FACEDRIVE INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021

(Expressed in Canadian dollars)

(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.

May 24, 2022

Facedrive Inc.
Condensed Consolidated Interim Financial Statements
For the Three Months Ended March 31, 2022 and 2021
(Unaudited - In Canadian dollars, except where otherwise indicated)

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Condensed Consolidated Interim Financial Statements

Facedrive Inc.
Condensed Consolidated Interim Statements of Financial Position
(Unaudited - In Canadian dollars, except where otherwise indicated)

As at	Notes	March 31, 2022	December 31, 2021
ASSETS			
Current assets			
Cash and cash equivalents		$ 3,604,905	$ 2,229,173
Trade and other receivables	14	1,730,539	1,915,348
Prepaid expenses and deposits	15	727,627	363,914
Inventories	16	5,272,814	5,433,350
		11,335,885	9,941,785
Restricted investment	17	146,026	221,202
Deposits	15	1,166,362	1,221,153
Investment in preferred shares	20	1,345,680	1,365,145
Equipment	21	507,987	399,420
Right-of-use assets	30	8,478,131	9,877,066
Intangible assets	18	3,859,760	4,540,362
Goodwill	19	1,907,369	1,919,844
Deferred income tax assets		49,552	46,900
Total assets		$ 28,796,752	$ 29,532,877
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	22	$ 8,086,733	$ 7,037,112
Customer deposits		539,592	466,420
Deposit on equity financing	33	2,227,259	-
Deferred revenue	8	305,984	402,171
Due to related parties	27	195,559	195,559
Lease liabilities – current	30	2,355,933	2,415,372
Income tax payable		84,447	85,677
		13,795,507	10,602,311
Loans	23	101,327	98,591
Lease liabilities	30	7,670,834	8,718,114
Total liabilities		21,567,668	19,419,016
SHAREHOLDERS' EQUITY			
Share capital	25	64,365,543	62,659,497
Contributed surplus		7,769,291	4,155,087
Accumulated other comprehensive loss		(129,919)	(106,931)
Deficit		(64,775,831)	(56,593,792)
Total shareholders' equity		7,229,084	10,113,861
Total liabilities and shareholders' equity		$ 28,796,752	$ 29,532,877

Commitments, contingencies and guarantees Note 29
Subsequent events Note 33
Approved by:

(signed) "Junaid Razvi" Director *(signed) "Suman Pushparajah"* Director

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

Facedrive Inc.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Unaudited - In Canadian dollars, except where otherwise indicated)

For the three months ended March 31,	Notes		2022		2021
REVENUE	8	$	10,734,515	$	2,772,834
COSTS AND OPERATING EXPENSES					
Cost of revenue	9		11,745,485		3,370,567
General and administration	10		2,004,384		2,059,249
Operational support	11		3,701,208		2,187,947
Research and development	12		737,478		344,435
Sales and marketing	13		591,115		858,087
Amortization	18		664,538		663,690
Depreciation	21, 30		356,788		30,174
Total costs and operating expenses			19,800,996		9,514,149
OPERATING LOSS			(9,066,481)		(6,741,315)
OTHER INCOME (EXPENSES)					
Government and other grants	31		1,022,814		1,084,882
Foreign exchange loss			(7,945)		(49,390)
Interest expenses			(240,328)		(187,285)
Interest income			56		9,632
Gain from sale of equipment	21		19,570		-
Gain on lease terminations	30		86,774		5,071
Fair value loss on investment	20		132		-
LOSS BEFORE INCOME TAXES		$	(8,185,408)	$	(5,878,405)
Deferred income tax recovery			3,369		248,000
NET LOSS			(8,182,039)		(5,630,405)
Cumulative translation adjustment			(22,988)		(34,084)
NET LOSS AND COMPREHENSIVE LOSS		$	(8,205,027)	$	(5,664,489)
Loss per share – basic and diluted		$	(0.08)	$	(0.06)
Weighted average shares outstanding – basic and diluted			98,310,931		93,746,852

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

Facedrive Inc.
Condensed Consolidated Interim Statements of Changes in Equity
(Unaudited - In Canadian dollars, except where otherwise indicated)

	Note	Number of common shares		Share capital		Contributed surplus		Deficit		Accumulated other comprehensive losses		Total shareholders' equity (deficit)
Balance, December 31, 2020		**93,729,980**	**$**	**40,916,526**	**$**	**2,176,016**	**$**	**(27,283,039)**	**$**	**(75,835)**	**$**	**15,733,668**
Issuance of share capital	25	1,518,518		20,499,993		-		-		-		20,499,993
Share issuance costs	25	-		(292,849)		-		-		-		(292,849)
Share-based payments	26	-		-		798,178		-		-		798,178
Net loss and comprehensive loss		-		-		-		(5,630,405)		(34,084)		(5,664,489)
Balance, March 31, 2021		**95,248,498**	**$**	**61,123,670**	**$**	**2,974,194**	**$**	**(32,913,444)**	**$**	**(109,919)**		**31,074,501**
Balance, December 31, 2021		**95,721,499**	**$**	**62,659,497**	**$**	**4,155,087**	**$**	**(56,593,792)**	**$**	**(106,931)**	**$**	**10,113,861**
Issuance of share capital	25	7,343,750		345,156		4,354,844		-		-		4,700,000
Share issuance costs	25	-		(74,110)		-		-		-		(74,110)
Acquisition of Food Hwy (a)	6	(26,841)		-		-		-		-		-
Exercise of RSUs	26	109,434		1,435,000		(1,435,000)		-		-		-
Share-based payments	26	-		-		694,360		-		-		694,360
Net loss and comprehensive loss		-		-		-		(8,182,039)		(22,988)		(8,205,027)
Balance, March 31, 2022		**103,147,842**	**$**	**64,365,543**	**$**	**7,769,291**	**$**	**(64,775,831)**	**$**	**(129,919)**		**7,229,084**

(a) As a result of the Adjustment to the purchase price (see Note 6), the Company had to cancel 28,228 common shares. Accordingly, 26,841 common shares have been cancelled in Q1, 2022 and the remaining is cancelled as at the date of this report. The fair value of share capital issued reflects the adjusted purchase price.

