



International Cannabrand
ADVANCING WELLNESS AROUND THE GLOBE

Financial Statements of:
(Expressed in United States Dollars)

**INTERNATIONAL CANNABRANDS INC. (Formerly GEA
Technologies Ltd.)**

For the three months ended
March 31, 2018 and March 31, 2017

(Unaudited)

INTERNATIONAL CANNABRANDS INC. (Formerly GEA Technologies Ltd.)
Financial Statements for the three months ended March 31, 2018 and March 31, 2017
(Unaudited- Expressed in United States Dollars)

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MANAGEMENT'S RESPONSIBILITY

The management of **International Cannabrand Inc.** is responsible for the preparation of the accompanying financial statements and the preparation of information in the Annual Report. The financial statements have been prepared in accordance with International Financial Reporting Standards, and are considered by management to present fairly the financial position and operating results of the Company.

Under National Instrument 51-102, Continuous Disclosure Obligations, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

The Company maintains various systems of internal control to provide reasonable assurance that transactions are properly authorized and recorded, that assets are safeguarded, and that financial reports are properly maintained to provide accurate reliable financial statements.

The board of directors of International Cannabrand Inc., the successor to GEA Technologies Ltd. have approved the financial statements.

Jeffrey Britz
Director, Executive Chairman
May 30, 2018

Travis Belcher
Director
May 30, 2018

INTERNATIONAL CANNABRANDS INC. (Formerly GEA Technologies Ltd.)

Statements of Financial Position

(Expressed in United States Dollars)

	As at	
	March 31, 2018 (Unaudited)	December 31, 2017 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents (Note 7)	\$ 311,359	\$ 107,899
Trade and other receivables (Note 8)	13,290	15,162
Inventories (Note 9)	227,904	176,409
Prepaid expenses and deposits (Note 10)	4,350	4,350
Total current assets	556,903	303,820
Non-current assets		
Note receivable (Note 15)	32,670	32,512
Property, plant and equipment (Note 11)	230	299
Intangible assets (Note 12)	181,500	184,250
Total non-current assets	214,400	217,061
Total assets	\$ 771,303	\$ 520,881
LIABILITIES AND MEMBERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 13)	\$ 192,606	\$ 278,271
Deferred revenue (Note 14)	-	1,042
Total current liabilities	192,606	279,313
Non-current liabilities		
Due to related parties	937,150	932,750
Total non-current liabilities	937,150	932,750
Total liabilities	1,129,756	1,212,063
Share capital (Note 17)	1,306,059	645,774
Additional paid in capital (Note 17)	1,409,426	1,216,180
Deficit	(3,073,938)	(2,553,136)
Total stockholders' deficit	(358,453)	(691,182)
Total liabilities and stockholders' deficit	\$ 771,303	\$ 520,881

Approved on behalf of the Board:

“Jeffrey Britz” Director, Executive Chairman

“Travis Belcher” Director

INTERNATIONAL CANNABRANDS INC. (Formerly GEA Technologies Ltd.)
Statements of Changes in Stockholders' Deficit
(Expressed in United States Dollars)

	Member Contributions		Common Stock		Preferred Stock		Additional Paid in Capital	Deficit	Total Stockholders' Equity
	No. of Units	Total Amount	No. of Shares	\$	No. of Shares	\$			
Balance- December 31, 2015	9,840,000	355,895	-	\$ -	-	\$ -	-	\$ (767,729)	\$ (411,834)
Net loss for the period	-	-	-	-	-	-	-	(387,548)	(387,548)
Issuance of units	100,000	-	-	-	-	-	-	-	-
Balance- December 31, 2016	9,940,000	355,895	-	-	-	-	-	(1,155,277)	(799,382)
Net loss for the year ended December 31, 2017	-	-	-	-	-	-	-	(1,397,859)	(1,397,859)
Issuance of units (Note 17)	1,786,693	1,569,120	-	-	-	-	-	-	1,569,120
Cancellation of units (Note 17)	(2,071,250)	(219,040)	-	-	-	-	-	-	(219,040)
Effect of reverse merger (Note 17)	(9,655,443)	(1,705,975)	39,234,295	-	1,836,628	-	1,705,975	-	-
Shares issued for acquisition for finder's and other fees (Note 17)	-	-	10,541,400	495,533	-	-	(495,533)	-	-
Shares issued in a private placement (Note 17)	-	-	1,114,614	107,422	-	-	-	-	107,422
Shares issued from the conversion of preferred shares (Note 17)	-	-	20,168,880	-	(201,689)	-	-	-	-
Shares issued for the exercise of stock options (Note 17)	-	-	253,333	10,282	-	-	-	-	10,282
Shares issued for services (Note 17)	-	-	167,857	32,537	-	-	-	-	32,537
Stock based compensation	-	-	-	-	-	-	5,738	-	5,738
Balance- December 31, 2017	-	-	71,480,379	645,774	1,634,939	-	1,216,180	(2,553,136)	(691,182)
Net loss for the three months ended March 31, 2018	-	-	-	-	-	-	-	(520,802)	(520,802)
Shares issued in a private placement (Note 17)	-	-	5,878,914	546,437	-	-	-	-	546,437
Shares issued from the conversion of preferred shares (Note 17)	-	-	6,531,618	-	(65,316)	-	-	-	-
Shares issued for the exercise of stock options (Note 17)	-	-	120,001	-	-	-	-	-	-
Shares issued for services (Note 17)	-	-	400,000	-	-	-	105,369	-	105,369
Stock based compensation (Note 17)	-	-	-	-	-	-	87,877	-	87,877
Warrant exercises (Note 17)	-	-	808,708	113,848	-	-	-	-	113,848
Balance- March 31, 2018	-	-	85,219,620	\$ 1,306,059	1,569,623	\$ -	1,409,426	\$ (3,073,938)	\$ (358,453)

INTERNATIONAL CANNABRANDS INC. (Formerly GEA Technologies Ltd.)

Statements of Comprehensive Loss

(Expressed in United States Dollars)

	Three Months Ended,	
	March 31, 2018	March 31, 2017
	(Unaudited)	(Unaudited)
REVENUE	\$ 45,117	\$ 22,214
COST OF SALES	30,984	6,438
GROSS MARGIN	14,133	15,776
OPERATING EXPENSES:	334,629	160,807
LOSS FROM OPERATIONS	(320,496)	(145,031)
OTHER INCOME (EXPENSE):		
Interest income	-	1,135
Outside services exchanged for units of ownership	-	(300,022)
Other (expense) income	-	-
Interest expense	(4,241)	(5,818)
Amortization expense	(196,065)	(2,819)
Total other income (expense)	(200,306)	(307,524)
NET (LOSS) BEFORE TAXES	(520,802)	(452,555)
INCOME TAXES (Note 18)		
Current income tax expense (Note 18)	-	-
Loss on foreign translation	-	-
NET COMPREHENSIVE (LOSS) FOR THE YEAR	\$ (520,802)	\$ (452,555)
LOSS PER UNIT (Note 19)		
Basic and diluted	\$ (0.01)	\$ (0.05)
WEIGHTED AVERAGE UNITS ISSUED AND OUTSTANDING (Note 19)		
Basic and diluted	80,400,455	9,197,172

INTERNATIONAL CANNABRANDS INC. (Formerly GEA Technologies Ltd.)

