Sabio Holdings Inc.

Condensed Interim Consolidated Financial Statements

For the three and nine months ended
September 30, 2022 and 2021 (unaudited)

Expressed in U.S. Dollars

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	September 30, 2022	December 31, 2021
	$	$
Assets		
Current assets		
Cash and cash equivalents	**3,610,619**	3,280,335
Accounts receivable, net of expected credit losses (Note 6)	**7,279,899**	8,376,791
Due from related parties (Note 12)	**847,918**	819,516
Prepaid expenses and other current assets	**393,383**	133,091
	12,131,819	12,609,733
Right of Use Asset (Note 9)	**1,352,194**	510,740
Intangible Assets (Note 7)	**412,255**	329,217
Goodwill (Note 5)	**2,478,774**	-
	16,375,042	13,449,690
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (Note 8)	**7,941,184**	7,483,352
Deferred revenue	**2,245,675**	509,431
Lease liability (Note 9)	**356,754**	201,717
Loans payable (Note 10)	**293,346**	860,873
	10,836,959	9,055,373
Lease liability (Note 9)	**1,077,714**	333,126
Loans payable (Note 10)	**4,422,376**	3,265,417
	16,337,049	12,653,916
Shareholders' Equity		
Common shares (Note 11)	**11,909,798**	10,345,939
Share-based benefits reserve (Note 11)	**1,303,898**	763,466
Deficit	**(13,071,086)**	(10,208,121)
Foreign currency translation reserve	**(104,617)**	(105,510)
	37,993	795,774
	16,375,042	13,449,690

Events after the reporting period (Note 16)

Approved by Directors:

'Aziz Rahimtoola' Director

'Jennifer Cabalquinto' Director

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

	For the three months ended		For the nine months ended	
	September 30, 2022	September 30, 2021	**September 30, 2022**	September 30, 2021
	$	$	**$**	$
Revenues	**11,919,696**	6,817,536	**24,698,971**	13,629,549
Cost of sales	**4,606,894**	2,675,319	**9,706,911**	5,322,315
Gross profit	**7,312,802**	4,142,217	**14,992,060**	8,307,234
Expenses				
Sales and marketing	**3,142,337**	1,908,735	**8,250,212**	4,438,604
General and administrative	**1,450,649**	844,150	**3,708,399**	2,122,582
Research and technology costs	**1,415,732**	717,215	**3,762,230**	1,791,151
Amortization of intangible assets (Note 7)	**88,732**	148,792	**322,392**	498,796
Occupancy (Note 9)	**162,893**	27,772	**404,081**	46,243
Amortization of lease (Note 9)	**94,813**	-	**224,274**	23,615
Share-based compensation (Note 11)	**160,086**	28,614	**570,681**	307,245
	6,515,242	3,675,278	**17,242,269**	9,228,236
Income (loss) from operations	**797,560**	466,939	**(2,250,209)**	(921,002)
Gain on loan forgiveness	**-**	20,000	**-**	1,122,500
Income (loss) before finance costs, transaction costs and income taxes	**797,560**	486,939	**(2,250,209)**	201,498
Finance costs	**139,048**	354,826	**453,330**	949,543
Transaction costs (Note 5 and Note 11)	**975**	69,038	**156,752**	382,098
Income (loss) before income taxes	**657,537**	63,075	**(2,860,291)**	(1,130,143)
Income taxes (recovery)	**(237)**	(8,198)	**2,674**	2,492
Net income (loss) for the period	**657,774**	71,273	**(2,862,965)**	(1,132,635)
Other comprehensive income (loss)				
Foreign currency translation loss	**847**	-	893	-
Comprehensive income (loss)	**658,621**	71,273	**(2,862,072)**	(1,132,635)
Income (loss) per share				
Basic	**0.014**	0.002	**(0.064)**	(0.032)
Diluted	**0.013**	0.002	**(0.064)**	(0.032)
Weighted average number of shares outstanding				
Basic	**45,612,639**	36,654,931	**44,992,520**	35,317,361
Diluted	**50,835,797**	40,890,202	**44,992,520**	35,317,361

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

	Number of Common Shares	Common shares	Share-based benefits reserve	Deficit	Foreign currency translation reserve	Total shareholders' equity (deficiency)
	#	$	$	$	$	$
Balance, December 31, 2020	30,453,142	444,719	639,876	(9,624,310)	-	(8,539,715)
Share-based compensation	-	-	307,245	-	-	307,245
Transaction cost	-	-	237,770	-	-	237,770
Shares issued due to exercise of stock options	6,198,132	1,294,889	(479,539)	-	-	815,350
Net loss and total comprehensive loss	-	-	-	(1,132,635)	-	(1,132,635)
Balance, September 30, 2021 (unaudited)	**36,651,274**	**1,739,608**	**705,352**	**(10,756,945)**	**-**	**(8,311,985)**
Balance, December 31, 2021	43,824,841	10,345,939	763,466	(10,208,121)	(105,510)	795,774
Share-based compensation	-	-	570,681	-	-	570,681
Shares issued for the Acquisition of Vidillion Inc. (Note 5)	1,685,079	1,490,871	-	-	-	1,490,871
Shares issued due to exercise of stock options (Note 11)	251,398	72,988	(30,249)	-	-	42,739
Net loss and total comprehensive loss	-	-	-	(2,862,965)	893	(2,862,072)
Balance, September 30, 2022 (unaudited)	**45,761,318**	**11,909,798**	**1,303,898**	**(13,071,086)**	**(104,617)**	**37,993**

