

GOOD2GO CORP.
(A Capital Pool Corporation)

Unaudited Condensed Interim Financial Statements

**For the Three and Six Months Ended
August 31, 2020**

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these interim financial statements in accordance with standards established by the CPA Canada for a review of interim financial statements by an entity's auditor.

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Unaudited Condensed Interim Statements of Financial Position

	As at August 31, 2020	As at February 29, 2020
Assets		
Current assets		
Cash held in trust	\$ 202,526	\$ 214,616
Total current assets	<u>202,526</u>	<u>214,616</u>
Total Assets	<u>\$ 202,526</u>	<u>\$ 214,616</u>
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	\$ 19,653	\$ 29,024
Total current liabilities	<u>19,653</u>	<u>29,024</u>
Shareholders' equity		
Common shares (Note 4 a)	340,303	308,468
Common share purchase warrants (Note 4 b)	-	11,466
Common share purchase options (Note 4 c)	30,344	30,344
Contributed surplus (Note 4 d)	441	-
Deficit	(188,215)	(164,686)
Total shareholders' equity	<u>182,873</u>	<u>185,592</u>
Total Liabilities and Shareholders' Equity	<u>\$ 202,526</u>	<u>\$ 214,616</u>

Proposed Transaction (Note 6)
Related Party Transactions (Note 8)

The accompanying notes are an integral part of these financial statements

Approved by the Board of Directors

(signed) "James Cassina"

James Cassina, Director

(signed) "Sandra Hall"

Sandra Hall, Director

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Unaudited Condensed Interim Statements of Loss and Comprehensive Loss

	Three Months Ended August 31		Six Months Ended August 31	
	2020	2019	2020	2019
Expenses				
Transfer agent fees	\$ 1,092	\$ 969	\$ 2,037	\$ 2,077
Filing fees	-	-	2,743	993
Professional fees	17,314	396	18,749	396
Net loss and comprehensive loss	\$ 18,406	\$ 1,365	\$ 23,529	\$ 3,466
Net loss per share, basic and diluted	\$ 0.01	\$ -	\$ 0.01	\$ -
Weighted Average shares outstanding, basic and diluted	2,320,061	2,203,570	2,261,815	2,203,570

The accompanying notes are an integral part of these financial statements

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Unaudited Condensed Interim Statements of Changes in Shareholders' Equity

	SHARE CAPITAL Number of Common Shares	SHARE CAPITAL Common shares \$	COMMON SHARE PURCHASE WARRANTS \$	COMMON SHARE PURCHASE OPTIONS \$	CONTRIBUTED SURPLUS \$	DEFICIT \$	TOTAL SHAREOLDERS' EQUITY \$
Balance, February 28, 2019	5,203,570	308,468	11,466	30,344	-	(117,890)	232,388
Net loss for the period	-	-	-	-	-	(3,466)	(3,466)
Balance, August 31, 2019	5,203,570	308,468	11,466	30,344	-	(121,356)	228,922
Net loss for the period	-	-	-	-	-	(43,330)	(43,330)
Balance, February 29, 2020	5,203,570	308,468	11,466	30,344	-	(164,686)	185,592
Exercise of agent warrants	208,100	31,835	(11,025)	-	-	-	20,810
Expiry of agent warrants	-	-	(441)	-	441	-	-
Net loss for the period	-	-	-	-	-	(23,529)	(23,529)
Balance, August 31, 2020	5,411,670	340,303	-	30,344	441	(188,215)	182,873

The accompanying notes are an integral part of these financial statements

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Unaudited Condensed Interim Statements of Cash Flows For the Six Months Ended August 31,

	2020	2019
Cash (used in) provided by		
Operating activities		
Net loss for the period	\$ (23,529)	\$ (3,466)
Working capital adjustments:		
Decrease in accounts payable and accrued liabilities	(9,371)	(11,151)
Net cash used in operating activities	<u>(32,900)</u>	<u>(14,617)</u>
Financing activities		
Exercise of agent warrants	20,810	-
Net cash provided by financing activities	<u>20,810</u>	<u>-</u>
Decrease in cash for the period	(12,090)	(14,617)
Cash, beginning of period	214,616	246,329
Cash, end of period	<u>\$ 202,526</u>	<u>\$ 231,712</u>