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

Facedrive Inc.
Condensed Consolidated Interim Statements of Cash Flows
(Unaudited - In Canadian dollars, except where otherwise indicated)

For the three months ended March 31,		2022		2021
OPERATING ACTIVITIES				
Net loss	$	(8,182,039)	$	(5,630,405)
Items not affecting cash:				
Depreciation and amortization (Note 18, 21, 30)		1,539,715		1,157,375
Share-based payments (Note 26)		694,360		798,178
Inventory provision (Note 16)		235,361		-
Unrealized foreign exchange loss		14,470		60,860
Fair value gain on investment (Note 20)		(132)		-
Deferred income tax recovery		(3,369)		(248,000)
Gain on lease terminations		(56,781)		(5,071)
Gain from sale of equipment (Note 21)		(19,570)		-
Interest expenses		2,736		12,717
Government and other grants		-		(11,967)
Net change in non-cash working capital items:				
Trade and other receivables		176,652		234,271
Prepaid expenses and deposits		(364,777)		(1,732,738)
Interest receivable		231		(9,606)
Deposits		116,214		65,116
Inventory		(74,825)		(641,152)
Accounts payable and accrued liabilities		1,062,553		450,569
Deferred income		(91,778)		708,195
Cash used in operating activities		(4,950,979)		(4,791,658)
INVESTING ACTIVITIES				
Purchase of equipment (Note 21)		(174,751)		(239,543)
Proceeds from sale of equipment (Note 21)		60,000		-
Restricted investment		75,000		-
Cash used in investing activities		(39,751)		(239,543)
FINANCING ACTIVITIES				
Repayments to related parties		-		(138,469)
Cash received before issuance of common shares (Note 33)		2,227,259		-
Issuance of common shares (Note 25)		4,700,000		20,499,993
Share issuance costs (Note 25)		(74,110)		(292,849)
Principal payment of lease liabilities (Note 30)		(461,984)		(252,171)
Proceeds from CEBA loans		-		20,000
Cash provided by financing activities		6,391,165		19,836,504
Impact of currency translation adjustment on cash		(24,703)		(4,925)
NET DECREASE IN CASH AND CASH EQUIVALENTS		**1,375,732**		**14,800,378**
Cash and cash equivalents, beginning of period		2,229,173		3,915,788
Cash and cash equivalents, end of period	$	**3,604,905**	**$**	**18,716,166**

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

1. CORPORATE INFORMATION

Facedrive Inc. ("**Facedrive**" or the "**Company**") was incorporated on January 18, 2018, under the *Business Corporations Act* (Alberta) as High Mountain Capital Corporation and was continued on December 31, 2019, under the *Business Corporations Act* (Ontario). The Company's corporate headquarters is located at 44 East Beaver Creek, Suite 16, Richmond Hill, Ontario L4B 1G8.

Based on these global mega-trends, the Company carries out its vision by building a one-of-a-kind system that aggregates conscientious users through a series of connected offerings (serving as various entry points) and enables them to buy, sell, lease or invest with the same platform. The Company's offerings generally fall into two categories: 1) Subscription-based offerings and 2) On-Demand Offerings. All services are ultimately powered by the Company's data, analytics, and machine learning engine, EcoCRED to better capture, analyse, parse and report on key data points that will measure the Company's impact on carbon reductions and offsets.

Subscription-Based Offerings

The Company's Subscription-Based Services are led by its flagship STEER EV business unit, which allows consumers (typically on a monthly recurring subscription basis) to choose from a diverse fleet of automobiles that includes a range of premium luxury, comfort and entry-level electric vehicles (EV) – without the hassles that come with long-term ownership or daily rental. Subscription Services also include health technology services and related offerings. The Company has been pleased with the success of its operations in Toronto and Washington, DC as two operational centers with strong utilization and subscriber growth rates, and intends to aggressively expand in North America into the targeted markets that have been identified for expansion. The Company anticipates this expansion translating into strong and organic monthly recurring revenue results and ultimately significant year-over-year revenue growth from its business-to-consumer (B2C) operations. Following this, the goal is to further expand, in the intermediate term, into electric charging and smart-community infrastructure.

On-Demand Offerings

On-Demand Services include the Company's various mobility offerings catering to both businesses and consumers. This includes the Company's rideshare platform, its food delivery service, its delivery-as-a-service (DaaS) business, and its fast-growing business-to-business offering "B2B Marketplace". B2B Marketplace provides for the sale and delivery of just-in-time supplies to restaurants allowing them to not only reduce their inventory and storage costs, but also choose from among the Company's environmentally conscious supply options. This increased adoption of environmentally conscious options will then be reflected in the carbon reduction and offset numbers that the Company will be tracking and reporting through its EcoCRED engine. These next stages will include the launch of the Company's new "super-app" which will bring all affiliated On-Demand offerings onto the same platform with a view to streamlining both their operational footprint and the end-user experience.

