

PURE TO PURE BEAUTY INC.
CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2022 AND 2021

(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 December 31, 2022, and for the periods ended December 31, 2022 and 2021, have not been reviewed or audited by the Company's independent auditors.

/s/ "Simon Cheng"

Simon Cheng, Director

/S/"Steven Pearce"

Steven Pearce, Director

PURE TO PURE BEAUTY INC.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022 AND SEPTEMBER 30, 2022
(Expressed in Canadian dollars)

	Notes	December 31, 2022	September 30, 2022
		\$	\$
ASSETS			
Current assets			
Cash	9	283,228	315,806
Accounts and other receivables	4	11,628	11,155
Total current assets		294,856	326,961
Non-current asset			
Intangible assets	5	42,284	43,534
Total assets		337,140	370,495
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)			
Current liabilities			
Accounts payable and accrued liabilities	9	57,285	33,616
Total current liabilities		57,285	33,616
Non-current liabilities			
Note payable	8	75,000	75,000
Total liabilities		132,285	108,616
Shareholders' equity			
Share capital	6	820,628	820,628
Contributed surplus	6	3,871	3,871
Deficit	6	(619,644)	(562,620)
Total shareholders' equity		204,855	261,879
Total liabilities and shareholders' equity		337,140	370,495

NATURE OF BUSINESS AND GOING CONCERN (Note 1)

The financial statements were authorized for issue by the board of directors on February 24, 2023 and were signed on its behalf by:

/s/ "Simon Cheng"

Simon Cheng, Director

/s/ "Steven Pearce"

Steven Pearce, Director

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

PURE TO PURE BEAUTY INC.
CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
FOR THREE MONTHS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in Canadian dollars)

	Notes	2022	2021
		\$	\$
Operating expenses			
Advertising and marketing		-	175
Amortization	5	1,250	1,250
Consulting fees		6,675	4,294
Interest and bank charges		191	111
Listing and transfer agent expenses		5,764	10,196
Management fees	7	19,414	3,000
Professional fees		23,730	37,640
Total operating expenses		(57,024)	(56,666)
Other item			
Exchange gain		-	128
Net loss and comprehensive loss for the year		(57,024)	(56,538)
Net loss per common share, basic and diluted		(0.00)	(0.00)
Weighted average number of common shares outstanding		53,076,882	53,076,882

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

PURE TO PURE BEAUTY INC.
CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
FOR THREE MONTHS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in Canadian dollars)

	Number of Shares	Share Capital	Contributed Surplus	Deficit	Total
		\$	\$	\$	\$
Balance, September 30, 2021	53,076,882	820,628	3,871	(350,887)	473,612
Comprehensive loss for the period	-	-	-	(56,538)	(56,538)
Balance, December 31, 2021	53,076,882	820,628	3,871	(407,425)	417,074
Balance, September 30, 2022	53,076,882	820,628	3,871	(562,620)	261,879
Comprehensive loss for the period	-	-	-	(57,024)	(57,024)
Balance, December 31, 2022	53,076,882	820,628	3,871	(619,644)	204,855

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

PURE TO PURE BEAUTY INC.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
FOR THREE MONTHS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in Canadian dollars)

	2022	2021
	\$	\$
OPERATING ACTIVITIES		
Net loss for the year	(57,024)	(56,538)
Adjustments for:		
Amortization	1,250	1,250
Changes in non-cash working capital items:		
Increase in accounts and other receivables	(473)	4,306
Increase in accounts payable and accrued liabilities	23,669	26,231
Net cash used in operating activities	(32,578)	(24,751)
FINANCING ACTIVITIES		
Due to related parties	-	(2,735)
Net cash received from financing activities	-	(2,735)
(Decrease) / increase in cash	(32,578)	(27,486)
Cash, beginning of the year	315,806	521,117
Cash, end of the year	283,228	493,631

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

PURE TO PURE BEAUTY INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THREE MONTHS ENDED DECEMBER 31, 2022 AND 2021
(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 own brand.

On May 10, 2021, the Company changed its name to Pure to Pure Beauty Inc. On September 1, 2022, the Company's common shares began trading on the Canadian Securities Exchange under the stock ticker symbol "PPB".