The accompanying notes are an integral part of these financial statements

Supplemental Cash Flow Information and Non-Cash Transactions (Note 7)

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Notes to the Unaudited Condensed Interim Financial Statements For the Three and Six Months Ended August 31, 2020

1. INCORPORATION AND NATURE OF OPERATIONS

Good2Go Corp., was incorporated under the laws of the province of Ontario on February 28, 2018 (“Good2Go” or the “Company”) and is classified as a Capital Pool corporation, as defined in Policy 2.4 of the TSX Venture Exchange (the “Exchange”). The principal business of the Company will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction (“QT”). The Company has not commenced operations and has no assets other than cash held in trust. The Company’s continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition, or business, or an interest therein. Such an acquisition will be subject to the approval of the regulatory authorities concerned and, in the case of a non- arm’s length transaction, of the majority of the minority shareholders.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to the lesser of 30% of the gross proceeds realized by the Company, in respect of the sale of its securities, or \$210,000, may be used for purposes other than evaluating businesses or assets. These restrictions apply until completion of a QT by the Company, as defined under the policies of the Exchange. The Company is required to complete its QT on or before two years from the date the Company receives regulatory approval.

The Company’s head office and registered office is located at 1 King Street West, Suite 1505, Toronto, Ontario, M5H 1A1. The Company’s common shares trade on the TSX Venture Exchange under the symbol GOTO.P.

2. BASIS OF PREPARATION

Statement of Compliance

These unaudited interim condensed financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretation Committee (“IFRIC”). These unaudited interim condensed financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB and interpretations issued by IFRIC. On September 23, 2020, the Board of Directors of the Company approved the unaudited interim condensed financial statements for the three and six month periods ended August 31, 2020.

Use of Estimates and Judgments

The preparation of these financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities. Estimates and assumptions are continuously evaluated and are based on management’s experience and other factors that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

Basis of Presentation

The financial statements are presented in Canadian dollars (“CAD”), which is the Company’s functional and presentation currency. The financial statements are prepared on a historical cost basis except for certain financial instruments classified as fair value through profit or loss (“FVPTL”), which are stated at their fair value. The accounting policies have been applied consistently throughout the entire period presented in these financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Share Capital

Common shares are classified as equity. Incremental costs directly attributable to the issuance of shares are recognized as a deduction from equity.

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Notes to the Unaudited Condensed Interim Financial Statements For the Three and Six Months Ended August 31, 2020

Basic and Diluted Loss per Share

Basic loss per share is computed by dividing the net loss applicable to common shares by the weighted average number of common shares outstanding for the relevant period. Common shares escrowed pursuant to the requirements of the Exchange are excluded from the number of outstanding common shares.

Diluted loss per share is computed by dividing the net loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding if potentially dilutive instruments were converted.

Share-based Compensation

Equity-settled share based payments for directors, officers, employees, and consultants are measured at fair value at the date of grant and recorded as compensation expense in the financial statements. Share options are measured at the fair value of each tranche on the grant date and are recognized in their respective vesting period using the Company's expected forfeiture rate. Any consideration paid by directors, officers, employees and consultants on exercise of equity-settled share based payments is credited to share capital. Shares are issued from treasury upon the exercise of equity-settled share-based instruments.

Financial Instruments

Recognition

The Company recognizes financial assets and financial liabilities on the date the Company becomes a party to the contractual provisions of the instruments.

Classification

The Company classifies its financial assets and financial liabilities in the following measurement categories: i) those to be measured subsequently at fair value (either through other comprehensive loss or through profit or loss, and ii) those to be measured at amortized cost. The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at fair value through profit or loss (irrevocable election at the time of recognition). For assets and liabilities measured at fair value, gains and losses are either recorded in profit or loss or other comprehensive loss.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

The Company has implemented the following classifications:

Cash held in trust is classified as fair value through profit and loss and any period change in fair value is recorded in profit or loss. Accounts payable and accrued liabilities are classified as other financial liabilities and measured at amortized cost using the effective interest rate method.