Statements of Cash Flows

(Expressed in United States Dollars)

	Three Months Ended March 31,	
	2018	2017
	(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (520,802)	\$ (452,555)
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization expense	2,819	2,819
Stock based compensation	87,877	-
Issuance of shares for service	105,369	-
Accrued interest on related party loans	4,242	4,391
Outside services exchanged for units of ownership	-	300,023
Changes in operating assets and liabilities:		
Decrease in trade and other receivables	1,872	11,029
(Decrease) in due from related party	-	(33,083)
(Increase) decrease in inventories	(51,495)	9,371
(Decrease) increase in accounts payable and accrued liabilities	(85,665)	101,063
(Decrease) in deferred revenue	(1,042)	-
Net cash used in operating activities	(456,825)	(56,942)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Sale (purchase) of property and equipment	-	-
Net cash provided by (used in) investing activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from due to related parties	-	51,000
Equity issuances	546,437	-
Warrant exercises	113,848	-
Net cash provided by financing activities	660,285	51,000
Net increase (decrease) in cash and cash equivalents	203,460	(5,942)
Cash and cash equivalents		
Beginning of period, January 1	107,899	6,740
End of period, December 31,	\$ 311,359	\$ 798
Supplemental disclosure of cash flow information:		
Cash paid during the year for:		
Interest expense	\$ -	\$ 82,627
Supplemental schedule of non-cash financing activities		
Units issued in exchange for redemption of member	\$ -	\$ 300,000
Units issued in exchange for services	\$ -	\$ 300,023

**NOTES TO THE FINANCIAL STATEMENTS OF INTERNATIONAL CANNABRANDS INC.
(Formerly GEA Technologies Ltd.)**

For the three months ended March 31, 2018 and March 31, 2017 (expressed in United States Dollars)

1. NATURE OF BUSINESS

International Cannabrand Inc. (formerly GEA Technologies Ltd. ("GEA"), by way of a name change) was incorporated under the provisions of the *Business Corporations Act* in the Province of Alberta on May 3, 2011. The common shares of GEA are listed and posted for trading on the Canadian Securities Exchange under the symbol JUJU.

On November 16, 2017, the Company held an Annual and Special Shareholder Meeting whereby the voting shareholders approved the name change of the Company from GEA Technologies Ltd. to International Cannabrand Inc. On November 22, 2017, the Company filed Articles of Amendment that effected its name change to International Cannabrand Inc. The Company's stock symbol remained as "JUJU.A" and no other changes were made to the Company's share capital.

On September 21, 2017, GEA completed a reverse acquisition with DropLeaf which was effected pursuant to share exchange agreement entered into between GEA and DropLeaf and the members of DropLeaf. Pursuant to the share exchange agreement, GEA acquired all of the issued and outstanding shares of DropLeaf (the "Transaction"). As part of the Transaction, DropLeaf underwent a merger and conversion to become International Cannabrand Ltd. ("International Cannabrand").

Dropleaf, LLC ("DropLeaf") was a limited liability company created on October 16, 2014, in the State of Nevada, USA. DropLeaf was a licensing firm of the name, image, and personality rights of celebrities. Those rights are sublicensed out to others. Currently the Company's sole license is with Julian "JuJu" Marley, the son of legendary reggae artist Bob Marley. The Company has the rights for 5 years, with a renewal options for 15 years, and the rights of first refusal for up to 40 years for a total of 60 years to sub-license Julian's name and image under the "JuJu Royal" brand only for products that are associated with cannabis. This includes flower, various pipes, and other merchandise.

DropLeaf consisted of both managing and non-managing members. While all members hold an allocated share of profit, loss, and credits based on their capital contributions, the managing members handled the day-to-day operations of DropLeaf.

The Company's principal activity is to generate revenue from licensing brands to growers, edible manufacturers, oil extractors, producers of ancillary products and apparel in the United States where cannabis has been legalized at the state level, as well as products containing CBD in the US and internationally. The Company's head office is located at Suite #106, 1045 Lincoln Street, Denver, Colorado 80203.

Although the Transaction resulted in International Cannabrand becoming a wholly-owned subsidiary of the Company, the Transaction constituted a reverse acquisition of the Company by International Cannabrand in-as-much as the former members of DropLeaf LLC received 95%, on a non-diluted basis, of the issued and outstanding common shares of the resulting corporation. For accounting purposes, International Cannabrand is considered the acquirer and GEA the acquiree. Accordingly, the financial statements are a continuation of the financial statements of

International Cannabrands and references to the “Company” will mean the consolidated entity subsequent to the date of the transaction and to DropLeaf LLC prior to that date. The financial statements include the financial position and results of International Cannabrands and GEA.

GEA acquired its interest of the issued and outstanding shares of DropLeaf as detailed above. The fair value of net identifiable assets of DropLeaf as at September 26, 2017, prior to the transaction was:

Assets and Liabilities of DropLeaf	Amount (In CN \$)
Current assets	\$434,965
Non-current assets	226,222
Liabilities	(1,244,344)
Equity	\$(583,157)

Control of the Company passed to the former shareholders of DropLeaf upon the closing of the transaction. This type of share exchange is referred to as a “reverse merger.” A reverse merger transaction involving a non-public enterprise and a non-operating public company is a capital transaction in substance, rather than a business combination. That is, the transaction is equivalent to the issue of shares by the non-public operating enterprise for the net monetary assets of the non-operating public company, accompanied by a recapitalization of the non-public operating enterprise.

The purchase price was allocated as follows:

	Amount
Cash	\$16,817
Net other assets and liabilities	(22,363)
Fair value of shares exchanged	528,070
Fair value of finder’s fee shares	(528,070)
Loss on acquisition	\$(5,546)

The Company issued 16,623,788 common shares and 1,836,630 preferred shares to DropLeaf for the value of the \$528,070.

Pursuant to a Finder’s Fee Agreement, the Company issued 10,541,400 GEA Common Shares (issuable at a deemed price of \$0.05 per share) or \$528,070 on Closing to a party at arm’s length to GEA and DropLeaf, as a finder’s fee.

Acquisition entries reverse the share capital of DropLeaf and the reserves and deficit of GEA as of September 21, 2017. The Company has one year to finalize the accounting for the reverse merger.

On January 29, 2018, the Issuer announced that it has commenced trading on the Frankfurt stock exchange under the symbol "31G". In addition, the Company announced it is also quoted on the Berlin Open Market and the Tradegate Exchange, as well as over-the-counter on OTC US under the symbol GEATF.

