

# ***GOOD2GO2 CORP.***

(A Capital Pool Corporation)

## **Unaudited Condensed Interim Financial Statements**

**For the Three and Six Months Ended  
February 29, 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.

# GOOD2GO2 CORP.

## Statements of Financial Position Unaudited Condensed Interim Statements of Financial Position

	As at February 29, 2020	As at August 31, 2019
<b>Assets</b>		
<b>Current assets</b>		
Cash held in trust	\$ 246,828	\$ 124,091
Deferred offering costs	2,000	12,500
<b>Total current assets</b>	<u>248,828</u>	<u>136,591</u>
<b>Total Assets</b>	<u>\$ 248,828</u>	<u>\$ 136,591</u>
<b>Liabilities and Shareholders' Equity</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 734	\$ 31,190
<b>Total current liabilities</b>	<u>734</u>	<u>31,190</u>
<b>Shareholders' equity</b>		
Common shares (Note 4 a)	322,788	150,000
Common share purchase warrants (Note 4 b)	11,871	
Common share purchase options (Note c)	37,641	
Deficit	<u>(124,206)</u>	<u>(44,599)</u>
<b>Total shareholders' equity</b>	<u>248,094</u>	<u>105,401</u>
<b>Total Liabilities and Shareholders' Equity</b>	<u>\$ 248,828</u>	<u>\$ 136,591</u>

Subsequent Event (Note 6)

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

## **GOOD2GO2 CORP.**

### **Unaudited Condensed Interim Statements of Loss and Comprehensive Loss**

	<b>Three Months Ended February 29, 2020</b>	<b>Six Months Ended February 29, 2020</b>
<b>Expenses</b>		
Professional fees	\$ 21,535	\$ 23,708
Filing fees	517	9,049
Stock based compensation (Note 4 c)	37,641	37,641
Stock exchange fees	8,702	8,702
Transfer agent fees	507	507
<b>Net loss and comprehensive loss</b>	<b>\$ 68,902</b>	<b>\$ 79,607</b>
<b>Net loss per share, basic and diluted</b>	<b>\$ 0.17</b>	<b>\$ 0.20</b>
<b>Weighted Average shares outstanding, basic and diluted</b>	<b>395,604</b>	<b>395,604</b>

The accompanying notes are an integral part of these financial statements

# GOOD2GO2 CORP.

## Unaudited Condensed Interim Statement of Changes in Shareholders' Equity

	SHARE CAPITAL Number of Common Shares	SHARE CAPITAL Common shares \$	COMMON SHARE PURCHASE WARRANTS \$	COMMON SHARE PURCHASE OPTIONS \$	DEFICIT \$	TOTAL SHAREOLDERS' EQUITY \$
Balance, March 21, 2019	-	-	-	-	-	-
Share subscriptions (Note 4)	3,000,000	150,000	-	-	-	150,000
Net loss for the period	-	-	-	-	(44,599)	(44,599)
Balance, August 31, 2019	3,000,000	150,000	-	-	(44,599)	105,401
Share subscription (Note 4)	200,000	10,000	-	-	-	10,000
Initial public offering	2,250,000	225,000	-	-	-	225,000
Fair value of agent warrants	-	(11,871)	11,871	-	-	-
Offering costs	-	(50,341)	-	-	-	(50,341)
Share based compensation	-	-	-	37,641	-	37,641
Net loss for the period	-	-	-	-	(79,607)	(79,607)
<b>Balance, February 29, 2020</b>	<b>5,450,000</b>	<b>322,788</b>	<b>11,871</b>	<b>37,641</b>	<b>(124,206)</b>	<b>248,094</b>

The accompanying notes are an integral part of these financial statements

**GOOD2GO2 CORP.****Unaudited Condensed Interim Statement of Cash Flows****Six Months Ended  
February 29, 2020**

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<b>Cash (used in) provided by</b>		
<b>Operating activities</b>		
Net loss for the period	\$	(79,607)
Item not involving cash:		
Share based compensation		37,641
Working capital adjustments:		
Decrease in deferred offering costs		10,500
Decrease in accounts payable		(30,456)
<b>Net cash used in operating activities</b>		<u>(61,922)</u>
<b>Financing activities</b>		
Share subscription (Note 4 a)		10,000
Initial public offering (Note 4 a)		225,000
Offering costs		(50,341)
<b>Net cash provided by financing activities</b>		<u>184,659</u>
<b>Increase in cash for the period</b>		122,737
<b>Cash, beginning of period</b>		124,091
<b>Cash, end of period</b>	<b>\$</b>	<b><u>246,828</u></b>

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The accompanying notes are an integral part of these financial statements

# **GOOD2GO2 CORP.**

## **Notes to the Unaudited Condensed Interim Financial Statements For the Three and Six Months Ended February 29, 2020**

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### **1. INCORPORATION AND NATURE OF OPERATIONS**

Good2Go2 Corp. was incorporated under the *Canada Business Corporations Act* on March 21, 2019 and registered in the Province of Ontario on March 21, 2019 (“Good2Go2” or the “Company”). As the Company was incorporated on March 21, 2019, no comparative figures are available for presentation. The Company 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 GOAL.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 April 20, 2020, the Board of Directors of the Company approved the unaudited interim condensed financial statements for the three and six month period ended February 29, 2020.

#### **Basis of Measurement**

The Financial Statements have been prepared on a historical cost basis except for certain financial instruments measured at fair value.

#### **Functional and Presentation Currency**

The functional and presentation currency of the Company is Canadian dollars.

### **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.

#### **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, excluding shares held in escrow.

Diluted loss per share is calculated 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. 3,200,000 common shares were excluded from the calculation as they were contingently issuable and all conditions necessary for their issuance have not been satisfied (Note 4 a).