ESG and Data Driven Intelligence

The Company is experiencing an increasing number of users and businesses transacting on its EcoCRED platform. EcoCRED, driven by data analytics, will take on a pivotal role in analysing the collected datasets related to general consumer behavior, consumption patterns, carbon impacts and offsets. First acquired from a wholly-owned subsidiary of Exelon Corporation in April of 2021, EcoCRED has become the Company's ESG big-data analytics machine for all carbon impacts and offsets coming through its platform. The goal is to power all of the Company's On-Demand and Subscription-Based services through EcoCRED to automatically capture carbon reductions and offsets created in real-time. This will include offsets created by the Company's EV subscription service and its B2B Marketplace (e.g., the materials used and purchased). The Company is also working closely with industry-leading consultants to better understand all carbon reductions and offsets within the context of global industry standards. The Company intends to not only further integrate key sustainability metrics and statistics into its user interface (as it currently does for consumers on its mobile app), but also to the broader market.

Facedrive's COVID-19 Internal Response
In March 2020, the World Health Organization declared the outbreak of a Novel Coronavirus (or "COVID-19") as a pandemic. The Company has responded to the COVID-19 pandemic by launching new, or expanding the existing services, features, or health and safety requirements on an expedited basis, particularly those relating to the delivery of food. COVID-19 has impacted the global economy and has and may continue to result in significant business disruptions. Since the beginning of the pandemic, the government of Ontario, the primary jurisdiction the Company has operations in, has imposed lockdowns at certain periods in order to curb infection rates. These lockdowns and restrictions, leading to reduction in non-essential travel and school closing, have adversely impacted the demand for the Company's ride sharing business and is a contributing factor to the impairment of the Company's car-pooling HiRide platform during the year ended December 31, 2021 and 2020. Given the dynamic nature of COVID-19, the full extent to which the global pandemic may have direct or indirect impact on the Company's business and the related financial reporting implications can not be reasonably estimated at this time, although the pandemic could materially affect the Company's business, results of operations and financial condition in the future. Additionally, concerns over the economic impact of the COVID-19 pandemic have caused volatility in financial markets, which may adversely impact the Company's stock price and the Company's ability to access capital markets.

2. BASIS OF PRESENTATION

(a) Statement of Compliance

These unaudited condensed consolidated interim financial statements ("interim financial statements") have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board, applicable to the preparation of interim financial statements as set out in International Accounting Standard 34 Interim Financial Reporting ("IAS 34").

The Company has consistently applied the same accounting policies as described herein for all periods presented. These interim financial statements do not include all the disclosures required for a complete set of IFRS financial statements. Accordingly, they should be read in conjunction with the last audited consolidated annual financial statements and notes thereto for the year ended December 31, 2021 ("annual financial statements"), which are available on SEDAR at www.sedar.com. Selected explanatory notes are included in the interim financial statements to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors of the Company on May 24, 2022.

(Unaudited - In Canadian dollars, except where otherwise indicated)

These interim financial statements include the accounts of the Company and its wholly-owned subsidiaries. All intercompany balances, transactions, income and expenses have been eliminated on consolidation. Entities controlled by the Company and included in the interim financial statements are as follows:

SUBSIDIARIES	FUNCTIONAL CURRENCY	PRINCIPAL PLACE OF OPERATIONS	MARCH 31 2022 %
Facedrive Food Inc.	Canadian Dollar	Canada	100
Facedrive Health Inc.	Canadian Dollar	Canada	100
Food Hwy Canada Inc.	Canadian Dollar	Canada	100
Facedrive USA LLC.	US Dollar	United States	100
HiRide Share Ltd.	Canadian Dollar	Canada	100
Steer EV Canada Inc.	Canadian Dollar	Canada	100
Steer Holdings, LLC	US Dollar	United States	100
EcoCRED, LLC	US Dollar	United States	100

(b) Reclassification

Certain prior year amounts have been reclassified for consistency with the current period presentation. These reclassifications had no effect on the reported results of operations or cash flow.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES, AND ASSUMPTIONS

The preparation of these interim financial statements in conformity with IFRS requires management to make certain judgments, estimates, and assumptions that affect the application of accounting policies, the reported amounts of revenues and expenses for the periods presented, and the carrying amounts of assets, and liabilities, and the disclosure of contingent liabilities, at the date of financial statements. The estimates and associated assumptions are based on historical experience and other factors, including expectations of future events believed to be reasonable, that are considered to be relevant, the results of which form the basis of the estimates made or judgement exercised that are not readily apparent from other sources. Actual results may differ from these estimates. Judgments and estimates are often interrelated. The Company’s judgments and estimates are continually re-evaluated to ensure they remain appropriate. Revisions to accounting estimates are recognized in the period in which they are revised and in future periods affected.

The areas of significant judgement and estimation were identified in the Company’s annual financial statements for the year ended December 31, 2021.

4. NEW ACCOUNTING PRONOUNCEMENTS

(a) Standards Issued But Not Yet Effective

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

The amendment clarifies the requirements relating to determining if a liability should be presented as current or non-current in the statements of financial position. Under the new requirement, the assessment of whether a liability is presented as current or non-current is based on the contractual arrangements in place as at the reporting date and does not impact the amount or timing of recognition. The amendment applies retrospectively for annual reporting periods beginning on or after January 1, 2023. The Company is currently evaluating the potential impact of these amendments on the Company's consolidated financial statements.

Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendment narrowed the scope of certain recognition exemptions so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. An entity applies the amendments to transactions that occur on or after the beginning of the earliest comparative period presented. It also, at the beginning of the earliest comparative period presented, recognizes deferred tax for all temporary differences related to leases and decommissioning obligations and recognizes the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date. The amendment is effective for annual periods beginning on or after January 1, 2023 with early application permitted. The Company is currently evaluating the potential impact of these amendments on the Company's consolidated financial statements.