On March 22, 2018, the Company incorporated Rasta Puppy LLC in the state of Nevada.

2. GOING CONCERN

The financial statements were prepared on a going concern basis. The going concern basis

assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The Company has attained an operating loss of \$520,802 for the three months ended March 31, 2018 (March 31, 2017 - \$452,555) and has an accumulated deficit of \$3,073,938 as at March 31, 2018 (December 31, 2017 - \$2,553,136). The Company expects such losses to lessen moving forward into the foreseeable future as it continues to develop and commercialize its products. The Company has funded its current cash needs primarily through loans and capital infusions from its shareholders. The Company plans on addressing future financial requirements through loans and capital infusions from its members.

The Company's ability to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities when due is dependent upon the Company's ability to obtain the ongoing support of its lenders, investors, obtain profitable operations, and raise additional capital. These consolidated financial statements do not include any adjustments to the carrying value and classification of assets and liabilities that would necessary should the Company not be able to continue as a going concern, and such adjustments could be material.

3. BASIS OF PRESENTATION

The unaudited consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value.

Statement of compliance

The unaudited financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), London, and the Interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and in effect as of May 30, 2018.

Management of the Company prepared the consolidated financial statements of the Company during the period of January 1, 2017 to March 31, 2018, and the Board of Directors approved them on May 30, 2018.

The unaudited consolidated financial statements of the Company are drawn up in United States dollars. Amounts are stated in and recorded to the nearest thousands of United States dollars except where otherwise indicated. The unaudited consolidated financial statements are prepared as of the three months ended date of the Company's financial statements.

In the unaudited consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, and consolidated statement of changes in equity, certain items are combined for the sake of clarity. These are explained within the notes. The consolidated statement of comprehensive income is prepared using the cost-of-sales method. Assets and liabilities are classified by maturity. They are regarded as current if they mature within one year or within the normal business cycle of the Company. The normal business cycle is defined for this purpose as beginning with the procurement of the resources necessary for the production process and ending with the receipt of cash or cash equivalents as consideration for the sale of the goods produced in that process. Trade and other receivables and payable, claims for tax refunds, tax liabilities and inventories are always presented as current items; deferred tax assets and liabilities, if any, are presented as non-current items. Provisions, debt and other liabilities are shown between current and non-current.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiary. Inter-Company items and transactions have been eliminated in consolidation.

(b) Revenue Recognition

The Company derives revenue from product sales and royalty fees charged to customers in accordance to sub-license agreements. The sub-license gives the customer the right to use the trademark in conjunction with the use, marketing, selling and distribution of the licensed products.

Revenue for product sales is recognized when there is evidence of arrangement, the amount is fixed or determinable, products are shipped to the customer, and collection is reasonably assured and is recorded net of discounts or sales incentives. Amounts received prior to the shipment of products are recognized as deferred revenue in the year received and recorded as revenue when the products are shipped and the above criteria is met.

Revenue for sub-licensing is recognized over the term of the agreement as it is earned. It is recognized over a straight-line basis and the unearned portion is classified as deferred revenue.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all its revenue arrangements.

The reserve for doubtful accounts was \$5,000 at March 31, 2018 and December 31, 2017, respectively.

(c) Cash and Cash Equivalents and Cash Flows

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less. For the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above. The Company uses the indirect method of reporting cash flow from operating activities.

(d) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost includes direct component costs as well as applicable normal manufacturing overhead. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. The reserve for obsolete inventories was \$12,040 at March 31, 2018 and December 31, 2017, respectively.

(e) Property, Plant and Equipment

Property, plant and equipment are measured at cost less accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property and equipment are required to be replaced in intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of

comprehensive income as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognized net within other income (expenses) in statement of comprehensive income.

Depreciation is calculated based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognized in statement of comprehensive income on a straight-line basis over the estimated useful lives of each item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term in which case it is depreciated over the useful life. Depreciation is provided for using the following methods and annual rates:

Furniture and fixtures 7 years straight-line

The Company assesses at each year end the useful lives and residual values of all property, plant and equipment and changes its estimates if required.

(f) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Certain internally generated intangible assets are capitalized, as they meet the criterion under IAS 38.

(g) Impairment of Non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset or a group of assets (CGU) may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less disposal costs and its value in use. Where the carrying amount of an asset (CGU) exceeds its recoverable amount, the asset (CGU) is considered impaired and is written down to its recoverable amount. 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 assessments of the time value of money and the risks specific to the asset or cash-generating unit. In determining fair value less costs of disposal, an appropriate valuation model is used. The Company has cash-generating units which impairment could be tested against. The Company had no goodwill or indefinite life intangible assets for the three months ended March 31, 2018 and 2017.

Impairment losses, if any, of continuing operations are recognized in the statement of comprehensive income in those expense categories consistent with the function and nature of the impaired asset.

For non-financial assets, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the non-financial asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the non-financial asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the non-financial asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortization, had no impairment loss been recognized for the non-financial asset in prior periods. Such reversal is recognized in the statement of comprehensive income.

(h) Contributions

Contributions were classified as equity. Incremental costs directly attributable to the issue of units and unit-based payments are recognized as a deduction from equity, net of any tax effects.

(i) Taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income (loss).

Current income tax

Current income tax assets and liabilities for the respective and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the reporting date, in the country where the Company operates and generates taxable income. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- Where the deferred tax liability arises from an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in the subsidiary where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in the subsidiaries, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income (loss) or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred tax relate to the same taxable entity and the same taxation authority.

Sales tax

Revenues, expenses, liabilities and assets are recognized net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable.
- Receivables and payables that are stated with the amount of sales tax included.
- The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

(j) Earnings (Loss) Per Share

The Company presents basic and diluted earnings (loss) per unit data for its shares. Basic earnings (loss) per unit are calculated by dividing the income (loss) for the period by the weighted average number of shares that are outstanding during the period. Diluted earnings (loss) per unit are calculated using the weighted average number of common and potential shares outstanding during the period. Potential units consist of the incremental units issuable upon the exercise of stock options and warrants using the treasury method. The treasury method assumes that the proceeds from the issuance of potential shares are used to purchase shares at the average market price during the period.

(k) Financial Instruments – initial recognition and subsequent measurement

Financial assets and financial liabilities are recognized when the Corporation becomes party to the contractual provisions of the financial instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments classified as amortized costs or FVTOCI are included with the carrying amount of such instruments. Transaction costs that are directly attributable to the acquisition or issue of financial instruments classified as fair value through profit or loss (FVTPL) are recognized immediately in the profit or loss within the consolidated statements of comprehensive income.

Financial Assets

From January 1, 2016, the Corporation classifies its financial assets in the following measurement categories: those to be measured at amortized cost and those to be measured subsequently at fair value (either through other comprehensive income (FVTOCI), or through profit or loss (FVTPL)). The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Financial Assets at Amortized Cost

Financial assets that meet the following conditions are measured at amortized cost less impairment losses: the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash-flows; the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and the financial asset was not acquired principally for the purpose of selling in the near term or for short-term profit taking (held-for-trading).

