

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

FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020

(Expressed in Canadian Dollars)



SHIM & Associates LLP
Chartered Professional Accountants
Suite 970 – 777 Hornby Street
Vancouver, B.C. V6Z 1S4
T: 604 559 3511 | F: 604 559 3501

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Pure to Pure Beauty Inc. (formerly P2P Info Inc.)

Opinion

We have audited the accompanying financial statements of Pure to Pure Beauty Inc. (formerly P2P Info Inc.) (the "Company"), which comprise the statements of financial position as at September 30, 2021 and 2020, and the statements of loss and comprehensive loss, changes in shareholders' equity (deficiency) and cash flows for the years ended September 30, 2021 and 2020, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2021 and 2020, and its financial performance and its cash flows for the years ended September 30, 2021 and 2020 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial statements, which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditors' report thereon, in the Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Dong H. Shim.

"SHIM & Associates LLP"

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
January 25, 2022

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

	Notes	2021	2020
		\$	\$
ASSETS			
Current assets			
Cash		521,117	541
Amounts receivable	4	8,526	678
Total current assets		529,643	1,219
Non-current asset			
Intangible assets	5	48,534	-
Total assets		578,177	1,219
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)			
Current liabilities			
Accounts payable and accrued liabilities		25,625	19,026
Shareholder loan	7	-	58,715
Due to related parties	7	3,940	-
Total current liabilities		29,565	77,741
Non-current liabilities			
Note payable	7,8	75,000	-
Total liabilities		104,565	77,741
Shareholders' equity (deficiency)			
Share capital	6	820,628	213,776
Contributed surplus	6	3,871	-
Deficit		(350,887)	(290,298)
Total shareholders' equity (deficiency)		473,612	(76,522)
Total liabilities and shareholders' equity (deficiency)		578,177	1,219

NATURE OF BUSINESS AND GOING CONCERN (Note 1)

The financial statements were authorized for issue by the board of directors on January 25, 2022 and were signed on its behalf by:

/s/ "Simon Cheng"

Simon Cheng, Director

/s/ "Heidi Gutte"

Heidi Gutte, Director

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

PURE TO PURE BEAUTY INC. (formerly P2P INFO INC.)
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian dollars)

	Notes	2021	2020
		\$	\$
Expenses			
Advertising and marketing		3,073	-
Amortization		1,466	-
Consulting fees		9,472	-
Interest and bank charges		358	97
Listing and transfer agent expenses		11,721	9,245
Management fees	7	5,000	-
Office and miscellaneous		616	-
Professional fees		30,721	6,607
Salaries and benefits	7	500	4,763
Travel expenses		124	-
Total expenses		(63,051)	(20,712)
Other item			
Gain on settlement of debt	7,8	2,462	3,162
Net loss and comprehensive loss for the year		(60,589)	(17,550)
Net loss per common share, basic and diluted		(0.00)	(0.00)
Weighted average number of common shares outstanding		35,792,171	30,970,682

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

PURE TO PURE BEAUTY INC. (formerly P2P INFO INC.)
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
FOR THE YEARS ENDED SEPTEMBER 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)
Loss for the year	-	-	-	(17,550)	(17,550)
Balance, September 30, 2020	30,970,682	213,776	-	(290,298)	(76,522)
Shares issued for cash (Note 6)	19,606,200	600,924	-	-	600,924
Share issue costs (Note 6)	-	(44,072)	3,871	-	(40,201)
Shares issued for intangible assets (Notes 5 and 6)	2,500,000	50,000	-	-	50,000
Loss for the year	-	-	-	(60,589)	(60,589)
Balance, September 30, 2021	53,076,882	820,628	3,871	(350,887)	473,612

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

PURE TO PURE BEAUTY INC. (formerly P2P INFO INC.)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian dollars)

	2021	2020
	\$	\$
OPERATING ACTIVITIES		
Net loss for the year	(60,589)	(17,550)
Adjustments for:		
Amortization	1,466	-
Gain on settlement of debt	(2,462)	(3,162)
Changes in non-cash working capital items:		
(Increase) / decrease in amounts receivable	(1,366)	204
Increase / (decrease) in accounts payable and accrued liabilities	23,046	(3,888)
Net cash used in operating activities	(39,905)	(24,396)
FINANCING ACTIVITIES		
Proceeds from share issuance, net of issue costs	554,241	-
Shareholder loan	2,300	24,715
Advances from related parties	3,940	-
Net cash received from financing activities	560,481	24,715
Increase in cash	520,576	319
Cash, beginning of the year	541	222
Cash, end of the year	521,117	541
Cash paid for income taxes during the year	-	-
Cash paid for interest during the year	-	-
Shares issued for intangible assets	50,000	-

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

PURE TO PURE BEAUTY INC. (formerly P2P INFO INC.)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian dollars)

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 development and sale of consumer product goods under its Pure to Pure brand.

