AMENDED AND RESTATED

CleanGo Innovations Inc.

Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2021 and 2020

(Expressed in Canadian Dollars)

CleanGo Innovations Inc. (Formerly SoftLab9 Technologies Inc.)
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

(unaudited)	Notes	As at September 30, 2021	As at December 31, 2020
ASSETS			
Current assets			
Cash		$ **544,936**	$ 212,052
Trade and other receivables	4	**152,088**	28,055
Other loans and advances	5	**125,919**	-
Related party loan	13	**119,920**	-
Deposits and prepaid expenses		**9,627**	12,050
Inventory	6	**216,457**	194,459
		1,168,947	446,616
Non-current assets			
Right-of-use assets	7	**10,774**	21,547
Property and equipment	8	**82,310**	84,222
		93,084	105,769
Total assets		$ **1,262,031**	$ 552,385
LIABILITIES			
Current			
Accounts payable and accrued liabilities		$ **1,337,382**	$ 240,482
Related parties payables	13	**37,566**	87,932
Loans payable	11	**99,730**	898,426
Current portion of lease liabilities	7	**11,654**	13,620
		1,486,332	1,240,460
Non-current liabilities			
Government loan	10	**42,602**	-
Loans from related parties	13	**328,136**	475,340
Lease liabilities	7	**-**	8,439
		370,738	483,779
Total liabilities		**1,857,070**	1,724,239
SHAREHOLDERS' DEFICIT			
Share capital	12	**7,028,880**	633,890
Contributed surplus	12	**123,253**	-
Warrants	12	**2,392,484**	-
Share subscriptions payable (receivable)		**84,809**	(48,000)
Accumulated other comprehensive loss		**(7,033)**	(6,395)
Deficit		**(10,145,193)**	(1,751,349)
Total shareholders' deficit		**(522,800)**	(1,171,854)
Non-controlling interest	3	**(72,239)**	-
Total liabilities and shareholders' deficit		$ **1,262,031**	$ 552,385

Nature and continuance of operations (Note 1)
Going concern (Note 1)

Approved on behalf of the Board on January 21, 2022:

"Signed"
Anthony Sarvucci – Director

"Signed"
Alnoor Nathoo – Director

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

CleanGo Innovations Inc. (Formerly SoftLab9 Technologies Inc.)

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

For the three and nine months ended September 30, 2021 and 2020

(Expressed in Canadian dollars)

(unaudited)	Notes	**Three months ended September 30, 2021**	Three months ended September 30, 2020	**Nine months ended September 30, 2021**	Nine months ended September 30, 2020
Revenue		**$ 34,114**	$ 100,874	**$ 103,894**	$ 175,795
Cost of sales		**(28,624)**	(61,684)	**(82,934)**	(152,928)
Gross Margin		**5,490**	39,190	**20,960**	22,867
Expenses					
Selling and administrative		**76,371**	122,089	**348,134**	207,784
Depreciation and amortization	7,8	**7,196**	5,166	**21,068**	5,580
Transaction costs		**(16,850)**	-	**115,756**	-
Foreign exchange loss / (gain)		**4,121**	(5,590)	**(2,243)**	6,435
Other (income) expense	10	**-**	-	**(18,426)**	-
Finance expense	9	**5,586**	6,701	**17,520**	18,305
		76,424	128,366	**481,809**	238,104
Net loss before undernoted item		**(70,934)**	(89,176)	**(460,849)**	(215,237)
Listing expense	3	**7,932,995**	-	**7,932,995**	-
Net loss		**(8,003,929)**	(89,176)	**(8,393,844)**	(215,237)
Translation gain / (loss) on foreign operations		**1,178**	(860)	**(638)**	(1,887)
Comprehensive loss		**(8,002,751)**	(90,036)	**(8,394,482)**	(217,124)
Basic and diluted loss per share		**$ (0.26)**	$ (0.00)	**$ (0.32)**	$ (0.01)
Weighted average number of common shares outstanding basic and diluted		30,695,270	23,887,500	26,256,282	23,862,917

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

CleanGo Innovations Inc. (Formerly SoftLab9 Technologies Inc.)