Financial Assets at Fair Value Through Profit or Loss (FVTPL)

All other financial assets, except equity and debt instruments as described below, are remeasured at fair value and classified as fair value through profit or loss. The gains or losses, if any, arising on re-measurement of FVTPL are recognized in profit or loss within the consolidated statements of comprehensive income.

The method of measurement of instruments in debt instruments will depend on the business model in which the instrument is held. For instruments in equity instruments, it will depend on whether the Corporation has made an irrevocable election at the time of initial recognition to account for the equity instrument at fair value through other comprehensive income (FVTOCI). Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial Liabilities

Financial liabilities are classified as FVTPL when the financial liability is either held-for-trading or is designated at FVTPL. Financial liabilities at FVTPL are remeasured in subsequent reporting periods at fair value. Any gains or losses arising on re-measurement of held-for-trading financial liabilities are recognized in profit or loss within the consolidated statements of comprehensive income. Such gains or losses recognized in profit or loss includes any interest paid on the financial liabilities. Financial liabilities that are not held-for-trading and are not designated as FVTPL are measured at amortized cost. The carrying amounts of financial liabilities that are measured at amortized cost are determined based on the effective interest rate method. The effective interest method is a method of calculating the amortized cost of a financial liability (or

financial asset) and of allocating interest expense (or income) over the expected life of the financial liability (or financial asset). All financial assets and financial liabilities held by the Corporation are measured at amortized cost.

Impairment

The Corporation assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortized cost and FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Corporation applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

The Corporation has applied IFRS 9 retrospectively but has elected not to restate comparative information as there is no impact on the financial statements of the Corporation from adopting IFRS 9. As a result, the comparative information provided continues to be accounted for in accordance with the Corporation's previous accounting policy which reflects the same measurement of IFRS 9.

The accounting policies were changed to comply with the full requirements of IFRS 9 as issued by the IASB. IFRS 9 replaces the provisions of IAS 39 that relate to the recognition classification and measurement of financial assets and financial liabilities; derecognition of financial instruments; impairment of financial assets and hedge accounting. IFRS 9 also significantly amends other standards dealing with financial instruments such as IFRS 7 *Financial Instruments: Disclosures*. The total impact on retained earnings due to classification and measurement of financial instruments as at January 1, 2016 and the date of these financial statements was NIL.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

(l) Derivative financial instruments and hedge accounting

The Company has not entered any derivative financial instruments and has not applied hedge accounting for the three months ended March 31, 2018 and 2017.

(m) Leases

Finance leases, which transfer to the Corporation substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Operating lease payments are recognized as an expense in the statement of profit or loss on a straight-line basis over the lease term.

(n) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction, or production of an asset that necessarily takes a substantial year of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the year they occur. Borrowing costs consist of interest and other costs that the Company incurs relating to the borrowing of funds. For the three months ended March 31, 2018 and 2017, the Company did not capitalize any borrowing costs.

5. SIGNIFICANT ACCOUNTING JUDGMENT, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's consolidated financial statements requires management to make judgments, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets, and liabilities, and the disclosure of contingent liabilities, at the end of the reporting years. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future years.

In the process of applying the Company's accounting policies, management has made the following judgment, which has the most significant effect on the amounts recognized in the consolidated financial statements.

Impairment of non-financial assets

Impairment exists when the carrying value of a non-financial asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to dispose and its value in use. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the Company's budget and do not include restructuring activities, if any, that the Company is not yet committed to or significant future investments that will enhance the non-financial asset's performance of the cash-generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable amount for the cash-generating units may include a sensitivity analysis.

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the range of business relationships and the long-term nature of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

Deferred tax assets, if any, are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk, and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

6. STANDARDS ISSUED BUT NOT YET EFFECTIVE

As at March 31, 2018 certain new standards, amendments, and interpretations to existing IFRS standards have been published but are not yet effective and have not been adopted by the Corporation.

The International Accounting Standards Board issued on January 13, 2016 a new accounting standard called IFRS 16 *Leases*. IFRS 16 *Leases* replaces IAS 17 *Leases*. IFRS 16 requires all leases to be reported on an entity's statement of financial position as assets and liabilities. IFRS 16 is effective January 1, 2019. The Corporation has assessed and determined that there will be no impact to the financial statements upon adoption.

The IASB published an amendment to IAS 12 in January 2016 referred to as IAS 12: *Income Taxes: Recognition of Deferred Tax Assets for Unrealized Losses*. The amendment is effective for reporting periods starting on or after January 1, 2017. The amendment is not relevant to the Corporation.

The IASB has issued the following updates to the Standards, which were all early adopted on January 1, 2016 and for which there was no impact on the statement of financial position, results of operations, or disclosures: IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*: Changes in methods of disposal, IFRS 7 *Financial Instruments: Disclosures*: Servicing contracts, IAS 19 *Employee Benefits*: Discount rate IAS 34 *Interim Financial Reporting*: Disclosure.

The IASB issued *Disclosure Initiative*, amendments to IAS 1 in December 2014 with an effective date of January 1, 2016. The Corporation has adopted the amendments on January 1, 2016. The adoption resulted in reduced disclosures in non-material areas.

As at January 1, 2016, the Corporation has elected to early adopt IFRS 15 *Revenue from Contracts with Customers* as issued by the IASB. In accordance with the transition provisions in IFRS 15, the new rules have been adopted retrospectively and comparatives for the prior financial periods and year have not been restated, as there was no difference in the application of IFRS 15 and the prior IAS 11 and IAS 18 and the various IFRIC interpretations.

As at January 1, 2016, the Corporation has elected to early adopt IFRS 9 *Financial Instruments* as issued by the IASB. In accordance with the transitional provisions in IFRS 9.7.2.15, comparative figures have not been restated. When compared to IAS 39 *Financial Instruments: Recognition and Measurement*, the adoption of IFRS 9 has not resulted in any significant changes to the measurement on the statements of financial position, the statement of comprehensive income (loss), or within the note disclosures.

All other standards were early adopted as explained in the prior year's financial statements.

7. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at banks and on hand in the amount of \$311,359 as at March 31, 2018 (December 31, 2017 - \$107,899).

8. TRADE AND OTHER RECEIVABLES

		March 31, 2018		December 31, 2017	
Trade receivables	\$	18,290	\$	20,162	
Less: Impairment		(5,000)		(5,000)	
Total trade and other receivables	\$	13,290	\$	15,162	

Trade receivables are non-interest bearing and are generally on 60 day terms. The aging analysis of trade receivables is as follows:

	Total	Neither past due nor impaired	Past due but not impaired		
			<30 days	30-60 days	>60 days
March 31, 2018	\$ 18,290	\$ 11,618	\$ (109)	\$ 2,839	\$ 3,942
December 31, 2017	\$ 20,162	\$ 6,966	\$ 2,751	\$ -	\$ 10,445

Provision for uncollectable accounts is provided by using the allowance method based on management estimates and past experience. The reserve for uncollectable accounts was \$5,000 at March 31, 2018 and December 31, 2017, respectively.