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

	For nine months end	
	September 30, 2022	September 30, 2021
	$	$
Cash flows from (used in) operating activities		
Net loss	**(2,862,965)**	(1,132,635)
Adjustments for:		
Share-based compensation (Note 11)	**570,681**	307,245
Transaction costs (Note 11)	**-**	237,770
Finance costs (Note 9)	**96,880**	-
Foreign exchange	**893**	-
Forgiveness of Paycheck Protection Program loan	**-**	(1,102,500)
Forgiveness of City of Los Angeles promissory note	**-**	(20,000)
Amortization of intangible assets (Note 7)	**322,392**	498,796
Loss on disposal of intangibles (Note 7)	**6,222**	-
Amortization of lease (Note 9)	**224,274**	23,615
	(1,641,623)	(1,187,709)
Changes in non-cash working capital items:		
Accounts receivable	**1,096,892**	(1,189,954)
Prepaid expenses	**(297,075)**	(58,462)
Deferred revenue	**1,736,244**	-
Accounts payable and accrued liabilities	**457,832**	(17,490)
	1,352,270	(2,453,615)
Cash flows used in investing activities		
Acquisition of Vidillion Inc. (Note 5)	**(1,274,903)**	-
Development costs (Note 7)	**(124,652)**	(91,523)
	(1,399,555)	(91,523)
Cash flows from financing activities		
Advances of loan payable	**589,432**	151,351
Proceeds of convertible note subscription	**-**	2,418,801
Advances from related parties	**-**	17,257
Advances to related parties	**(28,402)**	(410,253)
Lease payments (Note 9)	**(226,200)**	(28,832)
Issuance of common shares upon exercise of stock options (Note 11)	**42,739**	815,350
	377,569	2,963,674
Net increase in cash and cash equivalents	**330,284**	418,536
Cash and cash equivalents, beginning of period	**3,280,335**	47,890
Cash and cash equivalents, end of period	**3,610,619**	466,426

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

1. Description of business

Sabio Holdings Inc. (the "Company" or "Sabio") (formerly Spirit Banner II Capital Corp. and hereafter referred to as "Spirit"), was incorporated under the Business Corporation Act of Ontario, Canada on September 29, 2017. The registered corporate office is located at 181 Bay Street, Suite 4400, Toronto, Ontario, M5J 2T3. The corporate head office of the Company is located at 16350 Ventura Boulevard, #D827, Encino, California, 91436.

On November 19, 2021, the Company completed its reverse takeover transaction with Spirit based on which its wholly-owned, U.S. operating subsidiary Sabio, Inc. acquired all of the issued and outstanding securities of Spirit, via a reverse-takeover transaction (the "Qualifying Transaction"). Upon completion of the Qualifying Transaction, Spirit became a wholly owned subsidiary of the Company, which carried on the business previously carried on by Spirit. The Company changed its name to "Sabio Holdings Inc." and the Shares commenced trading on the TSX Venture Exchange (the "Exchange") at opening on November 26, 2021, under the symbol "SBIO" as a Tier 2 technology issuer.

The Company was classified as a Capital Pool Corporation as defined in the Policy 2.4 of the Exchange. Upon completion of the reverse-takeover transaction, the Company's principal business changed to a Connected TV ("CTV") and over-the-top ("OTT") streaming technology provider that delivers optimized yield performance via addressable cross screen solutions based on mobile behavior. Accordingly, these consolidated financial statements are presented as a continuation of Spirit.

On January 14, 2022, Sabio Canada Inc., a wholly owned subsidiary of the Company, was incorporated in Ontario, Canada for the Company's operation in Canada.

On February 4, 2022, Vidillion Corp. (formerly, Sabio Acquisition Inc.), a wholly owned subsidiary of the Company, was incorporated in Delaware, United States.

On February 18, 2022, the Company entered into a definitive asset purchase agreement (the "Agreement") pursuant to which Vidillion Corp. would acquire (the "Acquisition") substantially all of the assets of Vidillion Inc., a U.S. based CTV and OTT streaming supply side platform ("SSP") and technology provider for producers of content, in a combined stock and cash transaction. On April 1, 2022, the Company, through Vidillion Corp., completed the acquisition of substantially all of the assets of Vidillion Inc.

On February 25, 2022, Sabio Canada Finco, Inc., a wholly-owned subsidiary of the Company established in Ontario, Canada for the purpose of receiving subscription receipts in connection with a business combination with Sprit, was dissolved.

2. Basis of presentation

Statement of compliance

These condensed interim consolidated financial statements of the Company have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). These condensed interim consolidated financial statements do not include all of the disclosures required for annual consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") and should be read in conjunction with the annual audited consolidated financial statements of the Company for the year ended December 31, 2021.

These unaudited condensed interim consolidated financial statements of the Company were authorized for issuance by the Board of Directors on November 28, 2022.

2. Basis of presentation *(continued from previous page)*

Basis of measurement

The condensed interim consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. All financial information is presented in United States dollars ("U.S. dollars" or "USD"), the Company's reporting currency, except share and per share amounts or as otherwise noted.

Basis of consolidation

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly and indirectly, to govern the financial and operating policies of an entity and be exposed to the variable returns from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The consolidated financial statements of the Company include Sabio Holdings Inc. and its wholly owned subsidiaries Sabio Inc. (formerly Sabio Mobile, Inc.), AppScience, Inc., Sabio Canada Finco, Inc., Vidillion Corp., Sabio Canada Inc. and Sabio Mobile India Private Limited.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Functional currency

The condensed interim consolidated financial statements are presented in U.S. dollars. For each entity, the Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The functional currency of Sabio Inc., AppScience, Inc., Vidillion Corp. and Sabio Mobile India Private Limited is U.S dollars. The functional currency of Sabio Holdings Inc., Sabio Canada Finco Inc. and Sabio Canada Inc. is Canadian dollars.

Assets and liabilities of entities having a functional currency other than the U.S. dollar are translated at the rate of exchange at the reporting period date. Revenues and expenses are translated at average rates for the period, unless exchange rates fluctuated significantly during the period, in which case the exchange rates at the dates of the transaction are used. The resulting foreign currency translation adjustments are recognized in foreign currency translation reserve, one components of the Condensed Interim Consolidated Statements of Changes in Shareholders' Equity. Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the date of the transactions. At the end of each reporting period, foreign currency denominated monetary assets and liabilities are translated to the functional currency using the prevailing rate of exchange at the reporting period date. Gains and losses on translation of monetary items are recognized in the statement of operations and comprehensive loss.