## **GOOD2GO2 CORP.**

### **Notes to the Unaudited Condensed Interim Financial Statements For the Three and Six Months Ended February 29, 2020**

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#### **Offering Costs**

Offering costs relate to expenditures incurred in connection with the Company's share offerings and are charged against share capital.

#### **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).

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;

## **GOOD2GO2 CORP.**

### **Notes to the Unaudited Condensed Interim Financial Statements For the Three and Six Months Ended February 29, 2020**

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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 statements 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.

#### **Measurement Uncertainty**

The preparation of financial statements, in conformity with IFRS accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates used in the financial statements.

#### **4. SHARE CAPITAL**

##### **a) Common Shares**

Authorized:

Unlimited common shares

Issued:

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

	<b>Number of Common Shares</b>	<b>Amount \$</b>
Balance, March 21, 2019	-	-
Share subscriptions (1)	3,000,000	150,000
Balance, August 31, 2019	3,000,000	150,000
Share subscription (1)	200,000	10,000
Initial public offering (2)	2,225,000	225,000
Fair value of agent warrants (2)	-	(11,871)
Offering costs (2)	-	(50,341)
<b>Balance, February 29, 2020</b>	<b>5,450,000</b>	<b>322,788</b>

## **GOOD2GO2 CORP.**

### **Notes to the Unaudited Condensed Interim Financial Statements For the Three and Six Months Ended February 29, 2020**

#### **1) Escrowed Shares**

The Company issued a total of 3,200,000 common shares at \$0.05 per share for total proceeds of \$160,000. The 3,200,000 common shares issued at \$0.05 per share, will be held in escrow pursuant to the requirements of the Exchange. All common shares granted to directors and officers prior to the completion of a Qualifying Transaction, must also be deposited in escrow until the final exchange bulletin is issued.

All common shares of the Company acquired in the secondary market prior to the completion of a Qualifying Transaction by a Control Person, as defined in the policies of the Exchange, are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Company held by principals of the resulting issuer will also be subject to escrow.

#### **2) Initial Public Offering**

On February 13, 2020, the Company completed its initial public offering (the "Offering") of 2,250,000 common shares at a purchase price of \$0.10 per common share for gross proceeds of \$225,000. During the period ended February 29, 2020, the Company incurred costs of \$50,423 directly related to the Offering.

Haywood Securities Inc., (the "Agent") acted as the agent for the initial public offering. In connection with the Offering, the Company granted to the Agent, common share purchase warrants to acquire 225,000 common shares (the "Warrants"). Each Warrant is exercisable to acquire one common share at a price of \$0.10 until February 12, 2022. The estimated fair value attributed to the Warrants was \$11,871. In connection with the Offering, the Agent was paid a cash commission equal to 10% of the aggregate gross proceeds from the sale of the common shares. The Company also paid a corporate finance fee of \$12,500 to the Agent and reimbursed the Agent for legal fees and other reasonable expenses incurred pursuant to the Offering.

#### **Weighted Average Shares Outstanding**

The following table summarizes the weighted average shares outstanding:

	<b>Three Months Ended February 29, 2020</b>	<b>Six Months Ended February 29, 2020</b>
Weighted Average Shares Outstanding, basic and diluted	395,604	395,604

As at February 29, 2020, 3,200,000 common shares were excluded from the calculation as they were contingently issuable and all conditions necessary for their issuance have not been satisfied. At February 29, 2020, there were 225,000 Warrants and 505,000 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 period ended February 29, 2020:

<b>Warrants</b>	<b>Number of Warrants</b>	<b>Weighted Average Price \$</b>
Outstanding, March 21, 2019 and August 31, 2019	-	-
Warrants issued	225,000	0.10
<b>Balance, February 29, 2020</b>	<b>225,000</b>	<b>\$0.10</b>

In connection with the Offering, the Company granted to the Agent warrants to acquire 225,000 common shares (the "Warrants"). Each Warrant is exercisable to acquire one common share at a price of \$0.10 until February 12, 2022. The fair value of the 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 1.51%, expected volatility 100% and expected life of 2 years. The fair value attributed to the 225,000 Warrants was \$11,871.

## GOOD2GO2 CORP.

### Notes to the Unaudited Condensed Interim Financial Statements For the Three and Six Months Ended February 29, 2020

The following table summarizes the outstanding warrants as at February 29, 2020:

Number of Warrants	Exercise Price	Expiry Date	Weighted Average Remaining Life (Years)	Warrant Value (\$)
225,000	\$0.10	February 12, 2022	1.96	11,871

#### 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 505,000 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 February 12, 2025 (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 1.39%, expected volatility 100%, forfeiture rate 0% and expected life of 5 years. The Company recorded the estimated fair value of the Options of \$37,641 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 August 31, 2019:

	Number of Options	Weighted Average Exercise Price \$
Balance, March 21, 2019 and August 31, 2019	-	-
Granted	505,000	0.10
<b>Balance, February 29, 2020</b>	<b>505,000</b>	<b>0.10</b>

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

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	505,000	4.96	February 12, 2025	505,000	0.10

Any shares issued upon exercise of the options prior to the Company entering into a Qualifying Transaction will be subject to escrow restrictions.

The stock option plan is subject to regulatory approval.

## 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.

## ***GOOD2GO2 CORP.***

### **Notes to the Unaudited Condensed Interim Financial Statements For the Three and Six Months Ended February 29, 2020**

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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 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.

#### **6. SUBSEQUENT EVENT**

Subsequent to February 29, 2020, financial markets have been negatively impacted by the novel Coronavirus or COVID-19, which was declared a pandemic by the World Health Organization on March 12, 2020. This has resulted in significant economic uncertainty and consequently it is difficult to reliably measure the potential impact of this uncertainty on our future financial results.