9. INVENTORIES

		March 31, 2018		December 31, 2017	
Raw materials (at cost)	\$	-	\$	-	
Packaging materials (at cost)		34,975		240	
Finished goods (at cost)		135,599		150,009	
Inventory in production (at cost)		69,370		38,200	
Less: Impairment		(12,040)		(12,040)	
Total inventories (lower of cost and NRV)	\$	227,904	\$	176,409	

10. PREPAID EXPENSES

		March 31, 2018		December 31, 2017	
Security deposits	\$	4,350	\$	4,350	
Total prepaid expenses	\$	4,350	\$	4,350	

11. PROPERTY, PLANT AND EQUIPMENT

		Furniture and Fixtures	
		Total	Total
Cost:			
At January 1, 2016	\$	-	\$ -
Additions		827	827
Disposals		-	-
At December 31, 2016		827	827
Additions		1,495	1,495
Disposals		(1,183)	(1,183)
At December 31, 2017	\$	1,139	\$ 1,139
Additions		-	-
Disposals		-	-
At March 31, 2018	\$	1,139	\$ 1,139
Depreciation and impairment:			
At January 1, 2016	\$	-	\$ -
Depreciation for the year		253	253
Impairment		-	-
At December 31, 2016		253	253
Depreciation for the year		587	587
Impairment		-	-
At December 31, 2017	\$	840	\$ 840
Depreciation for the year		69	69
Impairment		-	-
At March 31, 2018	\$	909	\$ 909
Net Book Value:			
At March 31, 2018	\$	230	\$ 230
At December 31, 2017	\$	299	\$ 299

12. INTANGIBLE ASSETS

		License Agreement
Cost:		
At January 1, 2016	\$	220,000
Additions		-
Disposals		-
At December 31, 2016		-
Additions		-
Disposals		-
At December 31, 2017	\$	220,000
Additions		-
Disposals		-
At March 31, 2018	\$	220,000
Amortization and impairment:		
At January 1, 2016	\$	13,750
Amortization charge for the year		11,000
Impairment		-
At December 31, 2016		-
Amortization charge for the year		11,000
Impairment		-
At December 31, 2017	\$	35,750
Amortization charge for the year		2,750
Impairment		-
At March 31, 2018	\$	38,500
Net Book Value:		
At March 31, 2018	\$	181,500
At December 31, 2017	\$	184,250

13. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		March 31, 2018		December 31, 2017
Trade payables	\$	94,560	\$	181,954
Accrued liabilities		1,137		2,051
Credit cards		96,139		93,502
Commodity and business taxes payable		770		764
Total accounts payable and accrued liabilities	\$	192,606	\$	278,271

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing
- Accrued liabilities are non-interest bearing
- Commodity and business taxes payable are non-interest bearing

14. DEFERRED REVENUE

The Company has sub-license agreements with licensees to market, sell and distribute certain licensed products. The Company has sub-license agreements that range from one to three years with renewal if both parties approve. The amount is recognized equally over the term of the sub-license agreement.

		Total
At January 1, 2016	\$	17,729
Arising during the year		35,000
Utilized		(9,510)
At December 31, 2016		43,219
Arising during the year		5,694
Utilized		(47,871)
At December 31, 2017	\$	1,042
Arising during the year		-
Utilized		-
At December 31, 2017	\$	1,042
Current - March 31, 2018	\$	-
Non-current - March 31, 2018		-
Total deferred revenue	\$	-

15. RELATED PARTY TRANSACTIONS AND CERTAIN RELATIONSHIPS

Due from related party

On March 16, 2017, a director was issued 536,522 shares in exchange for a \$32,000 note receivable. The note is due on March 15, 2020 with accrued interest \$670 at March 31, 2018.

Due to related parties

At March 31, 2018, the total loans from related parties are as follow:

		March 31, 2018		December 31, 2017
Advances from shareholder	\$	892,133	\$	892,133
Accrued interest - shareholder		45,017		40,617
Total due to related party transactions	\$	937,150	\$	932,750

Due to related parties currently consists of one loan. The loan represents advances from one of its shareholders with no repayment terms. The advances accrue simple interest at a rate of 2% per annum starting January 1, 2015.

Certain Relationships

On October 5, 2017, the Issuer jointly announced with Maricann Group Inc. (CSE:MARI, OTCQB: MRRCF) (“Maricann”), that the Issuer’s subsidiary, International Cannabrand Ltd. entered into an arm’s length relationship with Julian Marley and Maricann to cultivate and formulate JuJu Royal, a premium and market established group of products. Under the terms of the agreement, subject to meeting certain revenue targets, Maricann will have the exclusive right to cultivate, extract and distribute in Canada the JuJu Royal line of products that are currently offered in the United States. Distribution is expected to begin January 1, 2018. The agreement is for a period of three years, following receipt of approval from Health Canada to sell the products. In addition, Maricann has a right of first refusal to distribute any JuJu Royal products in Europe.

During November 2017, the Company entered into a verbal distribution agreement with a distributor in Northern California. This company distributes to approximately 100 dispensaries in northern California, including San Jose, San Francisco, Oakland, Humboldt, Sacramento, San Bernardino and the surrounding areas of those cities. These retail locations will now have the opportunity to carry all JuJu Royal cannabis products, including signature strains of flower, pre-

rolls, shatter, wax, CO2 cartridges, CBD products and disposable vape pens through this agreement.

On December 15, 2017, the Company entered into an agreement with CFN Media Group ("CFN Media", "CannabisFN") the leading agency and financial media network dedicated to the North American cannabis industry, to conduct a four-month investor and market visibility program beginning on December 18, 2017. CFN Media will assist the Company with content development, coverage on its digital media network and analytical reporting. CFN Media is entitled to receive \$25,000 and 142,857 common shares.

On January 1, 2018, the Company entered into a consulting agreement with Uptick Capital LLC for the provision of short and long-term strategic planning services. As part of the consideration, the Issuer agreed to issue 200,000 common shares to Uptick Capital LLC.

On January 4, 2018 the Company hired Eric Singer to head up the Company's efforts to license and roll out "Concept Stores" under the Julian Marley JuJu Royal Ultra Premium Cannabis brand.

On February 20, 2018 the Company announced that it entered into an exclusive distribution agreement with KUMAA Enterprises Ltd. to distribute JuJu Royal Products in the United Kingdom and Europe. KUMAA will have the exclusive right to distribute the JuJu Royal line of products in the UK and the European Union. In addition, JuJu Royal products will be showcased by KUMAA at the 2018 Vaper Expo UK, held annually in Birmingham, UK, as well as various trade shows throughout Europe. Vaper Expo UK is recognized as the largest and most important vaping event in Europe and is considered to be the must-attend expo for the UK and International manufacturers, suppliers and distributors. KUMAA Enterprises Ltd. a private company based in the garden of England, Kent has been distributing CBD products to its clients since 2015 with the ai of educating the general public to the benefits of CBD and offering high quality brands in the United Kingdom, the European Union and the Middle East.