Condensed Interim Consolidated Statements of Changes in Shareholders' Deficiency

For the three and nine months ended September 30, 2021 and 2020

(Expressed in Canadian dollars)

(unaudited)	Notes	Number of shares	Amount	Contributed surplus	Warrants	Share subscriptions payable / (receivable)	Accumulated other comprehensive loss	Deficit	Total deficit
Balance at January 01, 2020		23,848,125	$ 593,896	$ -	$ -	$ (48,000)	$ 128	$ (1,128,497)	$ (582,473)
Net loss for the period		-	-	-	-	-	-	(215,237)	(215,237)
Issuance of common shares	12	39,375	12,086	-	-	-	-	-	12,086
Share issue costs		-	(2,092)	-	-	-	-	-	(2,092)
Translation loss on foreign operations		-	-	-	-	-	(1,887)	-	(1,887)
Balance at September 30, 2020		23,887,500	$ 603,890	$ -	$ -	$ (48,000)	$ (1,759)	$ (1,343,734)	$ (789,603)
Balance at January 01, 2021		24,000,000	$ 633,890	$ -	$ -	$ (48,000)	$ (6,395)	$ (1,751,349)	$ (1,171,854)
Net loss for the period		-	-	-	-	-	-	(8,393,844)	(8,393,844)
Reverse acquisition transactions:									
Shares issued	3,12	19,996,851	5,973,728	-	-	-	-	-	5,973,728
Options and warrants assumed	3,12	-	-	123,253	2,392,484	-	-	-	2,515,737
Share subscriptions payable assumed	3,12	-	-	-	-	84,809	-	-	84,809
Recapitalization of builders shares		(112,500)	421,262	-	-	48,000	-	-	469,262
Translation loss on foreign operations		-	-	-	-	-	(638)	-	(638)
Balance at September 30, 2021		**43,884,351**	**$ 7,028,880**	**$ 123,253**	**$ 2,392,484**	**$ 84,809**	**$ (7,033)**	**$ (10,145,193)**	**$ (522,800)**

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

CleanGo Innovations Inc. (Formerly SoftLab9 Technologies Inc.)

Condensed Interim Consolidated Statements of Cash Flows

For the three and nine months ended September 30, 2021 and 2020

(Expressed in Canadian dollars)

(unaudited)	Notes	**Three months ended September 30, 2021**	Three months ended September 30, 2020	**Nine months ended September 30, 2021**	Nine months ended September 30, 2020
Cash (used in) / provided by:					
Operating activities:					
Net loss		**$ (8,003,929)**	$ (89,176)	**$ (8,393,844)**	$ (215,237)
Items not involving cash:					
Depreciation and amortization	7,8	**7,196**	5,166	**21,068**	5,580
Accretion on government loan	10	**514**	-	**1,028**	-
Unrealized foreign exchange (gain) / loss		**(3,205)**	8,854	**2,919**	(7,425)
Non-cash other income		**-**	-	**(18,426)**	-
Listing expense		**7,932,995**	-	**7,932,995**	-
		(66,429)	(75,156)	**(454,260)**	(217,082)
Net change in non-cash working capital	16	**(590,302)**	(390,036)	**(506,620)**	(83,267)
Cash used in operations		**(656,731)**	(465,192)	**(960,880)**	(300,349)
Financing activities:					
Proceeds from share issuances		**239,840**	-	**239,840**	9,244
Increase in other loans		**-**	800,000	**-**	800,000
Increase in government loans	10	**514**	-	**60,514**	-
Repayment of lease liabilities	7	**(3,600)**	(3,455)	**(10,405)**	(3,455)
Increase / (decrease) in loans from related parties		**(21,196)**	-	**79,977**	-
Cash from financing activities		**215,558**	796,545	**369,926**	805,789
Investing activities:					
Acquisition of property and equipment	8	**-**	(33,136)	**(8,383)**	(72,724)
Cash acquired on acquisition		**932,234**	-	**932,234**	-
Cash from / (used in) investing activities		**932,234**	(33,136)	**923,851**	(72,724)
Increase in cash		**491,061**	298,217	**332,897**	432,716
Net effect of foreign exchange on cash held in foreign currencies		**102**	(213)	**(13)**	308
Cash, beginning of period		**53,773**	148,921	**212,052**	13,901
Cash, end of period		**$ 544,936**	$ 446,925	**$ 544,936**	$ 446,925