3. Significant accounting policies

The unaudited condensed interim consolidated financial statements (the "financial statements") were prepared using the same accounting policies and methods as those used in the Company's audited consolidated financial statements for the year ended December 31, 2021. These condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2021.

3. Significant accounting policies *(continued from previous page)*

The timely preparation of the condensed interim consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies, if any, as at the date of the financial statements, and the reported amounts of revenue and expenses during the period. By their nature, estimates are subject to measurement uncertainty and changes in such estimates in future years could require a material change in the condensed interim consolidated financial statements.

Research and development

Expenditure on research activities is recognized as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for deferred development costs is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, deferred development costs are reported at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized using the straight-line method. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognized. Goodwill is carried at cost less accumulated impairment losses.

Other intangible assets

Initial recognition of other intangible assets

Brand name, customer/publisher relationships, technology and patents acquired in a business combination that qualify for separate recognition are recognized as intangible assets at their fair values.

3. Significant accounting policies *(continued from previous page)*

Other intangible assets (continued from previous page)

Subsequent measurement *(continued from previous page)*

All finite-lived intangible assets are initially recorded at fair value and then amortized on a straight-line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing.

Amortization of finite-lived intangible assets has been included in Expenses. Subsequent expenditures to maintain customer/supplier relationship, technology and patents and brand name are expensed as incurred.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset and is recognized in profit or loss.

There are no other indefinite-lived intangible assets other than goodwill.

Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

The fair value of the options/warrants granted is measured using the Black-Scholes pricing model ("BSM") taking into account the terms and conditions upon which the options/warrants were granted. At each financial position reporting date, the amount recognised as an expense is adjusted to reflect the actual number of share options/warrants that are expected to vest.

The BSM requires management to estimate the expected volatility, term of the equity instrument, the risk-free rate of return over the term, expected dividends, and the number of equity instruments expected to ultimately vest. In estimating expected volatility, the Company considers the historical share price volatility of similar publicly listed entities. Forfeitures are adjusted for on an actual basis.

The fair value of stock options/warrants is charged to loss and comprehensive loss with a corresponding increase in contributed surplus within equity. Previously recognised expenses are not subsequently reversed for options/warrants that vest but are not exercised. If, and when, share options/warrants are ultimately exercised, the applicable amount of contributed surplus is transferred to share capital.

3. Significant accounting policies *(continued from previous page)*

Share-based payment arrangements (continued from previous page)

The fair value of restricted stock units granted is the most recent closing trading price of the Company's common shares on the TSX Venture Exchange from the grant date.

Share capital

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

Loss per share

The Company calculates basic loss per share amounts for loss attributable to common shareholders of the parent entity. Basic loss per share is calculated by dividing loss attributable to common shareholders of the parent entity (the numerator) by the weighted average number of common shares outstanding (the denominator) during the period.

Common shares escrowed pursuant to the requirements of the Exchange and will be released according to the Exchange's schedule as the passage of time are not excluded from the number of outstanding common shares.

For the purpose of calculating diluted loss per share, the Company adjusts the loss attributable to common shareholders of the parent entity, and the weighted average number of common shares outstanding during the period, for the effects of all dilutive potential common shares. Potential common shares are treated as dilutive when, and only when, their conversion to common shares would decrease earnings per share or increase loss per share from continuing operations.

Revenue recognition

The Company recognizes revenue in accordance with IFRS 15 Revenue from Contracts with Customers.

Revenue represents the fair value of consideration received or receivable from customers for goods and services provided by the Company, net of discounts and sales taxes. The Company generates revenue from managed service, programmatic sales, connected TV, and App Science™ insights.

The Company sells digital advertising directly to marketers or through advertising agencies. Revenue from advertising is mostly generated through video and display advertising delivered through advertising impressions. Advertising is typically sold on a cost-per-thousand ("CPM") basis and is evidenced by an Insertion Order, ("IO"). Revenue is recognized as the number of impressions are delivered. IOs may include multiple performance obligations as they contain distinct advertising products or services. For such arrangements, the Company allocates revenue to each distinct performance obligation based on their relative standalone selling price ("SSP"). Advertising arrangements comprised of multiple performance obligations are recognized either at a point in time or over time depending on the nature of the distinct performance obligation.

Contracts with multiple products or services

The Company enters into contracts that contain multiple products and services such as campaign management, insights, and studies. The Company evaluates these arrangements to determine the appropriate unit of accounting (performance obligation) for revenue recognition purposes based on whether the product or service is distinct from some or all of the other products or -

3. Significant accounting policies *(continued from previous page)*

Contracts with multiple products or services (continued from previous page)

services in the arrangement. A product or service is distinct if the customer can benefit from it on its own or together with other readily available resources and the Company's promise to transfer the good or service is separately identifiable from other promises in the contractual arrangement with the customer. Non-distinct products and services are combined with other goods or services until they are distinct as a bundle and therefore form a single performance obligation.

4. Critical accounting judgments and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors and management are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgments in applying accounting policies

The following are the critical judgments, apart from those involving estimations, that the directors and management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

Selecting the option pricing model to estimate the fair value of equity instruments granted

The Company uses the Black-Scholes Merton formula to estimate the fair value of equity instruments granted in connection with equity-settled share-based payments. Management considers factors that knowledgeable, willing market participants would consider when selecting the option pricing model to apply.