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

Going concern

These financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for a reasonable period. As at September 30, 2021, the Company has incurred losses since its inception and has an accumulated deficit of \$350,887 (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 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.

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. BASIS OF PREPARATION

Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by International Accounting Standards Board ("IASB").

Basis of measurement

These 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 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 is the Canadian dollar.

PURE TO PURE BEAUTY INC. (formerly P2P INFO INC.)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES

Use of estimates and judgements

The preparation of these 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 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.

Intangible assets

The Company's intangible assets consist of trademarks, trade secrets, know-how, and domain names (Note 5). Infinite life intangible assets are recorded at cost less accumulated impairment losses. Finite life intangible assets are recorded at cost and are amortized once they are in use on a straight-line basis over their estimated useful lives as follows:

Category	Useful life
Trademarks, trade secrets, know-how, and domain names	10 years

At the end of each reporting period, the Company assesses whether there has been any indication that an asset may be impaired. If an impairment indicator exists, the recoverable amount is determined and compared to the carrying amount of the asset or the CGU to which the asset relates. If the recoverable amount is lower, any difference between the carrying amount and the recoverable amount is written off to profit or loss as an impairment charge.

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.

PURE TO PURE BEAUTY INC. (formerly P2P INFO INC.)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(i) Financial assets - Classification (continued)

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.

(ii) 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.

(iii) 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:

PURE TO PURE BEAUTY INC. (formerly P2P INFO INC.)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(iii) Financial liabilities (continued)

- 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 presented 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 accrued liabilities, shareholder loan and due to related parties 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 cash 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.

(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.

PURE TO PURE BEAUTY INC. (formerly P2P INFO INC.)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment (continued)

(ii) Financial assets (continued)

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.

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.

PURE TO PURE BEAUTY INC. (formerly P2P INFO INC.)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

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 year. 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 or 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.

Changes in accounting policies including initial adoption

The Company has not yet adopted certain standards, interpretations to existing standards and amendments which have been issued but have an effective date later than October 1, 2020. These updates are not currently relevant to the Company or are not expected to have a material impact on the financial statements and are therefore not discussed herein.

4. AMOUNTS RECEIVABLE

The Company's amounts receivable are as follows:

	September 30, 2021	September 30, 2020
	\$	\$
GST/HST receivable	2,044	678
Share subscription receivable	6,482	-
	8,526	678

Share subscription receivable of \$6,482 was received subsequent to year-end (Note 6).

PURE TO PURE BEAUTY INC. (formerly P2P INFO INC.)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian dollars)

5. INTANGIBLE ASSETS

During the year ended September 30, 2021, the Company acquired certain intangible assets from its Chief Executive Officer prior to his joining, in exchange of 2,500,000 common shares in the capital of the Company at a fair value of \$50,000 (Note 6).

Intangible assets consist of the following:

	Intangible Assets \$
Cost	
Balance, September 30, 2020	-
Additions	50,000
Balance, September 30, 2021	50,000
Accumulated amortization	
Balance, September 30, 2020	-
Amortization	1,466
Balance, September 30, 2021	1,466
Net book value	
Balance, September 30, 2020	-
Balance, September 30, 2021	48,534

6. SHARE CAPITAL

Authorized

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

Issued and outstanding

On June 15, 2021, the Company issued 2,500,000 common shares in the capital of the Company valued at \$50,000 pursuant to the acquisition of certain intangible assets from a non-arm's length vendor (Note 5).

On June 15, 2021, the Company completed a non-brokered private placement of 12,646,200 common shares in the capital of the Company at a price of \$0.02 per share for gross proceeds of \$252,924. In connection with this private placement, the Company paid cash finder's fee of \$7,960 and other issue costs of \$8,907, and issued 398,000 finder's warrants exercisable at \$0.15 for a period of 24 months. The fair value of these finder's warrants granted was determined to be \$903 using Black Scholes Option Pricing Model with the following assumptions: share price at grant date - \$0.02; exercise price - \$0.15; expected life - 2 years; volatility - 100%; dividend yield - 0%; and risk-free rate - 0.32%.

PURE TO PURE BEAUTY INC. (formerly P2P INFO INC.)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian dollars)

6. SHARE CAPITAL (continued)

Issued and outstanding (continued)

On September 10, 2021, the Company completed a non-brokered private placement of 6,960,000 common shares in the capital of the Company at a price of \$0.05 per share for gross proceeds of \$348,000, of which \$6,482 was received subsequent to year-end and included in amounts receivable (Note 4). In connection with this private placement, the Company paid cash finder's fee of \$10,080 and other issue costs of \$13,254, and issued 281,600 finder's warrants exercisable at \$0.20 for a period of 24 months. The fair value of these finder's warrants granted was determined to be \$2,968 using Black Scholes Option Pricing Model with the following assumptions: share price at grant date - \$0.05; exercise price - \$0.20; expected life - 2 years; volatility - 100%; dividend yield - 0%; and risk-free rate - 0.41%.