On March 1, 2018, the Company announced that it entered into an agreement with Cathedral City Care Collective, a dispensary in Cathedral City, California, to launch the first dedicated section of a store to JuJu Royal Products. The "store within a store" concept is one of the retail strategies the Company intends to utilize. Cathedral City Care will dedicate a section of its store to the full range JuJu Royal Products, including merchandise.

On March 21, 2018, the Company announced it entered into a Social Media Agreement with Bang Digital Media Inc., a wholly owned subsidiary of Bang Holdings Corp (OTC: BXNG), who will provide digital strategy, content creation and social media management services specifically to the JuJu Royal brand.

16. OTHER FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Fair Values

Set out below is a comparison by class of the carrying amount and fair value of the Company's financial instruments that are carried in the financial statements.

	Carrying Amount		Fair Value	
	March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017
Financial Assets				
Cash and cash equivalents	\$ 311,359	\$ 107,899	\$ 311,359	\$ 107,899
Trade and accounts receivables	13,290	15,162	13,290	15,162
Total financial assets	\$ 324,649	\$ 123,061	\$ 324,649	\$ 123,061
	Carrying Amount		Fair Value	
	March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017
Financial Liabilities				
Accounts payable and accrued liabilities	\$ 192,606	\$ 279,313	\$ 192,606	\$ 279,313
Total financial liabilities	\$ 192,606	\$ 279,313	\$ 192,606	\$ 279,313

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- Trade and other receivables, accounts payable and accrued liabilities, other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Fair values of quoted instruments are based on price quotations at the reporting date. The fair value of unquoted instruments and other financial liabilities (loans payable) are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk, and remaining maturities.

Fair value hierarchy

As at March 31, 2018 and 2017, the Company held the following financial instruments measured at fair value: cash and cash equivalents (level 1).

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

During the three months ended March 31, 2018 there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

	March 31, 2018	Level 1	Level 2	Level 3
Assets measured at fair value				
Cash and cash equivalents	\$ 311,359	\$ 311,359	\$ -	\$ -
Total assets measured at fair value	\$ 311,359	\$ 311,359	\$ -	\$ -
No liabilities were measured at fair value				
	\$ -	\$ -	\$ -	\$ -

17. EQUITY INSTRUMENTS

Reverse Merger

On September 21, 2017, the Company elected to be treated as a corporation for tax purposes and prepared and filed Articles of Merger in accordance with the Plan of Merger and Plan of Conversion contained in the Share Exchange Agreement, whereby International Cannabrands Ltd., a wholly owned subsidiary of GEA merged into the Company. The Company then prepared and filed Articles of Conversion whereby the Company converted from a limited liability company into a corporation concurrent with the merger).

As a result, the three-cornered amalgamation with GEA was completed on September 21, 2017, which resulted in the reverse take-over of GEA. GEA issued 16,623,790 Common Shares and 1,836,628 GEA Preferred Shares to the holders of the Company and will continue to operate the business of the Company through its subsidiary International Cannabrands Ltd. The GEA Preferred Shares are limited to 1,837,000 GEA Preferred Shares and each have a restricted right to convert into one hundred (100) GEA Common Shares. Conversion is subject to a restriction that no more than 40% of the total number of GEA Common Shares and GEA Preferred Shares may be held by residents of the United States. The GEA Preferred Shares will be automatically converted into GEA Common Shares in certain circumstances, including upon the registration of the GEA Common Shares under the *United States Securities Act of 1933*, as amended. The holders of GEA Preferred Shares are entitled to vote on an as-converted basis (one hundred (100) GEA Common Shares per one GEA Preferred Share, are entitled to receive such dividends as declared by the Board of Directors on the GEA Common Shares, on an as-converted basis (100:1) and to share in the remaining property and assets of GEA in the event of a liquidation, dissolution or winding-up of GEA, together with the holders of GEA Common Shares, on an as-converted basis.

Immediately prior to and in connection with the closing, GEA issued an aggregate of 11,902,439 GEA Common Shares at a price of \$0.05 per common share to raise gross proceeds of Cdn\$595,122. In addition, 10,541,400 GEA Common Shares were issued following Closing at a deemed price of Cdn\$0.06 per share to a party at arm's length to GEA and the Company, as a finder's fee in connection with the transaction. GEA was listed for trading on the Canadian Securities Exchange on September 25, 2017, and was delisted from the NEX board of the TSX Venture Exchange.

Shares Outstanding

The Company had 85,219,620 common shares outstanding at March 31, 2018.

Each shareholder shall be entitled to one vote for each common share held.

	Number of Shares	Total Amount
Balance - January 1, 2016	9,840,000	\$ 355,895
Issuance of units in exchange for services	100,000	-
Balance - December 31, 2016	9,940,000	355,895
Issuance of units	1,786,693	1,569,120
Cancellation of units	(2,071,250)	(219,040)
Effect of reverse merger	(9,655,443)	(1,705,975)
Effect of reverse merger	39,234,295	-
Shares issued for acquisition for finder's and other fees	10,541,400	495,533
Shares issued in a private placement	1,114,614	107,422
Shares issued from the conversion of preferred shares	20,168,880	-
Shares issued for the exercise of stock options	253,333	10,282
Shares issued for services	167,857	32,537
Balance - December 31, 2017	71,480,379	645,774
Shares issued in a private placement	5,878,914	546,437
Shares issued from the conversion of preferred shares	6,531,618	-
Shares issued for the exercise of stock options	120,001	-
Shares issued for services	400,000	-
Warrant exercises	808,708	113,848
Balance - March 31, 2018	85,219,620	\$ 1,306,059

On January 12, 2018, the Company closed its second and third tranches of a non-brokered private placement and issued an aggregate of 5,878,914 common shares on January 5, 2018 and January 12, 2018, for gross proceeds of \$546,437. The common shares and warrants bear a four-month hold period from the closing date, which expire on May 6, 2017, May 13, 2018, respectively.

During the three months ended March 31, 2018, the Company issued 400,000 shares of common stock and expensed \$105,639

During the three months ended March 31, 2018, the Company issued 120,001 shares of common stock related to stock option exercises.

On January 29, 2018, the Issuer provided notice to the holders of its outstanding share purchase warrants (to purchase 3,496,758 common shares) that the expiry date would be accelerated from 12 months to March 1, 2018. On March 1, 2018, the Company issued 808,708 common shares pursuant to the exercise of warrants at a price of \$0.141 per share for gross proceeds of \$113,848. As of March 1, 2018, all remaining 2,688,061 warrants related to the private placements lapsed.