Definition of Accounting Estimates (Amendments to IAS 8)

On February 12, 2021, the IASB issued Definition of Accounting Estimates (Amendments to IAS 8). The amendments introduce a new definition for accounting estimates, clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy. The amendments are effective for annual periods beginning on or after January 1, 2023. Early adoption is permitted. The Company is currently evaluating the potential impact of these amendments on the Company's consolidated financial statements.

Amendments to IAS 37: Onerous Contracts and the Cost of Fulfilling a Contract

The amendment specifies that 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling contracts. The amendment is effective for annual periods beginning on or after January 1, 2022 with early application permitted. The Company has concluded that the impact is not material.

Disclosure initiative – Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)

On February 12, 2021, the IASB issued Disclosure Initiative – Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements). The amendments help companies provide useful accounting policy disclosures. The key amendments include:

— requiring companies to disclose their material accounting policies rather than their significant accounting policies;

— clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and,

— clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

The amendments are effective for annual periods beginning on or after January 1, 2023. Early adoption is permitted. The Company is currently evaluating the potential impact of these amendments on the Company's consolidated financial statements.

5. INVESTMENT IN TALLY TECHNOLOGY GROUP INC.

On August 7, 2020, the Company entered and completed a definitive agreement (the "**Tally Agreement**") to partner with and invest in Tally Technology Group Inc. ("**Tally**"), a white-label, free-to-play sports predictions platform.

In return for 727,273 common shares and 2,181,818 preferred shares of Tally, the Company paid USD$1,000,000 ($1,340,600) in cash and USD$2,000,000 ($2,326,425) in Shares at a deemed price per Share equal to $17.84 (calculated as the 30-day volume weighted average trading price of the Shares as reported on Bloomberg, ending two trading days prior to the date of entering into the Tally Agreement). The Company issued 151,457 Shares which are subject to a twelve-month lock-up period from the date of issuance (the "**Lock-Up Period**"). The fair value of the Shares was determined to be a discounted price of $15.36 per share, as a result of a discount of 24.1% being factored on the closing trading price of $20.24 on the date of the issue due to lock-up terms on these Shares.

Under the terms of the Tally Agreement, when the Lock-Up Period expires the Company has three possible options: (1) increase its ownership in Tally through a USD$1,000,000 investment; (2) provide Tally with a USD$1,000,000 loan; or (3) do nothing and forfeit certain securities. These scenarios were contemplated to provide both the Company and Tally flexibility upon the one-year anniversary of the Tally Agreement when the Lock-Up Period ends.

On August 8, 2021, the Company entered into an Amended Agreement with Tally to amend the terms of the agreement dated August 7, 2020.

The Company accounted for its investment in Tally as investment in associate using the equity method up to August 25, 2021, the date it lost its significant influence. Upon acquisition of the investment in Tally, management determined that the Company had significant influence over Tally, as the Company, represented by its former CEO, held one out of the four representations on Tally's board of directors pursuant to the Tally Agreement. The Company's share of the profit or loss and comprehensive income/loss in any of the reporting periods since the acquisition of the investment up to the date of loss of significant influence were not significant and as such were not factored into determining the carrying amount of the investment.

The Company's former CEO resigned on August 25, 2021, since then, the Company was denied reappointing its representation on Tally's board of directors. On October 27, 2021, Tally served a notice of default to the Company, alleging that the Company had defaulted on the terms of the options and 727,273 of the Company's investment in Tally preferred shares will be converted into common shares of Tally, and together with the original Tally common shares, will be cancelled; the Company's management believes that the notice is without merit.

The Company determined that it effectively lost significant influence over Tally as of August 25, 2021 upon the resignation of its former CEO. Since that date, the Company was not invited at any of Tally's board meetings and was no longer involved in any of its operating, financing, and investing decisions. Accordingly, the Company classified the investment in Tally as FVTPL.

The Company has continued its ongoing negotiation with Tally regarding the notice of default and to dispute its rights under the Tally Agreement and the Amended Agreements. Due to the dilution of interest, loss of board seat, ongoing legal issue, uncertainty about future cash flows, unobservable inputs not being reflective of market participant assumptions, and restrictions on sale, the Company recognized the difference between the carrying amount of $3,489,916 and the estimated fair value of retained interest as a charge in the consolidated statements of loss and comprehensive loss during the three and nine months ended September 30, 2021.

On April 22, 2022, the Company entered into another amended agreement with Tally whereby it would be able to retain 1,935,618 shares of Tally's Series Seed Preferred Stock, which have a deemed original issue price of $0.6875, as well as warrants to purchase 250,000 shares of Common Stock of Tally at $0.01 per share.

6. ACQUISITION OF FOOD HWY

On October 1, 2020, the Company completed the Food Hwy Acquisition with each of the shareholders of Food Hwy, a food delivery service. Pursuant to the terms of the Food Hwy Acquisition, the Company acquired all of the outstanding shares of Food Hwy for consideration of $1,500,000 in cash and the issuance of 515,370 Shares, issued at a deemed price of $14.75 per Share (calculated on the 30-day volume weighted average trading price of the Shares as reported on Bloomberg, ending two trading days prior to the date of the Food Hwy Acquisition). The Shares issued are subject to a lock-up agreement which specifies: 33,906 Shares are subject to a 90-day lock-up period, 159,358 Shares are subject to a 12-month lock-up period, and 322,106 Shares are subject to a18-month lock-up period.

