Condensed Interim Consolidated Financial Statements
(Expressed in United States Dollars)

CENTR BRANDS CORP.

For the three months ended August 31, 2020
(Unaudited)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim consolidated 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 financial statements in accordance with standards established by CPA (Chartered Professional Accountants) Canada for a review of interim financial statements by an entity’s auditor.

CENTR BRANDS CORP.

Condensed Interim Consolidated Statements of Financial Position
(Unaudited – Expressed in United States Dollars, unless otherwise stated)

	August 31, 2020	May 31, 2020
Assets		
Current assets:		
Cash	$ 53,521	$ 513,744
Accounts receivable	181,778	151,492
Inventories (note 4)	198,928	266,003
Prepaid expenses and other assets	37,601	12,700
	471,828	943,969
Property and equipment (note 5)	12,665	14,102
Right-of-use assets (note 6)	21,816	27,677
	$ 506,309	$ 985,748
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities (note 7)	$ 319,798	$ 210,491
Due to related parties (note 12)	324,813	188,819
Lease liability – current portion (note 6)	20,003	22,337
	664,614	421,647
Lease liability (note 6)	3,614	5,432
Loans payable (note 8)	183,323	181,638
	851,551	608,717
Shareholders' equity:		
Share capital (note 9)	4,862,661	4,862,661
Reserves (note 10)	503,301	439,471
Deficit	(5,711,204)	(4,925,101)
	(345,242)	377,031
	$ 506,309	$ 985,748

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

Approved on behalf of the Board:

"Joseph Meehan" Director

"Arjan Chima" Director

CENTR BRANDS CORP.

Consolidated Statements of Net Loss and Comprehensive Loss
(Unaudited – Expressed in United States Dollars, unless otherwise stated)

For the three months ended August 31

	2020	2019
Sales	$ 209,591	$ 14,460
Discounts	59,020	678
Net sales	150,571	13,782
Cost of sales	93,022	5,304
Gross profit	57,549	8,478
Expenses:		
General and administrative (note 11)	687,230	478,379
Share-based compensation (note 10)	63,830	3,892
Marketing and promotion	75,847	31,607
Loss from operations	826,907	513,878
Other expense	16,745	1,208
Net loss and comprehensive loss	$ 786,103	$ 506,608
Net loss per share:		
Basic and diluted	$ (0.01)	$ (0.01)

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

CENTR BRANDS CORP.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(Unaudited – Expressed in United States Dollars, unless otherwise stated)

For the three months ended August 31

		Share capital Common shares		Reserves				
	Notes	Shares	Amount	Warrants	Options	Total	Deficit	Total
Balance, May 31, 2020		63,223,601	$ 4,862,661	$ 11,683	$ 427,788	$ 439,471	$ (4,925,101)	$ 377,031
Share-based compensation	10	-	-	-	63,830	63,830	-	63,830
Loss for the period		-	-	-	-	-	(786,103)	(786,103)
Balance, August 31, 2020		63,223,601	$ 4,862,661	$ 11,683	$ 491,618	$ 503,301	$ (5,711,204)	$ (345,242)

		Share capital Common shares		Reserves				
	Notes	Shares	Amount	Warrants	Options	Total	Deficit	Total
Balance, May 31, 2019		59,671,200	$ 3,539,888	$ 39,820	$ 338,972	$ 378,792	$ (2,312,885)	$ 1,605,795
Share-based compensation		-	-	-	3,892	3,892	-	3,892
Loss for the period		-	-	-	-	-	(506,608)	(506,608)
Balance, August 31, 2019		59,671,200	$ 3,539,888	$ 39,820	$ 342,864	$ 382,684	$ (2,819,493)	$ 1,103,079

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

CENTR BRANDS CORP.