Preferred Stock

The Company has 1,569,623.11 preferred shares outstanding at March 31, 2018. Each preferred shareholder shall be entitled to 100 votes for each preferred share held.

	Number of Shares
Issued to former DropLeaf holders	1,836,628.09
Conversion of preferred shares 10/31/17	(45,627.50)
Conversion of preferred shares 12/29./17	(156,061.30)
Balance - December 31, 2017	1,634,939.29
Conversion of preferred shares 1/6/2018	(35,924.48)
Conversion of preferred shares 3/1/2018	(29,391.70)
Balance - March 31, 2018	1,569,623.11

Stock Option Incentive Plan

On June 1, 2017, the Company authorized a Unit Incentive Plan. Also, on June 1, 2017 the Company granted 120,000 options to five individuals with an exercise price of \$1.00 per share. Effective September 21, 2017, all of the options granted pursuant to Unit Incentive Plan were exchanged by the holders for options to purchase shares of GEA on terms equivalent to those received by the members of DropLeaf in connection with the Transaction. These options are now governed by the terms of the GEA stock option incentive plan. The Company had the following stock option activity as of March 31, 2018:

	Stock Options	US\$ Per Share
Issued to former DropLeaf holders	2,355,415	\$ 0.047
Issued to GEA holders (preclose)	20,001	0.047
Issued to GEA holders (preclose)	693,333	0.047
Issued on exercise of options	(253,333)	(0.047)
Issued on exercise of options	(20,001)	(0.047)
Issuance of stock option grants	4,250,000	0.257
Issuance of stock option grants	250,000	0.257
Issuance of stock option grants	250,000	0.359
Issuance of stock option grants	200,000	0.195
Issued on exercise of options	(100,000)	(0.195)
Total as of 3/31/2018	7,645,415	\$ 0.234

The Company issued stock option grants to officers, directors and suppliers to purchase 4,950,000 of common stock during the three months ended March 31, 2018 at \$0.335 per share.

During the three months ended March 31, 2018, the Company issued 120,001 shares of common stock related to stock option exercises.

The following stock options are outstanding at March 31, 2018:

			US \$		
		Weighted Average	Weighted Average		Weighted Average
Range of Exercise Prices	Number Outstanding	Remaining Life In Years	Exercise Price Exerciseable	Number Exerciseable	Exercise Price Exerciseable
\$ 0.047	2,795,415	4.14	\$ 0.047	1,028,854	\$ 0.047
0.195	100,000	4.67	0.195	100,000	0.195
0.257	4,500,000	4.75	0.257	-	0.257
0.359	250,000	4.75	0.359	-	0.359
	7,645,415	4.52	\$ 0.234	1,128,854	\$ 0.234

Optionee	No. of common shares under option	Exercise Price	Expiry Date
Officers/ directors	440,000	\$ 0.050	4/12/2022
Officers/ directors	2,355,415	0.050	6/1/2022
Officers/ directors	4,250,000	0.330	1/5/2023
Officers/ directors	250,000	0.460	1/5/2023
Officers/ directors	250,000	0.330	1/31/2023
Officers/ directors	100,000	0.250	2/6/2023
	7,645,415	\$ 0.234	

The Company expensed \$81,877 during the three months ended March 31, 2018 or \$0.00 per share. The Company has \$916,583 of remaining costs to be expensed and the remaining life of the stock option grants is approximately 4.52 years.

18. INCOME TAXES

The following is a reconciliation of income taxes, calculated at the combined federal and provincial statutory income tax rates, to the income tax provision recorded in the consolidated financial statements:

		March 31, 2018		March 31, 2017
Loss from operations before income taxes	\$	(520,802)	\$	(452,555)

19. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net earnings for the year attributable to ordinary equity holders of the parent by the weighted average number of units outstanding during the year.

The following reflects the earnings and share data used in the basic and diluted earnings per share computations:

		March 31, 2018		March 31, 2017
Net loss (numerator)	\$	(520,802)	\$	(452,555)
Weighted average units outstanding (denominator)		80,400,455		9,197,172
Loss per unit (basic and diluted)	\$	(0.01)	\$	(0.05)

20. COMMITMENTS AND CONTINGENCIES

Lease commitments

On February 22, 2018, the Company executed a lease agreement for office space in Denver, Colorado with 1045 Lincoln, LLC (the "Lessor") that expires on March 4, 2019. The monthly payment is \$1,200 per month.

On June 2, 2017, the Company executed a lease agreement for residential space in Newport Beach, California that expires on September 3, 2018. The monthly payment is \$4,605 per month.

On August 3, 2017, the Company executed a lease agreement for residential space in Marina Del Rey, California that expires on August 2, 2018. The monthly payment is \$3,150 per month.

The Company had an undocumented sub-lease agreement with a tenant, where the tenant paid the Company minimum monthly lease payments of \$600 a month. The payments began in July of 2016 and ended in January of 2017. The Company received \$1,200 from the sub-lease during the three months ended March 31, 2018. The amounts received were offset against rent expense.

Rent expense was \$35,152 and \$2,400 under these agreements for the three months ended March 31, 2018 and 2017, respectively, net, including the write-off of advances as discussed in due from related parties.

Legal claim contingency

Occasionally, the Company may be a party to legal claims or proceedings of which the outcomes are subject to significant uncertainty. In accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, the Company will assess the likelihood of an adverse judgment for any outstanding claim; as well as ranges of probable losses. See Note 22.

License Agreement

A License Agreement was created on October 1, 2014 between Kingsley Brand, LLC ("Kingsley" or "Licensor") and the Dropleaf, LLC (the "Company" and "Licensee"). The agreement allows Dropleaf, LLC to sublicense under the "JuJu Royal" trademark the name, image, and personality rights of Julian "JuJu" Marley for products associated with the cannabis industry. The limited exclusive license agreement will expire on September 30, 2019, with an option to renew for an additional 5 years and then an option for an additional 10 years. After 20 years Dropleaf, LLC has the right of first refusal for up to 40 years giving the Company a total of sixty years. A onetime fee in the amount of \$220,000 was paid to the Licensor upon execution of the License Agreement. Annual royalty fees are paid on a percentage of the net sales of licensed products and services. In addition, for each contract year an amount based on a percentage of all licensing fees earned by the Licensee through sublicensing to Licensee's Distributors and Sublicensees from the Licensee's licensed product and services are also paid. The royalty and sublicensing fees constitute the base royalty fees for the first 4 years of the agreement. In the fifth year of the agreement the base royalty agreement becomes a fixed fee. For each year after the fifth contract year, the base royalty fees to be paid by the Licensee to the Licensor shall be determined by qualified intellectual property business evaluation appraiser.

Sub-license Agreements

The Company has made various sublicense agreements with licensees to market, sell and distribute certain licensed products relating to the personality rights and trademarks of professional musician and celebrity Julian Ricardo Marley. The terms of the sub-license

agreements range from 1 to 3 years with renewal if both parties approve, and may be terminated at any time at the demand of the Company. See Note 14.