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

1. NATURE AND CONTINUANCE OF OPERATIONS

CleanGo Innovations Inc. (formerly SoftLab9 Technologies Inc.) (the "Company" or "CleanGo") was incorporated as CDN BVentures Ltd. on October 30, 2014 under the Business Corporations Act (British Columbia) as a wholly-owned subsidiary of a reporting issuer, Web Watcher Systems Ltd. ("Web Watcher"). Web Watcher entered into an Arrangement Agreement with the Company which was completed on October 24, 2017. The Company has 2 subsidiaries, APPx Technologies Inc (90.56% owned) and RewardDrop Software Inc. (100% owned). On August 30, 2021, the Company completed a reverse take-over business combination with Clean Go Green Go Inc. ("CleanGo GreenGo") wherein the Company acquired 100% of the issued and outstanding common shares Of Clean Go Green Go and its wholly owned subsidiary CleanGo GreenGo Inc. ("CleanGo US") and began trading on the Canadian Securities Exchange ("Exchange") under the symbol "CGII".

These consolidated financial statements reflect the continuation of the financial position, operating results and cash flow of the Company's legal subsidiary, CleanGo GreenGo. The head office, principal address and registered and records office of the Company are located at Unit 15, 5656 10 Street NE, Calgary, Alberta.

The Company's principal business activity is to manufacture and sell cleaning, disinfecting and industrial solutions using a proprietary formulation which is non-toxic, biodegradable and uses no harsh chemicals to provide a green cleaning, disinfecting and emulsifying solution to buyers.

The Company incurred a loss of $8,394,482 (2020 - $217,124) for the nine months ended September 30, 2021 and used cash in operations of $960,880 (2020 - $300,349). As at September 30, 2021, the Company had a history of losses and an accumulated deficit of $10,145,193 (2020 - $1,751,349), and as of that date, the Company's current liabilities exceeded its current assets by $317,385 (2020 - $793,844). Consequently, continuing business as a going concern is dependent upon the success of the Company's sale of its products, generation of positive cash flows and the ability of the Company to obtain additional debt or equity financing all of which are uncertain. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

The Company's future capital requirements will depend on many factors, including the costs of developing its products, operating costs, the current capital market environment and global market conditions. The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties, complete sufficient public equity financing, and ultimately generate profitable operations in the future. The Company has no assurance that it will be successful in its efforts. If the Company is unable to obtain financing in the amounts and on terms deemed acceptable, the future success of the business could be adversely affected.

These condensed interim consolidated financial statements ("Financial Statements") have been prepared on a going concern basis in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than a process of forced liquidation. These Financial Statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. The future impact on the Company is not currently determinable but operating activity in 2020 and 2021 improved as demand for cleaning and disinfecting products has increased. Management continues to monitor the situation.

2. BASIS OF PREPARATION

Statement of Compliance

These Financial Statements have been prepared in accordance with International Accounting Standard 34 – Interim Financial Reporting and follow a basis consistent with the accounting, estimation and valuation policies described in the Company's audited Consolidated Financial Statements as at and for the year ended December 31, 2020 (the "Annual Financial Statements").

These Financial Statements have been prepared on a historical cost basis. All financial information is reported in Canadian dollars, unless otherwise noted. Certain information and disclosures normally required to be included in the notes to the Annual Financial Statements prepared in accordance with IFRS have been condensed or omitted. These Financial Statements should be read in conjunction with the Annual Financial Statements.

The timely preparation of the financial statements requires management to make judgments, estimates, and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses for the reporting period. The judgments, estimates, and assumptions are based on current data and relevant information available to the Company at the time of financial statement preparation. Accordingly, actual reported amounts may differ from estimated amounts as future confirming events occur.

The Financial Statements were authorized for issue by the Company's Board of Directors on January 21, 2022.

Significant Accounting Policies

Government assistance

Government grants are recognized when there is reasonable assurance that the Company will comply with the associated conditions attached to them and the grant will be received.

A forgivable loan from a government is treated as a government grant when there is reasonable assurance that the entity will meet the terms of forgiveness of the loan. As only a portion of the CEBA loan will be eligible for forgiveness, the amount recognized as a grant has been limited to the forgivable portion.