Measurement

All financial instruments are required to be measured at fair value on initial recognition, plus, in case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss.

Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments or principal and interest on the principal outstanding are generally measured at amortized cost at the end of the subsequent accounting periods. All other financial assets including equity investments are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive loss (irrevocable election at the time of recognition).

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Notes to the Unaudited Condensed Interim Financial Statements For the Three and Six Months Ended August 31, 2020

Additional fair value measurement disclosure includes classification of financial instrument fair values in a fair value hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements which are as follows:

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and
Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

Cash held in trust is a level 1 financial instrument measured at fair value on the statement of financial position.

Income Taxes

Income tax expense consists of current and deferred tax expense. Current and deferred tax are recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current tax is recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the income tax rates enacted or substantively enacted at the end of the reporting period and includes any adjustment to taxes payable in respect of previous years.

Deferred tax is recognized on any temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable earnings. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized and the liability is settled. The effect of a change in the enacted or substantively enacted tax rates is recognized in net earnings and comprehensive income or in equity depending on the item to which the adjustments relate.

Deferred tax assets are recognized to the extent future recovery is probable. At each reporting period end, deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the assets to be recovered.

New Accounting Standards Issued and Adopted

IFRS 16, Leases (IFRS "16"). Issued in January 2016, IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. IFRS 16 applies to annual reporting periods beginning on or after January 1, 2019. As at August 31, 2020, the Company does not have any significant lease obligations.

4. SHARE CAPITAL AND RESERVES

a) Share Capital

Authorized:

Unlimited common shares

Issued:

The following table sets out the changes in common shares during the period.

	Number of Common Shares	Amount \$
Balance, February 29, 2020 and February 28, 2019	5,203,570	308,468
Exercise of agent warrants	208,100	31,835
Balance, August 31, 2020	5,411,670	340,303

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Notes to the Unaudited Condensed Interim Financial Statements For the Three and Six Months Ended August 31, 2020

In March 2018, the Company issued 3,000,000 common shares at a purchase price of \$0.05 per common share for gross proceeds of \$150,000. The 3,000,000 common shares issued at \$0.05 per share are held in escrow pursuant to the requirements of the Exchange. All common shares issued to directors, officers and shareholders prior to the completion of a Qualifying Transaction are deposited in escrow until the final exchange bulletin is issued.

In July, 2018, the Company completed its initial public offering (the "Offering") of 2,200,000 common shares at a purchase price of \$0.10 per common share for gross proceeds of \$220,000 and incurred costs of \$50,423 directly related to the Offering.

In connection with the Offering, the Company granted to Haywood Securities Inc. (the "Agent"), common share purchase warrants to acquire 220,000 common shares (the "Agent Warrants"). Each Agent Warrant is exercisable to acquire one common share at a price of \$0.10 until July 17, 2020. In connection with the Offering, the Agent was paid a cash commission equal to 10% of the aggregate gross proceeds from the Offering, a corporate finance fee of \$12,500 and reimbursed the Agent for legal fees and other reasonable expenses incurred pursuant to the Offering.

In October 2018, 3,570 Agent Warrants were exercised for gross proceeds of \$357. The value attributed to these warrants was \$189 (see Note 4 b).

In July 2020, 208,100 Agent Warrants were exercised for gross proceeds of \$20,810. The fair value attributed to these warrants was \$11,025 (see note 4 b).

Weighted Average Shares Outstanding

The following table summarizes the weighted average shares outstanding:

	Three Months Ended August 31		Six Months Ended August 30	
	2020	2019	2020	2019
Weighted Average Shares Outstanding, basic and diluted	2,320,061	2,203,570	2,261,815	2,203,570

As at August 31, 2020 and 2019, 3,000,000 common shares were excluded from the calculation as they were contingently issuable and all conditions necessary for their issuance have not been satisfied. As at August 31, 2020, there were 405,000 Options that could be exercised, however they are anti-dilutive.