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's primary risk management objective is to protect the Company's financial position and cash flow. The Company is exposed to market risk, credit risk, interest rate risk, foreign exchange risk and liquidity risk.

The Company's senior management oversees the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Company. The Company's senior management provides assurance that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured, and managed in accordance with the Company's policies and group risk appetite. All derivative activities, if any, for risk management purposes are carried out by a team that has the appropriate skills, experience, and supervision. It is the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

(a) Credit Risk

The maximum exposure to credit risk at the balance sheet date is best represented by the carrying amount of the Company's cash and accounts receivables.

The Company is exposed to credit risk with respect to cash from the potential default by counterparties that carry the Company's cash, and attempts to mitigate this risk by dealing only with large financial institutions with good credit ratings. All the financial institutions that the Company deals with meet these qualifications. The Company is exposed to normal credit risk with respect to its accounts receivables. To mitigate this credit risk, the Company evaluates the creditworthiness of its customers and establishes credit limits accordingly. The Company may require deposits or collateral (letters of credit or liens) from customers prior to shipping. The Company provides for anticipated credit losses based on incurred losses.

The aging of accounts receivables are as follows:

	Total	Neither past due nor impaired	Past due but not impaired		
			<30 days	30-60 days	>60 days
March 31, 2018	\$ 18,290	\$ 11,618	\$ (109)	\$ 2,839	\$ 3,942
December 31, 2017	\$ 20,162	\$ 6,966	\$ 2,751	\$ -	\$ 10,445

(b) Liquidity Risk

The Company manages risk by forecasting cash flows from operations and anticipated investing and financing activities. To maintain an optimum level of cash flow, the Company actively pursues the collection of its accounts receivables by closely monitoring and controlling the operation and capital expenditures. The future minimum operating lease commitments and contractual repayments on bank loans and other obligations are as follows:

		2019		2020		2021
(b) Liquidity Risk:						
Accounts payable and accrued liabilities	\$	192,606	\$	-	\$	-
Operating lease and commitment		44,025		2,400		-
Total liquidity risk	\$	236,631	\$	2,400	\$	-

(c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise several types of risk: interest rate risk, currency risk, commodity price risk, and other price risk, such as equity risk.

(i) Interest Rate Risk

Debt and obligations under operating lease are subject to interest rate cash flow risk as the required cash flow to service the debt will fluctuate because of the changing prime interest rate. The interest rates on debentures are fixed. The Company did not arrange any interest rate swap or financial contracts to hedge the interest rate risk. The Company does not believe it is exposed to significant interest rate risk.

(ii) Foreign Exchange Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities when revenue or expense are denominated in a different currency from the Company's functional currency. The Company's functional currency is the United States Dollar.

(iii) Commodity price risk

The Company is not subject to price risk from fluctuations in market prices of commodities.

(iv) Equity price risk

The Company has no exposure to equity price risk.

22. CAPITAL MANAGEMENT

The Company seeks the amount of capital it requires in proportion to risk. The Company manages its capital structure and adjusts it in the light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue new shares when the time is appropriate.

The Company monitors the return on capital, which is defined as stockholders' equity plus loans payable in the amount of \$578,697 as at March 31, 2018 (December 31, 2017 - \$241,568).

The Company will continually assess the adequacy of its capital structure and capacity and make adjustments within the context of the Company's Strategy, economic conditions, and the risk characteristics of the business.

23. EVENTS AFTER THE REPORTING PERIOD

The Company has evaluated all subsequent events through May 30, 2018, which is the date the financials were available to be issued. Management has determined that except noted below, no

events or transactions occurring after the balance sheet date substantially affects the amounts, presentation, and disclosure of the accompanying financial statements.

On April 1, 2018, the Company entered into a consulting agreement with Uptick Capital LLC for the provision of short and long-term strategic planning services. As part of the consideration, the Company agreed to issue 1,000,000 common shares to Uptick Capital LLC (500,000 on April 1, 2018 and 500,000 on December 1, 2018). The Agreement expires December 31, 2018.

On April 9, 2018, the Company entered into a Sponsorship Agreement with Kahner Global to participate at the Cannabis Private Investment Summit West being held May 2, 2018 in Beverly Hills, CA. The Company agreed to pay Kahner Global \$5,000 and issue them 30,000 common shares at a price of Cdn\$0.15 per share.

On April 11, 2018, the Company entered into a consulting agreement with Zamaneth Media Consulting LLC for capital raise and acquisition services. As part of the consideration, the Company agreed to pay \$15,000 per month for April, May and June 2018. Mr. Steven Gormley, the owner of Zamaneth Media Consulting LLC, was appointed to the Company's Board of Directors.

On April 24, 2018, the Company entered into a letter of intent (the "LOI") with Bryce Berryessa and Eric Hara to acquire a controlling interest in La Vida Verde, Inc., a company existing under the laws of the State of California ("LVV"). The LOI outlines the general terms and conditions pursuant to which Mr. Berryessa and Mr. Hara (the "Sellers") would be willing to complete a transaction that would result in the Company: (a) acquiring 51% of LVV, (b) providing US\$2 million of expansion capital to LVV, and (c) having an option to acquire the remaining 49% of LVV based on agreed upon formula. The Sellers will continue to be employed by LVV and will continue to operate and manage the business. In addition to LVV's current products, LVV will be responsible for distribution of the Company's JuJu Royal™ product lines in California. The Sellers have agreed to negotiate exclusively with the Company for a period of 60 days. The LOI contemplates the Company and LVV entering into a definitive agreement (the "Definitive Agreement") on or before May 31, 2018, and to complete the Transaction within approximately 75 days (or such other dates as may be agreed to by the parties). The aggregate acquisition cost to the Company, including the expansion capital, is US\$8,500,000 and includes the issuance of 17,500,000 of voting shares of the Company at a deemed price of US\$0.20. The shares will be subject to a lock-up whereby the Sellers will only be permitted to sell 50% of their shares in calendar 2019 and 50% in calendar 2020. The transaction is subject to a number of conditions, including: (a) the Company completing a financing to raise approximately Cdn\$5 to \$10 million, (b) completion of due diligence investigations to the satisfaction of each of the Company and the Sellers, and (c) LVV obtaining appropriate licenses for the manufacturing and distribution of cannabis for the State of California.

On May 15, and May 25, 2018, the Company issued an aggregate of 3,135,367 common shares at a price of US\$0.007 (Cdn\$0.09) in private placements to investors to raise gross proceeds of US\$220,000.

The Company issued the following options, common shares and warrants subsequent to March 31, 2018:

Security	Number Issued	Details of Issuance	Use of Proceeds
Common Shares	30,000	Issued pursuant to sponsorship agreement (conference)	n/a
Common Shares	500,000	Issued pursuant to consulting agreement	n/a
Common Shares	3,135,367	Issued May 15 and May 25, 2018, pursuant to a non-brokered private placement at \$0.07 per share	US\$220,000 - working capital