Condensed Interim Consolidated Statement of Cash Flows
(Unaudited – Expressed in United States Dollars, unless otherwise stated)

Three months ended August 31

	2020	2019
Cash provided by (used in):		
Operating activities:		
Loss for the period	$ (786,103)	$ (506,608)
Adjustments for non-cash items:		
Depreciation	7,298	6,247
Share-based compensation	63,830	3,892
Changes in non-cash working capital:		
Accounts receivable	(30,286)	2,781
Inventory	67,075	(565,263)
Prepaid expense	(24,901)	175,244
Accounts payable and accrued liabilities	109,307	59,014
Due to related parties	135,994	(15,537)
Interest paid	(384)	(621)
Net cash used in operating activities	(458,170)	(840,851)
Financing activities:		
Payment of lease liability	(2,053)	(5,843)
Net cash used in financing activities	(2,053)	(5,843)
Investing activities:		
Purchase of property and equipment	-	(4,996)
Net cash used in investing activities	-	(4,996)
Decrease in cash	(460,223)	(851,690)
Cash, beginning of period	513,744	1,461,568
Cash, end of period	$ 53,521	$ 609,878

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

1. Nature of the business and continuing operations:

CENTR Brands Corp. (formerly River Wild Exploration Inc. (“RWI”)) (the “Company” or “CENTR”) was incorporated under the laws of the Business Corporations Act (British Columbia). The Company’s shares are traded on the Canadian Securities Exchange (the “Exchange”) under the symbol “CNTR”.

The Company’s corporate office is located at 200-2318 Oak St, Vancouver, British Columbia, V6H 4J1. The Company is involved in the development and marketing of beverages infused with hemp-derived extracts and derivatives. The Company is focused on the sales and development of a global brand for the cannabidiol (CBD) infused beverage industry. The Company is currently marketing and selling a sparkling, low-calorie, CBD beverage product.

In March 2020, the World Health Organization characterized the outbreak of the novel strain of coronavirus, specifically identified as COVID-19, as a global pandemic. This has resulted in the governments enacting emergency measures to combat the spread of the virus. These measures, which include material disruption to business, resulting in a global economic slowdown. Equity markets have experienced significant volatility and weakness. There is significant uncertainty as to the likely effects this outbreak will have on the business, which may, among other things, negatively impact customers and their demand for the Company’s products. The outbreak may also have an effect on the future collectability of certain receivables. In response to COVID-19, the Company has implemented working practices to address potential impacts to its operations, employees and customers and will take further measures in the future, if required.

2. Basis of presentation:

(a) Statement of compliance:

These condensed interim consolidated financial statements for the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including International Accounting Standard (“IAS”) 34, “Interim Financial Reporting”. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended May 31, 2020, which have been prepared in accordance with IFRS as issued by the IASB.

These condensed interim consolidated financial statements were authorized for issue by the Board of Directors on October 27, 2020.

(b) Basis of measurement:

These condensed interim consolidated financial statements have been prepared on a historic cost basis except for financial instruments classified as fair value through profit or loss, which are stated at their fair value. Other measurement bases are described in the applicable notes.

Presentation of the condensed interim consolidated statements of financial position differentiates between current and non-current assets and liabilities. The condensed interim consolidated statements of net loss and comprehensive loss is presented using the functional classification of expense.

2. Basis of presentation (continued):

(b) Basis of measurement (continued):

These condensed interim consolidated financial statements follow the same accounting policies and methods of application as our most recent annual financial statements, except as described below, and should be read in conjunction with the annual audited financial statements of the Company for the year ended May 31, 2020.

(c) Functional and presentation currency:

Except as otherwise noted, these condensed interim consolidated financial statements are presented in U.S. dollars, which is the Company's functional and presentation currency. Monetary assets and liabilities denominated in foreign currencies are translated into U.S dollars at the rates of exchange prevailing at the consolidated statement of financial position dates. Non-monetary assets and liabilities are translated at rates prevailing at the date of acquisition. Expenses are translated at the average rate of exchange in effect during the month the transaction occurred. See Note 3 for a discussion on the functional currency change.

3. Change in functional and presentation currency:

Effective June 1, 2019 (the “Effective Date”), the Company changed its functional and presentation currency from the Canadian dollar (“CAD”) to the U.S. dollar. The functional currency of the Company was reassessed as the Company began to commercialize its CBD beverage products in the U.S. The U.S. dollar was determined to be the functional currency of the primary economic environment in which the Company operates, as the majority of the operational activities will be denominated in or influenced by the U.S. dollar.