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 December 31, 2022, the Company has incurred losses since its inception and has an accumulated deficit of \$619,644 (September 30, 2022 - \$562,620). 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.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THREE MONTHS ENDED DECEMBER 31, 2022 AND 2021
(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.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THREE MONTHS ENDED DECEMBER 31, 2022 AND 2021
(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.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THREE MONTHS ENDED DECEMBER 31, 2022 AND 2021
(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.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THREE MONTHS ENDED DECEMBER 31, 2022 AND 2021
(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.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THREE MONTHS ENDED DECEMBER 31, 2022 AND 2021
(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.

Inventories

Inventories are stated at the lower of cost or net realizable value. The Company reviews the components of its inventory and its inventory purchase commitments on a regular basis for excess and obsolete inventory based on estimated future usage and sales. Write-downs in inventory value or losses on inventory purchase commitments depend on various items, including factors related to customer demand, economic and competitive conditions, technological advances or new product introductions by the Company or its customers that vary from its current expectations.

The Company estimates net realizable value as the amount at which inventories are expected to be sold, taking into consideration fluctuations in selling prices due to seasonality, less estimated costs necessary to complete the sale. Inventories are written down to net realizable value when the cost of inventories is estimated to be unrecoverable due to obsolescence, damage, or declining selling prices.

PURE TO PURE BEAUTY INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THREE MONTHS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue

The Company generates revenue from the sale of consumer product goods. Revenue from the product sales is recognized upon the transfer of title of the product to the customer.

The Company considers IFRS 5-step revenue recognition framework when assessing appropriate revenue recognition as follows:

- Identify the contract(s) with a customer.
- Identify the performance obligations in the contract.
- Determine the transaction price.
- Allocate the transaction price to the performance obligations in the contract.
- Recognise revenue when (or as) the entity satisfies a performance obligation.

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 other receivable are as follows:

	December 31, 2022	September 30, 2022
	\$	\$
Trade receivables	16	1,327
GST/HST receivable	11,612	9,828
	11,628	11,155

PURE TO PURE BEAUTY INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THREE MONTHS ENDED DECEMBER 31, 2022 AND 2021
(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:

	Intellectual Property \$
Cost	
Balance, September 30, 2021	50,000
Additions during the year	-
Balance, September 30, 2022	50,000
Additions during the year	-
Balance, December 31, 2022	50,000
Accumulated amortization	
Balance, September 30, 2021	1,466
Amortization during the year	5,000
Balance, September 30, 2022	6,466
Amortization during the year	1,250
Balance, December 31, 2022	7,716
Net book value	
Balance, September 30, 2022	43,534
Balance, December 31, 2022	42,284

6. SHARE CAPITAL

Authorized

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

Issued and outstanding

There were no additional shares issued during three months ended December 31, 2022.

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.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THREE MONTHS ENDED DECEMBER 31, 2022 AND 2021
(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 December 31, 2022 and 2021, 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 December 31, 2022 and 2021.

Share purchase warrants

	Number of warrants	Weighted average exercise price
Balance, September 30, 2022	679,600-	\$ 0.17
Issued	-	-
Balance, December 31, 2022	679,600	0.17

As at December 31, 2022, 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		

PURE TO PURE BEAUTY INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THREE MONTHS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in Canadian dollars)

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.

Key management personnel compensation

During the three months period of December 31, 2022 and 2021, the Company incurred the following compensation to key management personnel:

	2022	2021
	\$	\$
Management fees	14,941	3,000
Salaries and benefits (former CFO)	4,473	-
	19,414	3,000

Due to related parties

Amounts due to related parties comprise \$Nil (September 30, 2022 - \$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 due on demand.

8. NOTE PAYABLE

In November 2020, the Company settled all amounts due to a shareholder in the amount of \$61,015 and amounts due to a former officer and director of the Company in the amount of \$16,447 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.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THREE MONTHS ENDED DECEMBER 31, 2022 AND 2021
(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:

	December 31, 2022	September 30, 2022
	\$	\$
Financial assets at fair value through profit or loss (i)	283,228	315,806
Financial assets measured at amortized cost (ii)	16	1,327
Financial liabilities measured at amortized cost (iii)	132,285	108,616

(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 \$283,238 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.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THREE MONTHS ENDED DECEMBER 31, 2022 AND 2021
(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 December 31, 2022, the Company had a working capital of \$237,571 (September 30, 2022 - \$293,345). 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.