The purchase price is subject to a post-closing adjustment (the "**Adjustment**"). The parties shall have 90 days after the closing date to determine the amount of the Adjustment, calculated as the delta between Food Hwy's working capital on the closing date and negative $100,000:

- If the Adjustment is between negative $1 and negative $100,000, the Company may cancel such number of the 18-month lock-up Shares equal to the absolute value of the Adjustment divided by the deemed price per share of $14.75 (the "**Closing Price**").
- If the Adjustment is less than negative $100,000, in addition to the above, the Company may cancel such number of the 90 day lock up Shares equal to the absolute value of the Adjustment, less $100,000, and then divided by the Closing Price.
- If the Adjustment is a positive number, the Company shall pay the Food Hwy Shareholders in cash the amount of the Adjustment.

On December 31, 2020, the calculation of the Adjustment was completed and was determined to be negative $516,268. The Company waived $100,000 of the Adjustment and will cancel 28,228 of the 18 Month Lock-Up Shares. As at the date of this report, 28,228 common shares have been cancelled.

(Unaudited - In Canadian dollars, except where otherwise indicated)

The post-Adjustment fair value of the Shares issued for the acquisition was estimated to be $3,538,575. The fair value per share was determined to be $7.26 per Share to reflect a discount within the range of 13.7% to 47.3% on the closing trading price of $13.35 on the date of the issue, as the Shares were subject to 90-day, 12-month and 18-month lock-up.

The Food Hwy Acquisition was determined to be a business combination as substantive processes and assets were acquired as part of the transaction. The Company has retained most of Food Hwy's key management personnel and has also implemented Food Hwy's operational processes.

Consideration paid:		
Cash	$	1,500,000
Fair value of Shares issued (487,142 Shares at $7.26 per Share)		3,538,575
	$	**5,038,575**
Net identifiable assets acquired:		
Cash	$	144,425
Trade and other receivables		882,508
Inventory		649
Intangible assets – Developed Technology		2,093,000
Intangible assets – Vendor Relationships		1,656,000
Intangible assets – Customer Relationships **(the "Food Hwy Customer List")**		56,000
Intangible assets – Courier Relationships		176,000
Intangible assets – Brand name		1,388,000
Goodwill		1,050,843
Accounts payable and accrued liabilities		(1,436,500)
Customer deposits		(207,350)
Loans		(80,000)
Deferred income tax liability		(685,000)
	$	**5,038,575**

The excess of consideration over fair value of net assets acquired in the amount $1,050,843 was recognized as goodwill (Note 19). Goodwill reflects the synergies that exist from the combination of the Company's marketing, administration and technology ecosystem, the expected revenue growth and margin expansion due to expansion to new markets and the benefits of future market development and growth in the food delivery service industry. These benefits were not recognized separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

7. ACQUISITION OF ECOCRED, LLC

On April 8, 2021, the Company completed the acquisition of 100% of the ownership interest of EcoCRED, LLC (the "**EcoCRED Acquisition**"), which estimates users' carbon footprint and suggests simple tasks and useful lifestyle habits to help users reduce their carbon footprint through its mobile application.

In the EcoCRED Acquisition, the Company acquired the ownership interest in exchange for aggregate consideration of USD$1,000,000, which was paid through the issuance of 38,936 Shares, issued at a deemed price of $19.94 per Share (calculated on the 30-day volume weighted average trading price of the Shares as reported on Bloomberg, ending three trading days prior to the date of the EcoCRED Acquisition). The fair value of the Shares issued was determined to be a discounted $16.95 per Share, to reflect a discount of 15% on the closing trading price of $19.94 on the date of the issue, as the Shares were subject to an 18-month lock-up.

(Unaudited - In Canadian dollars, except where otherwise indicated)

Consideration paid:		
Fair value of Shares issued (38,936 Shares at $16.95 per Share)	$	659,926
Transaction costs		35,001
	$	**694,927**
Net identifiable assets acquired:		
Intangible assets – Developed Technology		694,927
	$	**694,927**

The EcoCRED Acquisition was determined to be an asset acquisition as substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset as per the concentration test under IFRS 3.

8. REVENUE

In the following table, revenue is disaggregated by nature:

		For the three months ended March 31, 2022		For the three months ended March 31, 2021
On-Demand-Revenue recognized at a point of time				
B2B Marketplace	$	8,330,039	$	179,695
Super APP (Foods Delivery, Rideshare, Daas, Health)		1,646,374		1,996,426
Subtotal On-Demand Offerings	$	**9,976,413**		**2,176,121**
Subscription - Revenue recognized over the point of time				
Vehicle subscription	$	662,781	$	596,713
EcoCRED		95,321		-
Subtotal Subscription-Based Offerings	**$**	**758,102**	**$**	**596,713**
	$	**10,734,515**	**$**	**2,772,834**

Significant changes in deferred revenue balances during the period are as follows:

		March 31, 2022		December 31, 2021
Beginning balances		402,171		87,511
Additions during the year		235,185		2,139,137
Recognized in revenue		(326,963)		(1,825,660)
Currency translation adjustments		(4,409)		1,183
Ending balances	**$**	**305,984**	**$**	**402,171**

(Unaudited - In Canadian dollars, except where otherwise indicated)

9. COST OF REVENUE

Cost of revenue consists of:

		For the three months ended March 31, 2022		For the three months ended March 31, 2021
Automobile costs	$	125,157	$	158,923
Cost of goods sold		7,929,885		322,706
Inventory provision (Note 16)		235,361		-
Delivery on B2B Marketplace		617,246		14,240
Depreciation		518,388		463,512
Insurance expenses		157,692		133,206
Payment processing fees		384,644		375,236
Payout to drivers		1,695,628		1,740,991
Other cost of revenue		81,484		161,753
	$	**11,745,485**	**$**	**3,370,567**