The change in functional currency was accounted for on a prospective basis, with prior period comparative information translated to the U.S. dollar at the rate of the Effective Date, being 0.7395 U.S. dollars per Canadian dollar.

4. Inventories:

A breakdown of inventory is as follows:

	August 31, 2020	May 31, 2020
Raw materials	$ 70,592	$ 58,284
Finished Goods	128,336	207,719
	$ 198,928	$ 266,003

The cost of inventories recognized as an expense and included in cost of sales was $74,661.

(Unaudited – Expressed in United States Dollars, unless otherwise stated)

5. Property and equipment:

	Cost	Accumulated amortization	Aug. 31, 2020 Net book value	May 31, 2020 Net book value
Computer equipment	$ 15,902	$ 4,764	$ 11,138	$ 12,472
Furniture and fixtures	2,037	510	1,527	1,630
	$ 17,939	$ 5,274	$ 12,665	$ 14,102

6. Right-of-use assets and leases liabilities:

Right-of-use assets are initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred. The Company's lease agreements range from one year to three years in length.

Right-of-use assets, May 31, 2020	$ 27,677
Depreciation	(5,861)
Right-of-use assets, August 31, 2020	$ 21,816

Lease liabilities have been measured by discounting future lease payments using a rate implicit in the lease or the Company's incremental borrowing rate. The Company's incremental borrowing rate applied on June 1, 2019 was 4.9%.

Lease liabilities, May 31, 2020	$ 27,769
Interest expense	383
Payments	(4,535)
Lease liabilities, August 31, 2020	$ 23,617
Less: current portion of lease liabilities	20,003
Long term portion of lease liabilities	$ 3,614

(Unaudited – Expressed in United States Dollars, unless otherwise stated)

7. Accounts payable and accrued liabilities:

Accounts payable and accrued liabilities are as follows:

	August 31, 2020	May 31, 2020
Accounts payable	$ 179,306	$ 55,992
Accrued liabilities	140,492	154,499
	$ 319,798	$ 210,491

8. Loans payable:

	August 31, 2020	May 31, 2020
Canada Emergency Business Account	$ 30,740	$ 29,055
U.S. Paycheck Protection Program	152,583	152,583
	$ 183,323	$ 181,638

In April 2020, the Company applied for Canada Emergency Business Account and received a loan of CAD $40,000 which is interest free and is due in December 2022. Repaying the balance of the loan on or before December 31, 2022 will result in loan forgiveness of up to CAD $10,000. There is an optional extension period from January 1, 2023 to December 31, 2025. If the extension is taken, then there is 5% interest for the extension period.

In April 2020, the Company applied for and received the U.S. Paycheck Protection Program and received a forgivable loan of $152,583. The loan has a two-year term and an interest rate of 1% per annum. The loan is fully or partially forgiven by the U.S. Small Business Administration if certain employee retention criteria are met and the funds received are used for eligible expenses.

9. Share capital:

(a) Authorized:

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

(Unaudited – Expressed in United States Dollars, unless otherwise stated)

9. Share capital (continued):

(b) Issued:

On August 31, 2020, there were 63,223,601 common shares (May 31, 2020 – 63,223,601) issued and fully paid.

(*i*) On October 2, 2019, the Company issued 240,000 common shares pursuant to the exercise of broker warrants for proceeds of $90,178.

(*ii*) On February 20, 2020, the Company issued 2,512,401 common shares in a private placement for gross proceeds of $954,229, which included 1,050,000 common shares purchased by a company controlled by a former director of the Company and 30,000 common shares purchased by a director of the Company. Finders' fees totaling $40,321 were paid in connection with the financing.

(*iii*) On May 27, 2020, the Company issued 800,000 common shares of the Company in a private placement for gross proceeds of $290,550.

(c) Escrow securities:

Pursuant to an escrow agreement dated March 7, 2019, 26,000,000 common shares of the Company were deposited into escrow with respect to the Transaction (note 5). All of the Consideration Shares are subject to a thirty six-month time release escrow arrangement in accordance with the policies of the Canadian Securities Exchange (the "CSE"). Under the escrow agreement, 10% of the escrowed common shares were released from escrow on April 3, 2019, the listing date, and 15% are to be released every six months thereafter over a period of thirty-six months.