The benefit of a government loan at a below market rate of interest is also treated as a government grant. The benefit of the below-market rate of interest is measured as the difference between the initial carrying value of the repayable portion determined in accordance with IFRS 9 and the repayable proceeds received. The repayable portion of the CEBA loan (which has been discounted by the amount of government assistance due to its below market interest rate) will be accreted up to the repayable amount from the time the loan is received until December 31, 2022, with a corresponding interest expense recognized.

The Company recognized government assistance as other income in its condensed consolidated statement of loss and comprehensive loss.

(Expressed in Canadian dollars)

3. REVERSE TAKE-OVER

On November 20, 2020 the Company entered into an Arrangement Agreement ("Arrangement") with Clean Go Green Go under which a reverse acquisition transaction (the "Transaction" or "RTO") was ultimately completed on August 30, 2021. Under the terms of the Arrangement, the Company acquired all of the issued and outstanding common shares of CleanGo GreenGo. Upon closing, former CleanGo GreenGo shareholders held approximately 54% of the outstanding shares of the Company; accordingly, the Transaction is considered to be a reverse acquisition transaction under which CleanGo GreenGo is identified as the accounting acquirer.

Former SoftLab9 Technologies Inc. did not meet the definition of a business under IFRS 3 Business Combinations ("IFRS 3") prior to the transaction, the future consolidated financial statements of the combined entity will represent the continuation of CleanGo GreenGo. The Transaction is therefore accounted for in accordance with IFRS 2 Share-based Payment ("IFRS 2") whereby CleanGo GreenGo is deemed to have issued shares in exchange for the net assets of former SoftLab9 Technologies Inc. at the fair value of the consideration received by CleanGo GreenGo.

As a result of this asset acquisition, a listing expense of $7,932,995 has been recorded. This reflects the difference between the net assets received and the estimated fair value of consideration given as follows:

	Net assets acquired
Cash	$ 932,234
Trade and other receivables	127,817
Other loans and advances	976,989
Accounts payable and accrued liabilities	(1,340,239)
Related parties payables	(28,031)
Loans payable	(99,730)
	$ 569,040

	Consideration given
Share capital	$ 5,973,728
Reserves for options and warrants assumed	2,515,737
Subscriptions payable assumed	84,809
Non-controlling interest assumed	(72,239)
	$ 8,502,035

4. TRADE AND OTHER RECEIVABLES

	September 30, 2021	December 31, 2020
Trade receivables	**$ 144,134**	$ 78,448
Other receivables	**7,954**	18,440
Allowance for doubtful accounts	**-**	(68,833)
Ending balance	**$ 152,088**	$ 28,055

(Expressed in Canadian dollars)

5. LOANS RECEIVABLE

a) Att September 30, 2021 the Company has advanced $50,000 to Kosan Medical Company Ltd. The loan is non-interest bearing, secured by a general security agreement, and due within 180 days on demand. The Company recognized a $45,000 provision against the loan due to the risk of collecting the entire amount.

b) In September, 2021 the Company loaned funds to a shareholder to assist in the purchase of shares in the amount of $119,920. The loan bears interest at a rate of 5% per annum, is due on demand and is secured by shares of the Company.

6. INVENTORY

	September 30, 2021	December 31, 2020
Finished goods	**$ 212,481**	$ 193,610
Materials and supplies	**71,860**	68,703
Provision for inventory obsolescence	**(67,884)**	(67,854)
Ending balance	**$ 216,457**	$ 194,459

7. LEASES

In 2020, the Company entered into an office lease which expires in 2022.

Changes in the Company's ROU assets for the period are as follows:

	ROU assets
Balance January 01, 2021	$ 21,547
Amortization for the period	(10,773)
Balance September 30, 2021	**$ 10,774**

The changes in the Company's lease liability for the period are as follows:

	Lease liability
Balance January 01, 2021	$ 22,059
Principal payments	(10,405)
Balance September 30, 2021	**$ 11,654**

(Expressed in Canadian dollars)