Escrow shares

As at September 30, 2021 and 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 entity.

Stock options

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

Share purchase warrants

	Number of warrants	Weighted average exercise price
Balance, September 30, 2020	-	-
Issued	679,600	\$0.171
Balance, September 30, 2021	679,600	\$0.171

As at September 30, 2021, the following warrants remain outstanding:

Number of warrants	Exercise price	Expiry date
398,000	\$0.15	June 15, 2023
281,600	\$0.20	September 10, 2023
679,600		

7. RELATED PARTY TRANSACTIONS AND BALANCES

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

PURE TO PURE BEAUTY INC. (formerly P2P INFO INC.)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian dollars)

7. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Key management personnel compensation

During the years ended September 30, 2021 and 2020, the Company incurred the following compensation to key management personnel:

	2021	2020
	\$	\$
Management fees	5,000	-
Salaries and benefits	500	4,763
	5,500	4,763

Shareholder loan

	2021	2020
	\$	\$
Balance, beginning of year	58,715	37,162
Advances	2,300	24,715
Shareholder loan settled during the year (Note 8)	(61,015)	(3,162)
Balance, end of the year	-	58,715

During the year ended September 30, 2021, the Company received \$2,300 from a shareholder (2020 - \$24,715) and settled the loan with the shareholder (Note 8). The amount outstanding is unsecured, non-interest bearing and with no fixed repayment terms.

Due to related parties

Amounts due to related parties comprise \$3,940 (2020 - \$Nil) in advances from officers and directors of the Company, and companies controlled by officers and directors. The amount outstanding is unsecured, non-interest bearing and with no fixed repayment terms.

Other payables to related parties

As at September 30, 2020, included in accounts payable and accrued liabilities was \$15,947 due to a former officer and director of the Company. The amount outstanding is unsecured, non-interest bearing and with no fixed repayment terms. During the year ended September 30, 2021, the Company received \$500 from the former officer and director (2020 - \$4,763) and settled the amount outstanding with the former officer and director (Note 8).

8. NOTE PAYABLE

In November 2020, the Company settled all amounts due to a shareholder in the amount of \$61,015 (Note 7) and amounts due to a former officer and director of the Company in the amount of \$16,447 (Note 7) included in accounts payable and accrued liabilities 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 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. The amount outstanding is unsecured, non-interest bearing and with no fixed repayment terms.

PURE TO PURE BEAUTY INC. (formerly P2P INFO INC.)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian dollars)

9. FINANCIAL INSTRUMENTS

Classification and fair value

The Company's financial instruments consist of cash, amounts receivable - excluding GST recoverable, accounts payable and accrued liabilities, shareholder loan, due to related parties and note payable. 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.

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

	September 30, 2021	September 30, 2020
	\$	\$
Financial assets at fair value through profit or loss (i)	521,117	541
Financial assets measured at amortized cost (ii)	6,482	-
Financial liabilities measured at amortized cost (iii)	104,565	77,741

(i) Cash

(ii) Amounts receivable excluding GST recoverable

(iii) Accounts payable and accrued liabilities, shareholder loan, due to related parties and note payable

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 \$521,117 is classified as Level 1. The Company does not have any financial assets classified as Level 2 or 3.

The fair value of accounts payable and accrued liabilities, shareholder loan, due to related parties and note payable 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 currency risk, 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.

PURE TO PURE BEAUTY INC. (formerly P2P INFO INC.)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian dollars)

9. FINANCIAL INSTRUMENTS (continued)

Financial risk management (continued)

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. Cash is held in a major financial institution.

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 September 30, 2021, the Company had a working capital of \$500,078 (2020 – working capital deficit of \$76,522). As a result, the Company is not subject to any significant liquidity risk.

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.

10. 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' equity (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.

11. INCOME TAX

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

	2021	2020
Combined statutory rate	27%	27%
Expected income tax recovery	\$ (16,000)	\$ (5,000)
Non-deductible items	(12,000)	-
Change in prior year estimates	-	2,000
Deferred tax assets not recognized	28,000	3,000
Balance, end of year	\$ -	\$ -

PURE TO PURE BEAUTY INC. (formerly P2P INFO INC.)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian dollars)

11. INCOME TAX (continued)

Significant components of the Company's deferred income tax assets not recognized are as follows:

	2021	2020
Non-capital losses	\$ 97,000	\$ 79,000
Share issuance costs	10,000	-
Balance, end of year	\$ 107,000	\$ 79,000

As at September 30, 2021, the Company has non-capital losses of approximately \$364,000 for deduction against future taxable income. The non-capital losses, if not utilized, will expire as follows:

2035	\$ 134,000
2036	52,000
2037	33,000
2038	30,000
2039	27,000
2040	19,000
2041	69,000
	<u>\$ 364,000</u>