The effects of any potential dilutive instruments on loss per share are anti-dilutive and therefore have been excluded from the calculation of diluted loss per share.

b) Common Share Purchase Warrants

The following table sets out the changes in warrants during the periods set out:

	Number of Warrants	Weighted Average Price \$
Balance, February 29, 2020 and February 28, 2019	216,430	0.10
Agent warrants exercised	(208,100)	0.10
Agent warrants expired	(8,330)	0.10
Balance, August 31, 2020	-	-

In connection with the Offering, the Company granted to the Agent, Warrants to acquire 220,000 common shares. Each Agent Warrant is exercisable to acquire one common share at a price of \$0.10 until July 17, 2020. The fair value of the Agent Warrants were estimated on the date of the issue using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, discount rate 1.92%, expected volatility 100% and expected life of 2 years. The fair value attributed to the 220,000 Agent Warrants was \$11,655.

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Notes to the Unaudited Condensed Interim Financial Statements For the Three and Six Months Ended August 31, 2020

In October 2018, 3,570 Agent Warrants were exercised for gross proceeds of \$357. The fair value attributed to these warrants was \$189.

In July 2020, 208,100 Agent Warrants were exercised for gross proceeds of \$20,810. The fair value attributed to these warrants was \$11,025.

On July 17, 2020, 8,330 Agent Warrants expired and the fair value attributed the Agent Warrants of \$441 was recorded in contributed surplus.

The following table summarizes the outstanding warrants as at August 31, 2020 and February 29, 2020, respectively:

Number of Warrants	Exercise Price	Expiry Date	Weighted Average Remaining Life (Years)	Warrant Value (\$)
-	-	-	-	-
Number of Warrants	Exercise Price	Expiry Date	Weighted Average Remaining Life (Years)	Warrant Value (\$)
216,430	\$0.10	July 17, 2020	0.38	11,466

c) Common Share Purchase Options

The Company has a stock option plan to provide incentives for directors, officers, employees and consultants of the Company. Options may be granted for a maximum term of five years from the date of the grant. They are non-transferable and are exercisable as determined by the Directors when the option is granted. Options expire within 12 months after completion of a qualifying transaction or within 90 days of termination of employment or holding office as director or officer of the Company and, in the case of death, expire within a maximum period of one year after such death, subject to the expiry date of the option. The stock option plan is subject to regulatory approval. Any shares issued upon exercise of the options prior to the Company entering into a Qualifying Transaction will be subject to escrow restrictions.

Upon closing of the Offering, the Company granted 405,000 common share purchase options to directors and officers. Each common share purchase option entitles the holder to acquire one common share of the Company at an exercise price of \$0.10 until July 16, 2023 (the "Options"). The fair value of the Options were estimated on the date of the issue using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, discount rate 2.04%, expected volatility 100%, forfeiture rate 0% and expected life of 5 years. The Company recorded the estimated fair value of the Options of \$30,344 as non-cash stock-based compensation expense.

The following table is a summary of the status of the Company's stock options and changes during the period ended May 31, 2020:

	Number of Options	Weighted Average Exercise Price \$
Balance, August 31, 2020, February 29, 2020 and February 28, 2019	405,000	0.10

The following table is a summary of the Company's stock options outstanding and exercisable as at August 31, 2020 and February 29, 2020, respectively:

Exercise Price	Options Outstanding			Options Exercisable	
	Number of Options	Weighted Average Remaining Life (Years)	Expiry Date	Number of Options	Weighted Average Exercise Price \$
\$0.10	405,000	2.87	July 16, 2023	405,000	0.10

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Notes to the Unaudited Condensed Interim Financial Statements For the Three and Six Months Ended August 31, 2020

Exercise Price	Number of Options	Options Outstanding			Options Exercisable	
		Weighted Average Remaining Life (Years)	Expiry Date	Number of Options	Weighted Average Exercise Price \$	
\$0.10	405,000	3.38	July 16, 2023	405,000	0.10	

d) Contributed Surplus

Contributed surplus transaction for the respective periods are as follows:

	<u>Amount \$</u>
Balance, February 29, 2020	-
Expiry of Agent Warrants	441
Balance August 31, 2020	441

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital Management

The Company's objective when managing capital is to maintain its ability to continue as a going concern, in order to provide returns for the shareholders and benefits for other stakeholders. The Company includes equity, comprised of share capital and deficit, in the definition of capital.