Determination of functional currency

In determining its functional currency, the Company considers factors related to its primary economic environment. These include the currency which mainly influences the Company's sales prices for goods and services, the country whose competitive forces and regulations mainly determine sale prices of its services, and the currency which mainly influences costs related to providing its services. The Company also considers secondary factors including the currency in which funds from financing activities are generated, and the currency in which operating activities are usually retained.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Critical accounting judgments and key sources of estimation uncertainty *(continued from previous page)*

Key sources of estimation uncertainty (continued from previous page)

Valuation of common share purchase options and equity-settled share-based payments

The Company uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of common share purchase options/warrants and equity-settled share-based payments. The valuation techniques require the input of subjective assumptions including expected volatility, dividend yield and expected life of the instrument. Management believes that the chosen valuation techniques and assumptions used are appropriate in determining the fair value of these instruments.

Internally generated development costs

Management monitors the progress of internal research and development projects and uses judgment to distinguish research from the development phase. Expenditures during the research phase are expensed as incurred. Development costs are recognized as an intangible asset when the Company can demonstrate certain criteria listed in Note 3. Otherwise, they are expensed as incurred.

Amortization of intangible assets

The Company applies the straight-line method to recognize amortization of intangible assets. Management is satisfied that the straight-line method best reflects the pattern in which the assets' future economic benefits are expected to be consumed by the Company.

Impairment of intangible assets and goodwill

IAS 36 requires that the Company ensures that its assets are carried at no more than their recoverable amount. An asset is carried at more than its recoverable amount if its carrying amount exceeds the amount to be recovered through use or sale of the asset. If this is the case, the asset is described as impaired, and the standard requires the entity to recognize an impairment loss. In assessing impairment, management uses judgment to allocate goodwill to each of the Company's cash-generating units (CGUs) and estimates recoverable amount for each CGU based on expected future cash flows and discount rates. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

5. Acquisition of Vidillion Inc.

On April 1, 2022, the Company, through its newly formed wholly-owned subsidiary, Vidillion Corp. (formerly, Sabio Acquisition Inc.), completed the acquisition of 100% of U.S. based unlisted entity Vidillion Inc., a CTV and OTT supply side platform ("SSP") and technology provider for content creation (the "Acquisition"). The Acquisition was made to enhance the Company's CTV/OTT technology, including for the creation and distribution of ad-supported CTV/OTT apps on various platforms.

The Acquisition has been accounted for using the acquisition method. The fair values of the identifiable assets and liabilities of Vidillion Inc. as at the date of acquisition were:

	Fair value recognised on acquisition ($)
Net Assets	
Customer/publisher relationships	83,000
Technology and patents	129,000
Brand name	75,000
Total identifiable net assets at fair value	**287,000**
Goodwill	2,478,774
Purchase consideration transferred	**2,765,774**
Settled by:	
Cash	*1,250,000*
Fair value of common shares issued - Discounted	*1,515,774*
Analysis of cash flows on acquisition:	
Cash paid	(1,250,000)
Cost related to the issuance of common shares	(24,903)
Net cash flow on acquisition	**(1,274,903)**

In connection with the Acquisition, the Company issued 1,685,079 Common Shares at CAD$1.30/share and made a cash payment of $1,250,000. The Common Shares issued are subject to a lock-up period of six months expiring October 1, 2022, which may be extended in the event of post-closing indemnity claims, in addition to the hold periods or restrictions under applicable securities laws or the policies of the Exchange. The fair value of the Common Shares which were held in escrow was determined to be $1,515,774. The discount related to the fair value of the shares held in escrow was determined using Black Scholes Option Pricing model with the following assumptions: share price of $1.04, exercise price of $1.04, expected life of 0.33 year, volatility of 57.1%, risk free rate of 2.2% and dividend yield of nil. The Acquisition was an Arm's Length Transaction, as such term is defined in the policies of the Exchange, and no finder's fees were paid in connection with the Acquisition.

The goodwill of $2,478,774 recognised is primarily attributed to the expected synergies arising from the Acquisition and the workforce which is not separately recognised. The goodwill is not deductible for income tax purposes and is expected to be realized from Vidillion Corp.'s future profitability.

There was no other activity of Vidillion Corp. other than the business acquired from Vidillion Inc. The condensed interim consolidated financial statements included the results of Vidillion Corp. for the six-month period from the acquisition date. Vidillion Corp. has contributed $549,362 and $771,690 to the Company's consolidated revenues and loss, respectively, from the acquisition date to September 30, 2022. Had the acquisition occurred on January 1, 2022, the Company's revenue for the period would have been $24,932,240 and the Company's net loss for the period would have been $3,122,485. In determining these amounts, the Company has assumed that the fair values of the net assets acquired that were estimated and accounted for on the dates of acquisition would have been the same as if the acquisition had occurred on January 1, 2022. The net loss from the-

5. Acquisition of Vidillion Inc. (*continued from previous page*)

acquisition includes the associated amortization of acquired intangible assets recognized as if the acquisitions had occurred on January 1, 2022.

Transaction costs of $156,752 for the nine-month period ended September 30, 2022 have been expensed and are included in Transaction costs in the Condensed Interim Consolidated Statements of Operations and Comprehensive Loss and are part of operating cash flows in the Condensed Interim Consolidated Statements of Cash Flows. The attributable costs of the issuance of common shares of $24,903 have been charged directly to equity as a reduction in Common shares in the Condensed Consolidated Statements of Financial Position.