10. GENERAL AND ADMINISTRATION

General and administration expense consists of:

		For the three months ended March 31, 2022		For the three months ended March 31, 2021
Consulting fees	$	76,692	$	26,054
Legal and accounting fees		231,740		606,326
Professional fees		25,024		150,788
Salaries and benefits		883,689		316,392
Share-based compensation (Note 26)		633,169		798,178
Insurance		120,696		122,533
Other general and administration expenses		33,374		38,978
	$	**2,004,384**	**$**	**2,059,249**

11. OPERATIONAL SUPPORT

Operational support expenses consist of:

		For the three months ended March 31, 2022		For the three months ended March 31, 2021
Consulting fees	$	135,578	$	61,963
Rent- Office		100,659		116,191
Salaries and benefits		2,817,186		1,626,869

(Unaudited - In Canadian dollars, except where otherwise indicated)

Share-based compensation (Note 26)		33,718		-
Telephone, internet and data		222,924		295,372
Warehouse expenses		233,220		4,568
Other operational support expenses		157,923		82,984
	$	**3,701,208**	**$**	**2,187,947**

12. RESEARCH AND DEVELOPMENT

Research and development expenses consist of:

		For the three months ended March 31, 2022		For the three months ended March 31, 2021
Consulting fees	$	223,285	$	212,530
Salaries and benefits		495,631		131,905
Share-based compensation (Note 26)		18,562		-
	$	**737,478**	**$**	**344,435**

13. SALES AND MARKETING

Sales and marketing expenses consist of:

		For the three months ended March 31, 2022		For the three months ended March 31, 2021
Consulting fees	$	202,932	$	353,328
Salaries and benefits		253,397		-
Share-based compensation (Note 26)		8,911		-
User incentives and marketing expenses		125,875		504,759
	$	**591,115**	**$**	**858,087**

14. TRADE AND OTHER RECEIVABLES

Trade and other receivables consist of:

		March 31, 2022		December 31, 2021
Trade receivables (Note 28)	$	1,256,640	$	1,413,591
HST receivable		473,899		501,757
	$	**1,730,539**	**$**	**1,915,348**

15. PREPAID EXPENSES AND DEPOSITS

Current prepaid expenses and deposits consist of:

		March 31, 2022		December 31, 2021
Prepaid insurance	$	12,756	$	34,763
Prepaid licenses		10,966		13,868
Prepaid rent		12,496		31,344

(Unaudited - In Canadian dollars, except where otherwise indicated)

Deposits		647,478		246,823
Other prepaid expenses		43,931		37,116
	$	**727,627**	**$**	**363,914**

Non-current deposits of $1,166,362 (2021- $1,221,153) consist of the Company's security deposits on its leases and Toronto hydro.

16. INVENTORIES

Inventories consist of goods in transit, finished goods, and work-in-process, less any provision. Finished goods is primarily made up of (i) business-to business restaurant supply merchandise that is offered for sale by B2B Marketplace; and (ii) TraceSCAN wearables.

		March 31, 2022		**December 31, 2021**
Goods in transit	$	352,768	$	615,383
Work-in-process		1,128,695		1,128,695
Finished goods		4,348,554		4,011,114
Inventory provision		(557,203)		(321,842)
	$	**5,272,814**	**$**	**5,433,350**

An inventory provision is estimated by management based on historical sales, inventory aging and expiry, and expected future sales and is included in cost of revenue. Subsequent changes to the provision are recorded in cost of sales in the Condensed consolidated interim statements of loss and comprehensive loss. For the three months ended March 31, 2022, inventory write-downs of $235,361 were expensed through cost of revenue (2021 - $Nil).

During the three months ended March 31, 2022, $7,583,810 (2021 - $288,018) of inventory was sold and recognized in cost of revenue, $5,086 (2021 - $8,550) of inventory was used for promotional purposes and recognized in other expense categories, such as selling and marketing and investor relations, and $820 (2021 - $Nil) of inventory was used for office supplies. As at March 31, 2022, $1,128,695 (2021 - $Nil) of inventory was under development for system upgrades and optimization, which has been classified as work-in-process.

17. RESTRICTED INVESTMENT

Restricted investment represents short-term deposit of $146,026 (2021 - $221,202) with an original maturity of twelve months bearing an interest within the range of 0.05% to 0.25% held as a collateral with the Company's banker for a letter of credit of $25,000 (2021 - $100,000) and a credit card facility of $121,000 (2021 - $121,000); hence it is classified as non-current assets.

(Unaudited - In Canadian dollars, except where otherwise indicated)