8. PROPERTY AND EQUIPMENT

	Machinery and equipment	Furniture and fixtures	Leasehold improve-ments	Vehicles	Computer equipment	Total
Cost						
Balance January 01, 2021	$ 66,334	$ 3,367	$ 5,198	$ 9,990	$ 4,456	**$ 89,345**
Additions	1,144	-	-	7,239	-	**8,383**
Balance September 30, 2021	**$ 67,478**	**$ 3,367**	**$ 5,198**	**$ 17,229**	**$ 4,456**	**$ 97,728**
Depreciation						
Balance January 01, 2021	$ 861	$ 320	$ 1,300	$ 791	$ 1,851	**$ 5,123**
Depreciation expense	4,882	479	1,949	1,926	1,059	**10,295**
Balance September 30, 2021	**$ 5,743**	**$ 799**	**$ 3,249**	**$ 2,717**	**$ 2,910**	**$ 15,418**
Net book value September 30, 2021	**$ 61,735**	**$ 2,568**	**$ 1,949**	**$ 14,512**	**$ 1,546**	**$ 82,310**

9. FINANCE EXPENSE

	Three months ended September 30,	Three months ended September 30,	**Nine months ended September 30,**	Nine months ended September 30,
Finance costs				
Finance income	**$ (1,056)**	$ -	**$ (1,056)**	$ -
Interest expense	**$ 5,593**	$ 6,021	**15,549**	$ 17,625
Interest on lease liability	**535**	680	**1,999**	680
Accretion on Government loan	**514**	-	**1,028**	-
	$ 5,586	$ 6,701	**$ 17,520**	$ 18,305

10. GOVERNMENT LOAN

In April 2020, the Company obtained a bank loan under the Canadian Emergency Business Account program ("CEBA Loan") in the amount of $60,000. Under the provision of the loan, if the principal amount of the loan is repaid by December 31, 2022, 25 percent of the loan amount is forgiven ($15,000). In addition, the loan is non-interest bearing until December 31, 2022. In the event the CEBA loan is not repaid by December 31, 2022, no amount will be forgiven, and the lender will automatically extend the loan by three years until December 31, 2025, and during the extension period, interest will be charged on the outstanding amount at a fixed rate of 5 percent. The Company has recognized the forgiveness amount and the interest benefit totalling $18,426 as other income during the period using an interest rate of 7.946 percent to discount the loan. The interest benefit will be accreted on a monthly basis up to the payable amount through interest expense.

(Expressed in Canadian dollars)

11. LOANS PAYABLE

a) As at Sepember 30, 2021 the amount of $24,730 (2020 - $24,730) is owed to a non-related company which is non-interest bearing, unsecured, and due on demand.
b) As at September30, 2021 the amount of $50,000 (2020 - $50,000) is owed to a non-related party which is non-interest bearing, unsecured, and due on demand.
c) As at September30, 2021 the amount of $25,000 (2020 - $25,000) is owed to a non-related party which is non-interest bearing, unsecured, and due on demand.

12. SHARE CAPITAL

A. Authorized share capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

	Number of shares		Amount
Balance January 01, 2020	23,848,125	$	593,896
Private placement - common shares (i)	18,750		6,586
Private placement - common shares (ii)	20,625		5,500
Share issuance costs	-		(2,092)
Balance September 30, 2020	23,887,500		603,890
Balance January 01, 2021	24,000,000		633,890
Purchase of shares on RTO transaction	19,996,851		5,973,728
Recapitalzation of builders shares	(112,500)		421,262
Balance September 30, 2021	43,884,351	$	**7,028,880**

i. In the first quarter of 2020, the Company had a private placement offering to US subscribers for $0.20 USD per share for gross proceeds of $6,586.
ii. In the first quarter of 2020, the Company had a private placement offering to Canadian subscribers for $0.20 per share for gross proceeds of $5,500.

B. Warrants

The following table summarizes the continuity of share purchase warrants:

	Number of warrants		Amount
Balance January 1, 2020 and December 31, 2020	-	$	-
Purchase of warrants on RTO transaction (i)	5,548,823		2,392,484
Expired	-		-
Exercised	-		-
Balance September 30, 2021	5,548,823	$	2,392,484

(Expressed in Canadian dollars)

12. SHARE CAPITAL (cont'd)

i. On the closing of the RTO transaction, the company assumed the existing warrants of SoftLab9 which and the fair value was determined using the Black-Scholes model. The assumptions underlying the fair value of the share purchase warrants were as follows: risk free interest rate – 0.45%; dividend yield – 0%; expected volatility – 135%; life of warrants between 0.8 – 1.5 years.

The following table reflects the warrants issued and outstanding as of September 30, 2021.