6. Accounts receivable

	September 30, 2022	December 31, 2021
	$	$
Trade receivables	**7,442,194**	8,539,086
Expected credit loss provision	**(162,295)**	(162,295)
Net carrying value	**7,279,899**	8,376,791

7. Intangible assets

	Internally generated intangible assets	Acquired Technology and Patents (*)	Acquired Customer/Publisher Relationships (*)	Acquired Brand Name (*)	Total
	$				
Cost					
Balance at December 31, 2021	3,302,707	-	-	-	3,302,707
Additions	17,090	-	-	-	17,090
Disposal	(12,944)	-	-	-	(12,944)
Balance, March 31, 2022	3,306,853	-	-	-	3,306,853
Additions	33,881	-	-	-	33,881
Acquisition of Vidillion Inc. (Note 5) (*)	-	129,000	74,000	75,000	278,000
Balance, June 30, 2022	3,340,734	129,000	74,000	75,000	3,618,734
Additions	73,681	-	-	-	73,681
Acquisition of Vidillion Inc. (Note 5) (*)	-	-	9,000	-	9,000
Balance at September 30, 2022	**3,414,415**	**129,000**	**83,000**	**75,000**	**3,701,415**
Accumulated amortization and impairment losses					
Balance at December 31, 2021	2,973,490	-	-	-	2,973,490
Amortization expense	121,870	-	-	-	121,870
Disposal	(6,722)	-	-	-	(6,722)
Balance, March 31, 2022	3,088,638	-	-	-	3,088,638
Amortization expense	98,960	6,451	3,700	2,679	111,790
Balance, June 30, 2022	3,187,598	6,451	3,700	2,679	3,200,428
Amortization expense	75,002	6,451	3,700	2,679	87,832
Amortization expense adjustement (*)	-	-	900	-	900
Balance at September 30, 2022	**3,262,600**	**12,902**	**8,300**	**5,358**	**3,289,160**
Net book value as at:					
December 31, 2021	329,217	-	-	-	329,217
Balance at September 30, 2022	**151,815**	**116,098**	**74,700**	**69,642**	**412,255**

(*) Intangible assets were acquired via the asset purchase acquisition of Vidillion Inc. on April 1, 2022. An adjustment was recorded for the fair value of customer/publisher relationships and related amortization in the quarter ended September 30, 2022.

8. Accounts payable and accrued liabilities

	September 30, 2022	December 31, 2021
	$	$
Trade accounts payable and accrued liabilities	**7,693,536**	7,336,260
Interest payable	**247,648**	147,092
	7,941,184	7,483,352

9. Right of use asset and lease liabilities

Right-of-use asset

	Office premises
Cost	$
Balance, December 31, 2021	693,229
Lease extension	110,329
Balance, March 31, 2022	803,558
Lease extension	528,316
Balance, June 30, 2022	1,331,874
New lease	427,083
Balance, September 30, 2022	**1,758,957**
Accumulated amortization	
Balance, December 31, 2021	182,489
Amortization	45,148
Balance, March 31, 2022	227,637
Amortization	84,313
Balance, June 30, 2022	311,950
Amortization	94,813
Balance, September 30, 2022	**406,763**
Carrying amount	
December 31, 2021	510,740
September 30, 2022	**1,352,194**

Lease Liability

Cost	**$**
Balance, December 31, 2021	534,843
Lease extension	110,329
Interest accretion	18,905
Lease payments	(80,000)
Balance, March 31, 2022	584,077
Lease extension	510,316
Interest accretion	36,772
Lease payments	(50,200)
Balance, June 30, 2022	1,080,965
New lease	408,300
Interest accretion	41,203
Lease payments	(96,000)
Balance, September 30, 2022	1,434,468
Current	356,754
Non-current	1,077,714
Balance, September 30, 2022	**1,434,468**

9. Right of use asset and lease liabilities *(continued from previous page)*

The following table provides the remaining lease commitments in 2022 and onward. The amounts disclosed in the maturity analysis are the contractual undiscounted cash flows before deducting interest or finance charges.

	$
2022	130,317
2023 to 2025	1,460,904
2026 to 2027	203,758
	1,794,979

The Company has certain short-term office leases which are not capitalised in accordance with IFRS 16 due to their short-term nature. The Company recorded occupancy expenses of $162,893 for the three months ended September 30, 2022 (2021 - $27,772) related to these short-term office leases in the consolidated statements of operations and comprehensive loss. During the for the nine months ended September 30, 2022, the company recorded occupancy expenses of $404,081 (2021 - $46,243) related to these short-term office leases in the consolidated statements of operations and comprehensive loss.

10. Loans payable

	Note	**September 30, 2022**	December 31, 2021
		$	$
Wisper Ventures Leasing, LLC promissory note	(a)	**362,112**	932,200
U.S. Small Business Administration promissory note	(b)	**490,000**	489,090
Avidbank Credit Facility	(c)	**3,863,610**	2,705,000
		4,715,722	4,126,290
Current portion of loans payable		**293,346**	860,873
Long-term portion of loans payable		**4,422,376**	3,265,417
		4,715,722	4,126,290

Future principal repayments are as follows:

2022	**293,346**
2023	**3,945,419**
2024	**10,883**
2025 and beyond	**466,074**
	4,715,722

a) The Wisper Ventures Leasing, LLC multiple advance promissory note bears interest at 15.0% plus 3.0% per annum and is due September 30, 2023. During the three months ended September 30, 2022, the Company paid $244,108 (2021 - $144,565) in principal and incurred $25,133 (2021 - $157,745) of interest expense including fees payable at the end of the term of the note. During the nine months ended September 30, 2022, the Company paid $570,088 (2021 - $413,738) in principal and incurred $163,335 (2021 - $358,831) of interest expense including fees payable at the end of the term of the note.

10. Loans payable *(continued from previous page)*

b) On April 1, 2020, the Company closed on an unconditional guarantee disaster loan from the U.S. Small Business Administration in the amount of $500,000. The Loan is intended to alleviate economic injury caused by disaster occurring in the month of January 2020. The loan bears interest at a fixed rate of 3.75% per annum, with a maturity date of thirty years from the date of the Loan. Interest and principal payments are deferred for the first 30 months. During the three months ended September 30, 2022, the Company paid $nil (2021 - $nil) in principal and incurred $4,594 (2021 - $nil) of interest expense. During the nine months ended September 30, 2022, the Company paid $nil (2021 - $910) in principal and incurred $44,028 (2021 - $1,563) of interest expense.

c) On November 23, 2021, the Company closed on a credit facility pursuant to the terms of a credit agreement between the Company and Avidbank. The term of the facility is 24 months from closing. The facility is secured against assets of the Company including, but not limited to, its Accounts Receivable and currently provides for an Accounts Receivable Line of Credit, with $7,000,000 maximum loans outstanding, at an interest rate of the greater of the Wall Street Journal prime rate plus 1.00% or 4.25%. As of December 31, 2021, $2,705,000 was drawn to refinance the Company's then pre-existing debt. On March 14, 2022, $1,250,000 was drawn to fund the acquisition of substantial assets of Vidillion Inc. During the three months ended September 30, 2022, the Company paid $486,390 in principal and incurred $64,369 of interest expense. During the nine months ended September 30, 2022, the Company has withdrawn $2,461,056 and paid $1,302,446 in principal and incurred $140,765 of interest expense.