A summary of the status of the escrowed securities outstanding are as follows:

	Number of shares
Balance, May 31, 2020	15,600,000
Released	-
Balance, August 31, 2020	15,600,000

On October 2, 2020, 3,900,000 common shares were released from escrow.

10. Reserves:

Reserves are comprised of share-based compensation and share purchase warrants:

(a) Share-based compensation – options:

The Company operates an equity-settleable, stock options-based payment compensation plan, under which the Company pays equity instruments of the Company as consideration in exchange for employee and similar services. The plan is open to employees, directors, officers and consultants of the Company and its affiliates.

The fair value of the grant of the options is recognized in the consolidated statements of net loss and comprehensive loss as an expense. The total amount to be expensed is determined by the fair value of the options granted. The total expense is recognized over the vesting period which is the period over which all of the service vesting conditions are satisfied. The vesting period is determined at the discretion of the Board and has ranged from immediate vesting to three years. The maximum number of common shares reserved for issuance, in the aggregate, under the Company's option plan (and under any other share compensation arrangements of the Company) is 10% of the aggregate number of common shares which are outstanding from time to time.

On February 20, 2020, the Company exchanged all of the outstanding options to restricted share units. These options were cancelled upon the conversion to restricted share units. The total compensation cost not yet recognized related to these options was $19,400.

As at August 31, 2020, there were no outstanding options.

(b) Share-based compensation – restricted share units ("RSUs"):

The Company operates an equity-settle, RSUs-based payment compensation plan, under which the Company pays equity instruments of the Company as consideration in exchange for employee and similar services. The plan is open to employees, directors, officers and consultants of the Company and its affiliates.

The fair value of the grant of the RSUs is recognized in the consolidated statements of net loss and comprehensive loss as an expense. The total amount to be expensed is determined by the fair value of the RSUs granted. The total expense is recognized over the vesting period which is the period over which all of the service vesting conditions are satisfied. The maximum number of common shares reserved for issuance, in the aggregate, under the Company's RSU plan (and under any other share compensation arrangements of the Company) is 10% of the aggregate number of common shares which are outstanding from time to time. As at August 31, 2020, this represented 6,322,360 common shares.

(Unaudited – Expressed in United States Dollars, unless otherwise stated)

10. Reserves (continued):

(b) Share-based compensation – restricted share units (“RSUs”) (continued):

	Number of RSUs	Expiry date
	3,825,000	February 2025
	1,480,000	February to March 2025
Outstanding, August 31, 2020	5,305,000	

The RSUs have an expiry date of five years from the date of issue. As at August 31, 2020, the weighted average remaining life of the RSUs outstanding is 4.5 years.

During the three months ended August 31, 2020, the Company recorded share-based compensation expense of $63,830. The total compensation cost not yet recognized related to RSUs granted is approximately $509,337 and will be recognized over the remaining average vesting period of 2.3 years.

(c) Share purchase warrants:

As at August 31, 2020, there no share purchase warrants issued and outstanding.

11. General & administrative:

	Three months ended August 31, 2020	Three months ended August 31, 2019
Accounting and legal	$ 88,203	$ 28,236
Consulting	40,793	167,721
Depreciation	7,297	6,247
Office and administrative	12,942	18,321
Salaries and benefits	432,813	206,595
Travel and other expenses	105,182	51,259
	$ 687,230	$ 478,379

(Unaudited – Expressed in United States Dollars, unless otherwise stated)

12. Related party transactions and balances:

(a) Compensation of key management personnel:

The Company transacts with key individuals from management who have authority and responsibility to plan, direct, and control the activities of the Company. Key management personnel are defined as the executive officers of the Company and the Board, including the Chief Executive Officer, President and Chief Financial Officer.