Expiry date	Exercise price per warrant ($)	Warrants Outstanding	Fair value of warrants
June 18, 2022	0.97	1,589,610	801,378
July 21, 2022	1.06	2,709,213	1,365,810
February 9, 2023	0.70	272,813	49,171
February 26, 2023	0.70	977,187	176,125
September 1, 2015	0.95	5,548,823	$ 2,392,484

C. Stock Options

The following table summarizes the continuity of stock options:

	Number of stock options	Weighted average exercise price ($)
Balance January 1, 2020 and December 31, 2020	-	-
Purchase of options in RTO transaction (i)	158,000	0.12
Balance September 30, 2021	158,000	0.12

i. On the closing of the RTO transaction, the company assumed the existing options of SoftLab9 which and the fair value was determined using the Black-Scholes model. The assumptions underlying the fair value of the share purchase warrants were as follows: risk free interest rate – 0.45%; dividend yield – 0%; expected volatility – 135%; life of options 0.15 years

Additional information regarding the outstanding stock options at September 30,2021 is as follows:

Expiry Date	Exercise Price	Options Outstanding	Remaining Life (Years)	Options Exercisable
October 25, 2021	$0.12	158,000	0.07	158,000
	$0.12	158,000	0.07	158,000

(Expressed in Canadian dollars)

13. RELATED PARTY TRANSACTIONS

Key management personnel:

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. Related party transactions are in the normal course of operations and initially measured at fair value. Amounts due to or from related parties are non-interest bearing, due on demand and unsecured, unless specified. The following related party transactions represent amounts paid during the period:

	Nine months ended September 30, 2021	Nine months ended September 30, 2020
Consulting fees	**$ 184,995**	$ 67,500
Legal fees	**127,465**	-
Interest	**9,318**	11,597
	$ 321,778	**$ 79,097**

Summary of amounts payable to related parties:

	September 30, 2021	December 31, 2020
Directors and officers	**$ 244,125**	$ 325,791
Companies owned by directors	**121,577**	231,890
Family member of officer and directors	**-**	5,591
Ending balance	**$ 365,702**	$ 563,272

The amounts due to directors and management originated from expenses incurred by the directors and management on the behalf of the Company. One of the payables to a company owned by directors of $90,368 (2020 - $231,890) is a US dollar denominated payable in the amount of US $70,927 (2020 - $182,132) related to the acquisition of a worldwide licensing agreement in 2014. CleanGo received a waiver from the company whereby the amount owing will not be called before October 1, 2022. Other related parties relate to the CFO and to a family member of the directors. Advances from the CEO/director are unsecured, bear interest at a rate of 5 percent per annum and are due on demand. CleanGo received a waiver from the CEO/director whereby $235,400 of the amount owing will not be called before October 1, 2022.

In September, 2021 the Company loaned funds to a director to assist in the purchase of shares in the amount of $119,920. The loan bears interest at a rate of 5% per annum, is due on demand and is secured by shares of the Company.

(Expressed in Canadian dollars)

14. SEGMENTED INFORMATION

The Company has two reportable and operating segments which supply cleaning and disinfecting products to customers directly or through online distributers.

The Company operates in two geographical areas, Canada and the United States ("US"). The Company's revenue from external customers and information about non-current assets by location of assets are detailed below:

	Three months September 30,	Three months September 30,	**Nine months September 30,**	Nine months September 30,
Revenue				
Canada	**$ 27,395**	$ 5,188	**$ 88,421**	$ 50,418
US	**6,719**	95,686	**15,473**	125,377
	$ 34,114	$ **100,874**	**$ 103,894**	$ **175,795**

	September 30, 2021	December 31, 2020
Inventory		
Canada	**161,889**	141,342
US	**54,568**	53,117
	$ 216,457	$ 194,459
Non-current assets		
Canada	**82,310**	84,222
US	**-**	-
	$ 82,310	$ 84,222

14. CAPITAL MANAGEMENT

The Company defines capital as consisting of shareholders' deficit. The Company's objectives when managing capital are to support the further advancement of the Company's business objectives and existing product lines, as well as to ensure that the Company is able to meet its financial obligations as they become due.