All interest accrued related to these loans have been recorded under accounts payables and accrued liabilities.

11. Share capital

a) Authorized share capital

The authorized share capital of the Company consists of an unlimited number of common shares with a nominal par value.

	#	$
Balance, December 31, 2020	30,453,142	444,719
Issuance of common shares from concurrent financing, net of transaction costs	3,799,252	4,831,911
Spirit's common shares rolled over to Sabio's common shares	730,086	1,011,897
Issuance of common shares due to conversion of convertible promissory notes	2,395,536	2,606,041
Issuance of common shares for listing agents	85,714	117,674
Issuance of common shares due to exercise of stock warrants and options	6,361,111	1,333,697
Balance December 31, 2021	**43,824,841**	**10,345,939**
Balance, December 31, 2021	43,824,841	10,345,939
Issuance of common shares for the acquisition of Vidillion Inc. (Note 5)	1,685,079	1,490,871
Issuance of common shares due to exercise of stock warrants and options	251,398	72,988
Balance September 30, 2022	**45,761,318**	**11,909,798**

i. On April 1, 2022, 1,685,079 common shares were issued as part of the consideration transfer for the Acquisition of Vidillion Inc., as described in Note 5.

ii. As of September 30, 2022, 251,398 stock options were exercised for total net proceeds of $42,739. The total share-based benefits reserve reclassified to common shares was $30,249.

11. Share capital *(continued from previous page)*

b) Escrow shares

Subject to certain permitted exemptions, all securities of the Company held by principals of the Company will also be subject to escrow. As of September 30, 2022, the Company's escrow shares were contemplated in the weighted average shares outstanding calculation as they are placed in the escrow according to the requirements of the Exchange and will be released when the passage of certain timelines is met.

In connection with the Qualifying Transaction, 7,343,838 shares held by principals of the Company and founders of Sabio Inc. were deposited into escrow at closing of the Qualifying Transaction (the "Value Escrow Shares"), of which 10% of the Value Escrow Shares were released upon the date of issuance of the Final Exchange Bulletin, 15% were released on May 24, 2022, 15% will be released on November 24, 2022, 15% will be released on May 24, 2023, 15% will be released on November 24, 2023, 15% will be released on May 24, 2024 and 15% will be released on November 24, 2024. Additionally, 414,846 shares of the Company held by former shareholders of Spirit were held in escrow at closing of the Qualifying Transaction ("CPC Escrow Shares"), of which 25% of the CPC Escrow Shares were released upon the date of the Final Exchange Bulletin, 25% were released on May 24, 2022, 25% will be released on November 24, 2022, and 25% will be released on May 24, 2023.

In connection with the Acquisition of Vidillion Inc., 1,685,079 common shares issued were held in escrow as they were subject to a lock-up period of six months expiring October 1, 2022. Subsequent to quarter-end, all 1,685,079 shares were released from escrow.

c) Share based compensation and share based payment reserve

The Company has established an omnibus incentive plan for its directors, officers and consultants under which the Company may grant security-based compensation, including options and restricted stock units, from time to time to acquire a maximum of 10% of the issued and outstanding common shares. The grant of security-based compensation and the exercise price of each option granted under the plan shall be determined by the Board of Directors.

Stock options

Options may be exercised for a maximum term of ten years from the date of the grant. They are non-transferable and expire after from 30 days to 90 days of termination of employment.

A summary of changes in share-based compensation during the nine months ended September 30, 2022, and the year ended December 31, 2021, is as follows:

Measurement date	Number of Options	Weighted average exercise price
	#	$
Balance, December 31, 2020	6,207,888	0.11
Granted	4,278,334	0.17
Spirit's options rolled over to Sabio's options	73,009	1.25
Exercised	(5,995,488)	0.13
Forfeited	(1,722,621)	0.10
Balance, December 31, 2021	2,841,122	0.19
Granted	1,230,120	1.00
Exercised	(251,398)	0.17
Forfeited	(184,552)	0.07
Balance, September 30, 2022	**3,635,292**	**0.49**

11. Share capital *(continued from previous page)*

c) Share based compensation and share based payment reserve *(continued from previous page)*

The following tables summarize information about the Company's share options outstanding as at September 30, 2022:

Range of exercise prices	Number of options	Weighted average exercise price	Weighted average remaining contractual life in years
	#	$	
0.09	351,041	0.09	4.30
0.14	3,657	0.14	5.80
0.17	1,997,465	0.17	6.42
1.00	120,000	1.00	4.48
1.10	1,090,120	1.10	9.29
1.25	73,009	1.25	0.13
	3,635,292	**0.49**	**6.89**

There were no options granted during the three-month period ended September 30, 2022 (September 30, 2021 - $Nil). During the nine months ended September 30, 2022, 1,230,120 share options were issued (September 30, 2021 – 1,170,000 pre-Qualifying Transaction options) with a weighted average fair value of $0.83 per option at the date of grant (2021 - $0.31 per option) to directors, employees and consultants. 1,110,120 of the options were granted to directors, employees and consultants that vest quarterly from the grant date and 120,000 of the options granted to a consultant that vests monthly, starting from month five (5) of the consulting agreement.

