) Cash and cash equivalents
(ii) Accounts payable and accrued liabilities, note payable, and due to related parties

Financial instruments measured at fair value on a recurring basis are classified into one of three levels in the fair value hierarchy based on the degree to which the inputs used to determine the fair value are observable. The three levels of the fair value hierarchy are:

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

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

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable input).

Cash of $143,169 is classified as Level 1. There were no transfers into or out of Level 2 or 3 during the nine months ended June 30, 2021.

The fair value of accounts payable and shareholder loan approximate their book values because of the short-term nature of these instruments.

Financial risk management

The Company's financial risks arising from its financial instruments are credit risk, liquidity risk, and interest rate risk. The Company's exposure to these risks and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

Currency risk

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and its current exposure to exchange rate fluctuations is minimal. The Company does not have any foreign currency denominated monetary assets or liabilities.

Credit risk

Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. The Company does not have any significant credit risk.

7. FINANCIAL INSTRUMENTS (continued)

Classification and fair value (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not meet its obligations associated with its financial liabilities as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations. As at June 30, 2021, the Company had a working capital of $113,021 (September 30, 2020 – working capital deficit of $17,807). All the Company's financial liabilities are classified as current.

Interest rate risk

The Company has no interest-bearing debt. The Company has not entered into any derivative instruments to manage interest rate fluctuations. The Company does not have significant interest rate risk.

8. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stakeholders. 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. The capital of the Company includes all the accounts in the shareholders' deficiency.

The Company's objective is met by retaining adequate equity to provide for the possibility that cash flows from assets will not be sufficient to meet future cash flow requirements. The Board of Directors does not establish quantitative return on capital criteria for management. Currently, the Company is relying on private placements and advances from the directors and officers to continue its operations. The Company is not subject to any externally imposed capital requirements.

9. SUBSEQUENT EVENTS

Subsequent to the quarter-end, the Company received $96,505 of the funds receivable relating to the share consideration of the private placement completed on June 15, 2021.

On July 9, 2021, the Company announced that it proposes to complete a non-brokered private placement (the "Offering") to raise gross proceeds up to $350,000 at $0.05 per share.

On July 9, 2021, the Company also announced that it has signed a memorandum of understanding with two distributors with the intention to market and distribute the Company's products within Asia and Europe. One of the distributors, LocoSoco Group, a company listed on the Austrian Wiener Borse Direkt Market, will introduce the Company's products to retailers, buying groups, health food stores, online retailers and influencers.