The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company relies on the expertise of the Company's management to sustain the future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The approach to capital management has not changed since the prior year, and the Company is not subjected to externally imposed capital requirements.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Fair value risk

The Company's financial instruments consist of cash, trade and other receivables, other loans and advances, accounts payable and accrued liabilities, loans payable, lease liabilities, Government loan and amounts due to or from related parties.

Financial instruments recorded at fair value on the condensed interim consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are as follows:

- Level 1: Unadjusted quoted prices 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 (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: Inputs that are not based on observable market data

Trade and other receivables, accounts payable and accrued liabilities, other loans receivable and payable and amounts due to related parties approximate their fair value due to their short-term maturities. Cash under the fair value hierarchy are based on Level 1 quoted prices in active markets for identical assets or liabilities. The CEBA loan was discounted using level 2 fair value inputs (bond yield).

b) Market risk

Market risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market prices or prevailing conditions. Market risk comprises two main types of risk: currency risk and interest rate risk and are disclosed as follows:

(i) Currency risk

Currency risk is the risk of change in profit or loss that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company undertakes sales and purchase transactions in foreign currencies and is therefore subject to gains and losses due to fluctuations in foreign currency exchange rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

The condensed interim consolidated statements of financial position include the following amounts with respect to financial assets and liabilities for which cash flows are originally denominated in US dollars:

		September 30, 2021		December 31, 2020
Cash	**$**	**1,057**	$	2,101
Trade and other receivables	**$**	**873**	$	2,955
Accounts payable and accrued liabilities	**$**	**(3,567)**	$	(1,820)
Related party payables	**$**	**(90,368)**	$	(227,816)

As at September 30, 2021, if a shift in foreign currency exchange rates of 10% were to occur, the foreign exchange gain or loss on the Company's net monetary assets could change by approximately $11,700 (as at December 31, 2020 – $28,600) due to the fluctuation, and this would be recorded in the condensed interim consolidated statements of loss and comprehensive loss.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd…)

(ii) Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company is not exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates as its loans are non-interest bearing.

c) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

All the Company's cash is held through a Canadian and American chartered bank and accordingly, the Company's exposure to credit risk is considered to be limited. The Company's trade receivables exposure to credit risk is considered to be limited.

The Company's trade accounts receivables consists of amounts due from various customers. The maximum exposure to credit risk is equal to the carrying value of accounts receivable. The business models of the Company's respective segments require analysis of credit risk specific to each business line. The Company's historic rate of bad debts is low, however there was a $70,647 provision taken in 2020 primarily related to royalties owed to it from a new US customer who was to have white labeled the Company's product and sold it through their distribution network.

The Company applies the simplified approach to providing for ECL's prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the ECL, trade receivables are assessed primarily on days past due combined with the Company's knowledge of past bad debts.

d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. At September 30, 2021, the Company's cash balance of $544,936 (2020 - $212,052) is unable to settle current liabilities of $1,486,332 (2020 - $1,240,460). The Company manages its liquidity risk by attempting to maintain sufficient cash balances to enable settlement of transactions on the due date. Accounts payable and accrued liabilities, loans payable and related parties payable are all current. As the Company has limited sources of revenue, it may require additional financing to accomplish its long-term strategic objectives.

(Expressed in Canadian dollars)

16. SUPPLEMENTARY CASH FLOW INFORMATION

The change in non-cash working capital comprises the following:

	Three months September 30,	Three months September 30,	**Nine months September 30,**	Nine months September 30,
Changes in non-cash working capital				
Trade and other receivables	**$ (225,881)**	$ (78,416)	**$ (249,984)**	$ (83,055)
Related party loan	**(119,920)**	-	**(119,920)**	-
Deposits and prepaid expenses	**57**	4,314	**2,422**	(8,289)
Inventory	**(545)**	(11,908)	**(21,913)**	(93,665)
Accounts payable and accrued liabilities	**926,792**	(83,820)	**1,096,861**	124,368
Related parties payables	**(9,326)**	(220,206)	**(52,607)**	(22,626)
Loan payable	**(798,696)**	-	**(798,696)**	-
Non-cash working capital deficiency acquired	**(362,783)**	-	**(362,783)**	-
	$ (590,302)	$ (390,036)	**$ (506,620)**	$ (83,267)
Interest paid	**$ 6,128**	$ 6,701	**$ 17,548**	$ 18,305