The Company's primary objective, with respect to its capital management, is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or \$210,000 may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company as defined under the Exchange policy 2.4.

Risk Disclosures and Fair Values

The Company's financial instruments, consisting of cash held in trust and accounts payable and accrued liabilities, approximate fair value due to the relatively short-term maturities of the instruments. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Risk And Uncertainties

The following describes certain risks, events and uncertainties that could affect the Company and that each reader should carefully consider. Please refer to the Company's final prospectus dated June 21, 2018, for additional risks, events and uncertainties that could affect the Company.

External financing may be required to fund the Company's activities primarily through the issuance of common shares. There can be no assurance that the Company will be able to obtain adequate financing. The securities of the Company should be considered a highly speculative investment.

The Company has not generated significant revenues and does not expect to generate significant revenues in the near future. In the event that the Company generates significant revenues in the future, the Company intends to retain its earnings in order to finance further growth. Furthermore, the Company has not paid any dividends in the past and does not expect to pay any dividends in the foreseeable future.

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Notes to the Unaudited Condensed Interim Financial Statements For the Three and Six Months Ended August 31, 2020

In March 2020, the World Health Organization declared a global pandemic related to the virus known as COVID-19. The expected impacts on global commerce are anticipated to be far reaching. To date there have been significant wide-spread stock market declines and the movement of people and goods has become restricted. As the Company has no material operating income or cash flows, it will be reliant on additional financing to fund ongoing operations and future acquisitions. An extended disruption may affect the Company's ability to obtain additional financing and complete a Qualifying Transaction ("QT"). The impact on the economy and the Company is not yet determinable; however, the Company's financial position, results of operations and cash flows in future periods may be materially affected. In particular, there may be heightened risk of liquidity or going concern uncertainty. The extent to which COVID-19 impacts the Company's ability to complete a QT on a timely basis, or at all, and the market for its securities will depend on future developments, which are highly uncertain and cannot be predicted at this time, and include the duration, severity and scope of the pandemic and the actions taken to contain or treat the COVID-19 pandemic.

6. PROPOSED TRANSACTION

The Company entered into a revised letter of intent with Garyn Angel Enterprises Inc. (also referred to as "Magical Brands") to pursue a business combination with Magical Brands, a Florida-based product innovation and consumer branding company in a securities exchange transaction (the "LOI"). Under the terms of the LOI the Company received a non-refundable deposit of \$13,429 (US\$10,000) to be applied to its costs incurred in connection with the completion of the Qualifying Transaction. The proposed transaction contemplated is subject to certain conditions and applicable shareholder, corporate and Exchange approvals in order to constitute the Company's "Qualifying Transaction" as such term is defined under the policies of the Exchange. No assurances are being made that the Qualifying Transaction will be consummated.

7. SUPPLEMENTAL CASH FLOW INFORMATION AND NON CASH TRANSACTIONS

The following table sets out the non-cash transactions for the periods set out.

Non-cash Transaction	August 31, 2020	February 29, 2020
Agent Warrants Exercised	(11,025)	-
Expiry of Agent Warrants	(414)	-

8. RELATED PARTY TRANSACTIONS

For the three and six month periods ending August 31, 2020, the Company incurred legal fees in the amount of \$17,314 to WeirFoulds LLP which relate to a proposed Qualifying Transaction (For the three and six months ended August 31, 2019: Nil). Wayne Egan, a director of the Company is also a partner of WeirFoulds LLP.