The fair value of the share options granted during the periods was determined using the Black-Scholes-Merton option pricing model with the following weighted average assumptions:

	September 30, 2022	December 31, 2021
Estimated fair value per common share	**$0.57 to $0.85**	$0.17
Exercise price of the option	**$1 to $1.1**	$0.17
Expected volatility of the underlying common share	**71.6% -77.2%**	67.4% -82.6%
Expected life of the option (in years)	**5-10 years**	1-10 years
Expected dividend yield	**0.00%**	0.00%
Risk-free rate of interest	**0.9% -1.7%**	0.1% -0.93%

During the three months ended September 30, 2022, the Company recognized stock-based compensation expense for granted options of $154,530 (2021 - $28,614). During the nine months ended September 30, 2022, the Company recognized stock-based compensation expense for granted options of $565,125 (2021 - $287,245).

Restricted stock units

On June 29, 2022, shareholders of the Company approved a replacement omnibus equity incentive plan that permits the granting of certain compensation securities, including restricted stock units. Restricted stock units are automatically converted into the Company's common shares upon vesting and when the common shares are issued upon redemption, the shares will be fully paid and non-assessable shares in the share capital of the Company.

11. Share capital *(continued from previous page)*

c) Share based compensation and share based payment reserve *(continued from previous page)*

Restricted stock units *(continued from previous page)*

A summary of changes in restricted stock units during the nine months ended September 30, 2022, and the year ended December 31, 2021, is as follows:

Measurement date	Number of restricted stock units	Weighted average grant price	Weighted average remaining contractual life in years
	#	$	#
Balance, December 31, 2021	-	-	-
Granted	262,000	0.76	2.94
Balance, September 30, 2022	**262,000**	**0.76**	**2.94**

During the three and nine months ended September 30, 2022, the Company recognized stock-based compensation expense for granted restricted stock units of $5,556 (2021 - $nil).

Warrants

A summary of changes in share-based compensation during the nine months ended September 30, 2022, and the year ended December 31, 2021, is as follows:

Measurement date	Number of Warrants	Weighted average exercise price
	#	$
Balance, December 31, 2020	-	-
Granted	3,170,374	0.17
Exercised	(365,623)	0.17
Issuance of warrants to convertible promissory notes holders upon conversion	1,197,761	1.39
Warrants issued to listing agents/consultants upon completion of Qualifying Transact	169,596	1.37
Issurance of warrants to individuals with Zelos Capital Ltd. upon completion of Qualifying Transaction	6,080	1.37
Balance, December 31, 2021 and September 30, 2022	**4,178,188**	**0.57**

The following tables summarize information about the Company's share warrants outstanding as at September 30, 2022:

Range of exercise prices	Number of warrants	Weighted average exercise price	Weighted average remaining contractual life in years
	#	$	
0.17	2,804,751	0.17	2.28
1.39	1,197,761	1.39	1.14
1.37	175,676	1.37	1.16
	4,178,188	**0.57**	**1.91**

11. Share capital *(continued from previous page)*

c) Share based compensation and share based payment reserve *(continued from previous page)*

Warrants *(continued from previous page)*

There were no warrants issued during the three-month period ended September 30, 2022 (September 30, 2021 - $Nil). No warrants were issued during the nine months ended September 30, 2022. During the nine months ended September 30, 2021, the Company issued 100,000 pre-Qualifying Transaction warrants to an officer of the Company at a strike price of $0.61, and a fair value of $0.20 per warrant that was determined using the Black-Scholes option pricing model using the following assumptions: risk-free interest rate of 0.10%, expected volatility of 82.6%, expected life of 1 year and expected dividends of $nil. The warrants value of $20,000 was recognized in share-based benefits reserve with a corresponding cost to stock-based compensation. The Company also issued 767,000 pre-Qualifying Transaction warrants to Greenglade Ventures Inc., an advisor of the Company engaged to assist in the Company's sale of convertible promissory notes and efforts to publicly list on the TSX Venture Exchange, at a strike price of $0.61, and a fair value of $0.31 per warrant that was determined using the Black-Scholes option pricing model using the following assumptions: risk-free interest rate of 0.36%, expected volatility of 67.38%, expected life of 4 years and expected dividends of $nil. The warrants value of $237,770 was recognized in share-based benefits reserve with a corresponding expense booked under transaction costs.

12. Related Party Transactions

Amounts due from related parties as at September 30, 2022 and December 31, 2021 were as follows:

	September 30, 2022	December 31, 2021
	$	$
Simon Wong	**60,805**	60,351
Aziz Rahimtoola	**787,113**	759,165
	847,918	819,516

The balance from Simon Wong is a loan principal of $60,076 (bearing an interest rate of 1% per annum) plus accrued interest. During the second quarter of 2022 the loan was extended for an additional year and is due on July 15, 2023. The balance from Aziz Rahimtoola represents non-interest-bearing advances made to a shareholder due on demand.

13. Risk management arising from financial instruments

a) Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's principal financial assets that expose it to credit risk are receivables, the Company mitigates this risk by monitoring the credit worthiness of its customers.

The Company recognizes a provision for expected credit losses based on its assessment of probability of specific losses, estimates of future individual exposures and provisions based on historical experience.

13. Risk management arising from financial instruments *(continued from previous page)*

a) Credit risk *(continued from previous page)*

The following is the breakdown of the aging of trade receivables:

	September 30, 2022	December 31, 2021
		$
Trade receivables aging		
0-30 days	**6,018,043**	5,591,292
31-60 days	**819,413**	2,414,923
61-90 days	**456,816**	361,147
Greater than 90 days	**147,922**	171,724
	7,442,194	8,539,086
Allowance for expected credit losses	**(162,295)**	(162,295)
Net trade receivables	**7,279,899**	8,376,791

At September 30, 2022, of the Company's trade receivables, three customers accounted for 40% (2021 – three customers for 52%).