	Three months ended August 31, 2020	Three months ended August 31, 2019
Salaries and benefits	$ 86,084	$ 85,685
Share-based payments	53,835	544
Consulting fees	28,106	15,263
	$ 168,025	$ 101,492

(b) Transactions with controlling shareholders:

The Company incurred the following transactions with companies having a former director, directors, and officers in common:

	Three months ended August 31, 2020	Three months ended August 31, 2019
Consulting fees paid to companies controlled by a director and a former director of the Company	$ 33,758	$ 151,210
Other fees paid to companies controlled by a former director of the Company	4,546	30,954
	$ 38,304	$ 182,164

As at August 31, 2020, $324,813 (May 31, 2020 - $188,819) was included in due to related parties for creative services and other overhead costs and in the ordinary course of business. These amounts bear no interest and are due on demand.

(Unaudited – Expressed in United States Dollars, unless otherwise stated)

13. Capital management:

The Company's objective is to maintain a capital structure that supports its long-term growth strategy, maintains creditor and customer confidence, and maximizes shareholder value. There were no changes in the Company's approach to capital management during the three months ended August 31, 2020. The capital structure of the Company consists of its shareholders' equity.

The Company's primary uses of capital are to finance operations, finance new start-up costs, increase non-cash working capital and capital expenditures. The Company's objectives when managing capital are to ensure the Company will continue to have enough liquidity to expand. The Company, as part of its annual budgeting process, evaluates its estimated annual cash requirements to fund planned expansion activities and working capital requirements of existing operations. Based on this cash budget and taking into account its anticipated cash flows from operations and its holdings of cash, the Company is of the view that it has the sufficient capital or the ability to draw the required funds from shareholder commitments.

14. Financial instruments and fair value measurement:

Financial instruments recorded at fair value are classified using a fair value hierarchy that reflects the significance of the inputs to fair value measurements.

The following tables show the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy and accounting classification.

August 31, 2020	Classification	Fair value level	Carrying value	Fair value
Financial assets not measured at fair value				
Cash	Amortized cost	2	$ 53,521	$ 53,521
Accounts receivable	Amortized cost	2	181,778	181,778
Financial liabilities not measured at fair value				
Accounts payable and accrued liabilities	Amortized cost	2	319,798	319,798
Due to related parties	Amortized cost	2	324,813	324,813
Loans payable	Amortized cost	2	183,323	183,323

15. Risk management:

In the normal course of business, the Company is exposed to risks related to financial instruments that can affect its operating performance. These risks, and the actions taken to manage them, are as follows:

(a) Credit risk:

Credit risk arises from the potential that a counterparty will fail to perform its obligations. The Company does not have financial instruments that result in material exposure.

15. Risk management (continued):

(b) Liquidity risk:

Liquidity risk is the risk that the Company may encounter difficulty in raising funds to meet its financial commitments or can only do so at excessive cost. The Company ensures there is sufficient liquidity to meet its short-term business requirements, taking into account its anticipated cash flows from operations, its holdings of cash and its ability to draw on committed funds from its existing shareholders or to raise funds from external shareholders.

(c) Currency risk:

Currency risk is the risk to the Company's earnings that arises from fluctuations in foreign exchange rates and the degree of volatility of those rates. The Company believes it is exposed to significant currency risk, as to date the Company has raised money both only in Canada and in Canadian dollars to fund operations and development, along with a significant proportion of the Company’s general and administrative expenses incurred in Canadian dollars.

(d) Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have financial instruments that result in material exposure.

16. Subsequent events:

On September 8, 2020, the Company issued 1,963,000 common shares and 1,963,000 share purchase warrants of the Company in a private placement for gross proceeds of $520,848. Each warrant entitles the holder to acquire one common share of the Company at an exercise price of CAD $0.60 and expires in three years. Finder’s fees totaling $15,920 in cash and 60,000 broker warrants were paid in connection with the financing. Each broker warrant entitles the agent to acquire one common share of the Company at an exercise price of CAD $0.60 and expires in one year.

On September 25, 2020, the Company issued 1,132,500 common shares and 1,132,500 share purchase warrants of the Company in a private placement for gross proceeds of $296,377. Each warrant entitles the holder to acquire one common share of the Company at an exercise price of CAD $0.60 and expires in three years. Finder’s fees totaling $11,486 in cash and 43,950 broker warrants were paid in connection with the financing. Each broker warrant entitles the agent to acquire one common share of the Company at an exercise price of CAD $0.60 and expires in one year.