The Company applies the simplified approach to provide for expected credit losses as prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables and contract assets. The expected credit loss provision is based on the Company's historical collections and loss experience and incorporates forward-looking factors, where appropriate. The provision matrix below shows the expected credit loss rate for each aging category of trade receivables as at September 30, 2022 and December 31, 2021.

September 30, 2022	**Total**	**0-30 days**	**31-60 days**	**61-90 days**	**>90 days**
Default rates		0.73%	1.84%	1.32%	65.77%
Trade receivables	**$ 7,442,194**	$ 6,018,043	$ 819,413	$ 456,816	$ 147,922
Expected credit loss	**$ 162,295**	$ 43,934	$ 15,036	$ 6,030	$ 97,295

December 31, 2021	**Total**	**0-30 days**	**31-60 days**	**61-90 days**	**>90 days**
Default rates		0.49%	1.35%	1.40%	56.66%
Trade receivables	**$ 8,539,086**	$ 5,591,292	$ 2,414,923	$ 361,147	$ 171,724
Expected credit loss	**$ 162,295**	$ 27,391	$ 32,553	$ 5,056	$ 97,295

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's revolving demand facility and debt have variable interest rates. Changes in the lending institutions prime lending rates can cause fluctuations in interest payments and cash flows.

13. Risk management arising from financial instruments *(continued from previous page)*

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach in managing liquidity is to ensure, to the extent possible, that it will have sufficient liquidity to meet its liabilities when due, by continuously monitoring actual and forecasted cash flows.

	Contractual cash flows	Less than 1 year	1-3 years	4-5 years	After 5 years
Trade and other payables	**7,941,184**	7,941,184	-	-	-
Lease liability	**1,434,468**	356,754	888,514	189,200	-
Loans payable	**4,715,722**	293,346	3,956,302	23,027	443,047
	14,091,374	8,591,284	4,844,816	212,227	443,047

d) Foreign currency risk

The Company is exposed to currency risk related to the fluctuation of foreign exchange rates. The Company is exposed to currency risk through its operations in Indian rupees and through maintaining cash in Canadian dollars and purchasing services in Canadian dollars. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. A change of 1% in the INR/USD and CAD/USD exchange rates on the September 30, 2022 would have had an impact of $1,177, $383, and $431 respectively on the Company's cash and cash equivalent balances in Indian rupees and in Canadian dollars and on the Company's accounts payable and accrued liabilities in Canadian dollars.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period follows:

	September 30, 2022	December 31, 2021
	INR	INR
Cash and cash equivalents	**9,689,328**	4,897,405
Net financial assets	**9,689,328**	4,897,405

	September 30, 2022	December 31, 2021
	CAD $	CAD $
Cash	**51,376**	155,129
Net financial assets	**51,376**	155,129

	September 30, 2022	December 31, 2021
	CAD $	CAD $
Accounts payable and accrued liabilities	**57,694**	21,844
Net financial liabilities	**57,694**	21,844

13. Risk management arising from financial instruments *(continued from previous page)*

e) Management of capital

The Company's objective of managing capital, comprising of shareholder's equity, is to ensure its continued ability to operate as a going concern. The Company manages its capital structure and makes changes to it based on economic conditions. With approval from the Board of Directors, management will adjust its capital structure through the issue of new shares, debt or other activities deemed appropriate under the specific circumstances. Management and the Board of Directors review the Company's capital management approach on an ongoing basis and believe this approach, given the relative size of the Company, is reasonable. The Company is subject to capital requirements from Avidbank for the use of the granted credit facility. The Company's capital management objectives, policies and processes have remained unchanged during the nine months ended September 30, 2022.

14. Segmented Information

The Company has identified one operating segment that is a technology provider in the high-growth advertising areas of connected TV ("CTV") and over-the-top ("OTT") streaming. The Company sells services in the United States of America ("USA") with Sabio Inc. providing targeted campaign solutions to top agencies and the brands they represent by filling the ad slots in Vidillion Corp. and other non-Vidillion CTV/OTT apps. AppScience, Inc provides an agnostic platform to track, measure and analyze media buys across multiple partners, while Sabio Mobile India Private Limited and Sabio Canada Inc. works as operational extensions of the Company for data engineering, data science activities and administration activities. The Company has determined that it has a single reportable segment as the Company's decision makers review information on a consolidated basis.

15. Commitment

The Company is committed under a contract with a strategic business advisor dated June 1, 2022, for a one-year period with a minimum commitment period of 6 months from the contract date, after which time the contract is cancellable upon 30 days' notice.

On August 8, 2022, the Company entered a lease for a new office in Hyderabad, India with Gowra Ventures (P) Ltd with the assured period of five years from the rent commencement date. The lease contains an option to renew for two terms of three years each and the sum of base rent and maintenance charges less security deposits for the assured period is approximately $376,616 (INR 29,958,148).

The future minimum commitment for these contracts as at September 30, 2022 is as follows:

Within one year	$	247,271
Less than one year and not longer than five years		234,306
Thereafter		86,039
	$	**567,616**

16. Subsequent Events

On October 14, 2022, 239,375 share options of the Company were granted to certain employees of the Company at an exercise price of CAD $0.80. The options will vest quarterly from the grant date over a vesting period of 2 to 3 years. 395,313 restricted stock units ("RSUs") of the Company were also granted at the grant-date fair-value of the Company's common shares of CAD $0.80. 137,500 of these RSUs were granted to directors of the Company and will fully vest on first anniversary of the grant date. The remaining 257,813 RSUs were granted to employees and contractors of the Company, and will vest over two years with 1/2 vesting at the one-year anniversary of the grant and quarterly vesting over the second year.

On November 21, 2022, the Company entered a lease for a new office in Surat, India with the lock-in period of 3 years from the rent commencement date. The lease contains an option for the Company to renew for two terms of three years each and the sum of monthly base rent and maintenance charge less security deposit for the assured period is approximately $81,467 (INR 6,638,970).