18. INTANGIBLE ASSETS

	Definite Useful Life						Indefinite Useful Life	
	Brand Names	HiRide Platform	Customer Lists	Developed Technology	Vendor Relationships	Courier Relationships	Brand Names	**Total**
Cost								
Balance, December 31, 2020	$ 1,458,000	$ 761,209	$ 1,223,959	$ 2,093,000	$ 1,656,000	$ 176,000	$ 632,271	$ 8,000,439
Additions (Note 7)	-	-	-	694,927	-	-	-	694,927
Impact of currency translation	-	-	(2,678)	-	-	-	(2,681)	(5,359)
Balance, December 31, 2021	$ 1,458,000	$ 761,209	$ 1,221,281	$ 2,787,927	$ 1,656,000	$ 176,000	$ 629,590	$ 8,690,007
Impact of currency translation	-	-	(9,024)	-	-	-	(9,038)	(18,062)
Balance, March 31, 2022	**$ 1,458,000**	**$ 761,209**	**$ 1,212,257**	**$ 2,787,927**	**$ 1,656,000**	**$ 176,000**	**$ 620,552**	**$ 8,671,945**
Accumulated Amortization and Impairment								
Balance, December 31, 2020	$ 141,917	$ 635,453	$ 159,152	$ 348,833	$ 44,757	$ 29,333	$ -	$ 1,359,445
Amortization	488,917	75,453	363,918	1,496,870	179,027	117,333	-	2,721,518
Impairment	17,500	50,303	-	-	-	-	-	67,803
Impact of currency translation	-	-	879	-	-	-	-	879
Balance, December 31, 2021	$ 648,334	$ 761,209	$ 523,949	$ 1,845,703	$ 223,784	$ 146,666	$ -	$ 4,149,645
Amortization	115,666	-	91,201	383,580	44,757	29,334	-	664,538
Impact of currency translation	-	-	(1,998)	-	-	-	-	(1,998)
Balance, March 31, 2022	**$ 764,000**	**$ 761,209**	**$ 613,152**	**$ 2,229,283**	**$ 268,541**	**$ 176,000**	**$ -**	**$ 4,812,185**
Net book value								
At December 31, 2021	**$ 809,666**	**$ -**	**$ 697,332**	**$ 942,224**	**$ 1,432,216**	**$ 29,334**	**$ 629,590**	**$ 4,540,362**
At March 31, 2022	**$ 694,000**	**$ -**	**$ 599,105**	**$ 558,644**	**$ 1,387,459**	**$ -**	**$ 620,552**	**$ 3,859,760**

(Unaudited - In Canadian dollars, except where otherwise indicated)

During the three months ended March 31, 2022, no indicators of impairment were assessed on the Company's intangible assets.

19. GOODWILL

		Food Delivery		Steer		Total
Balance, December 31, 2020	$	**1,050,843**	**$**	**872,701**	**$**	**1,923,544**
Impact of currency translation		-		(3,700)		(3,700)
Balance, December 31, 2021	**$**	**1,050,843**	**$**	**869,001**	**$**	**1,919,844**
Impact of currency translation		-		(12,475)		(12,475)
Balance, March 31, 2022	**$**	**1,050,843**	**$**	**856,526**	**$**	**1,907,369**

Goodwill is tested for impairment on an annual basis. The Company performed goodwill testing on the Steer and Facedrive Foods as at December 31, 2021 and did not note any impairment.

20. INVESTMENT IN PREFERRED SHARES

On October 21, 2019, the Company completed a transaction with Westbrook Global Inc. ("**Westbrook**") whereby the Company purchased a USD$1,000,000, 3.00% unsecured convertible promissory note of Westbrook, due December 31, 2022 (the "**Note**").

With Westbrook completing the Series A transaction on December 20, 2021, by confirming the Series A Stock Purchase Agreement and the Investors' Rights Agreement mutually agreed by both parties, the promissory notes were converted to 14,200 preferred shares, representing 0.247% of total ownership, earning 3% annually compounded dividend.

The preference share was recognized as FVTPL at fair value determined based on a recent arm's length third party transaction; the difference between the carrying amount of the promissory notes and the fair value on conversion date was recognized immediately in the condensed consolidated interim statements of loss and comprehensive loss.

Balance, December 31, 2021	**$**	**1,365,145**
Fair value gain on investment		132
Foreign exchange loss		(19,597)
Balance, March 31, 2022	**$**	**1,345,680**

(Unaudited - In Canadian dollars, except where otherwise indicated)

21. EQUIPMENT

		Computers		Furniture		Vehicles		Warehouse Equipment		Total
Cost										
December 31, 2020	$	23,128	$	-	$	-	$	-	$	23,128
Additions		33,717		31,770		998,155		249,968		1,313,610
Disposals		-		-		(883,205)		-		(883,205)
Impact of currency translation		3		-		-		-		3
Balance, December 31, 2021	$	56,848	$	31,770	$	114,950	$	249,968	$	453,536
Additions		8,523		2,916		-		163,312		174,751
Disposals		-		-		-		(46,341)		(46,341)
Impact of currency translation		(123)		-		-		-		(123)
Balance, March 31, 2022	**$**	**65,248**	**$**	**34,686**	**$**	**114,950**	**$**	**366,939**	**$**	**581,823**
Accumulated Depreciation										
December 31, 2020		2,606		-		-		-		2,606
Depreciation		16,115		5,989		20,086		23,633		65,823
Disposals		-		-		(14,339)		-		(14,339)
Impact of currency translation		26		-		-		-		26
Balance, December 31, 2021		18,747		5,989		5,747		23,633		54,116
Depreciation		5,018		1,686		5,748		13,231		25,683
Disposals		-		-		-		(5,911)		(5,911)
Impact of currency translation		(52)		-		-		-		(52)
Balance, March 31, 2022	**$**	**23,713**	**$**	**7,675**	**$**	**11,495**		**30,953**	**$**	**73,836**
Net Book Value										
At December 31, 2021	**$**	**38,101**	**$**	**25,781**	**$**	**109,203**	**$**	**226,335**	**$**	**399,420**
At March 31, 2022	**$**	**41,535**	**$**	**27,011**	**$**	**103,455**	**$**	**335,986**	**$**	**507,987**

(Unaudited - In Canadian dollars, except where otherwise indicated)

22. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of:

		March 31, 2022		December 31, 2021
Trade payables	$	5,871,596	$	5,488,358
Accrued liabilities and other payables		434,592		355,087
Payroll liabilities and source deductions		1,095,468		501,370
Related party liabilities (Note 27)		685,077		692,297
	$	**8,086,733**	**$**	**7,037,112**

23. LOANS

On January 7, 2021, the Company received a loan in the principal amount of $20,000 under the Canada Emergency Business Account ("CEBA") program. The loan is non-interest bearing and eligible for $10,000 forgiveness if repaid by December 31, 2023. If not repaid by December 31, 2023, the loan bears interest at 5% per annum and is due on December 31, 2025. The Company intends to repay the loan by December 31, 2023 and management has assessed that the Company will have the financial ability to do so. As it is probable that the conditions for the forgiveness of the loans will be met, the Company has recognized the $10,000 loan forgiveness as government grant income for the year ended December 31, 2021. As the loan is issued at below market rates, the initial fair value of the loan was determined to be $8,033, which was determined using an estimated effective interest rate of 11%. The difference between the face value of the loan and the fair value of the loan of $1,967 (2020 - $Nil) has been recognized as government grant income during period.

During the year ended December 31, 2020, the Company received loans in the principal amount of $140,000 under the CEBA program. The loans are non-interest bearing and eligible for $40,000 forgiveness if repaid by December 31, 2023. If not repaid by December 31, 2023, the loans bear interest at 5% per annum and are due on December 31, 2025. The Company intends to repay the loans by December 31, 2023 and management has assessed that the Company will have the financial ability to do so. As it is probable that the conditions for the forgiveness of the loans will be met, the Company has recognized the $40,000 loan forgiveness as government grant income during the year ended December 31, 2020. As the loans are issued at below market rates, the initial fair value of the loans was determined to be $76,417, which was determined using an estimated effective interest rate of 11%. The difference between the face value of the loans and the fair value of the loans of $23,583 has been recognized as government grant income during the year ended December 31, 2020.

For the three months ended March 31, 2022, the Company recognized interest expense of $2,736 (2021 - $2,453) related to the CEBA loans.

As at March 31, 2022, the balance outstanding was $101,327 (December 31, 2021 - $98,591).

24. FAIR VALUE MEASUREMENT

The Company uses various methods to estimate the fair values of assets and liabilities that are measured at fair value on a recurring or non-recurring basis in the consolidated statements of financial position after initial recognition. The fair value hierarchy reflects the significance of inputs used in determining the fair values.

- Level 1 – fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying values of cash and cash equivalents, restricted investment, trade and other receivables, accounts payable and accrued liabilities, amounts due to related parties, and loans are considered reasonable approximations of their fair values due to the short-term nature of these instruments. The fair value measurement for investment in shares is derived using level 3 inputs.

25. SHARE CAPITAL

The Company is authorized to issue an unlimited number of common shares and an unlimited number of preferred shares, issuable in series with no par value for both. As at March 31, 2022, the Company had 103,147,842 (December 31, 2021 - 95,721,499) Shares issued and outstanding and no preferred shares issued and outstanding.

Share capital transactions during the three months ended March 31, 2022 consisted of the following:

- On March 1, 2022, the Company completed a non-brokered private placement of 7,343,750 units, with each unit consistent of one Share and one warrant, issued at a price of $0.64 per unit for aggregate gross proceeds of $4,700,000. The Company incurred legal fees of $49,860 and professional fees of $24,250 in connection with this financing.

- On March 31, 2022, the Company clawed back 26,841 common shares of the 18 Month Lock-Up Shares as a result of post-closing adjustment for acquisition of Food Hwy.

Share capital transactions during the three months ended March 31, 2021 consisted of the following:

- On February 2, 2021, the Company completed a non-brokered private placement of 1,518,518 Shares issued at a price of $13.50 per Share for aggregate gross proceeds of $20,499,993. The Company incurred finder's fees of $224,575, legal fees of $23,774 and professional fees of $44,500 in connection with this financing.

26. OPTIONS, WARRANTS AND RESTRICTED SHARE UNITS

The Company's recorded share-based compensation for the three months ended March 31, 2022 and 2021 comprised of the following:

(Unaudited - In Canadian dollars, except where otherwise indicated)

		For the three months ended March 31, 2022		For the three months ended March 31, 2021
Options (a)	$	98,577	$	51,319
RSUs (c)		595,783		746,859
Total share-based compensations	**$**	**694,360**	**$**	**798,178**

(a) Options

Continuity of the Options issued and outstanding are as follows:

	Number of options		Weighted average exercise price
Outstanding, December 31, 2020	**687,040**	**$**	**2.18**
Granted	354,628		1.72
Forfeited/Cancelled	(113,380)		1.62
Expired	(109,100)		3.10
Outstanding, December 31, 2021	**819,188**	**$**	**1.94**
Granted	-		-
Exercised	-		-
Outstanding, March 31, 2022	**819,188**	**$**	**1.94**
Exercisable, March 31, 2022	**434,370**	**$**	**2.02**

As at March 31, 2022, the following Options were outstanding:

Number of options	Exercise price	Expiry date	Remaining contractual life (years)
90,580	1.90	April 06, 2022	0.02
23,948	2.21	April 06, 2022	0.02
45,290	2.21	August 31, 2022	0.42
90,580	1.90	October 29, 2022	0.58
45,290	2.21	October 29, 2022	0.58
2,812	3.31	October 29, 2022	0.58
90,580	1.90	September 26, 2024	2.49
45,290	2.21	September 26, 2024	2.49
30,190	3.31	September 26, 2024	2.49
188,568	1.25	November 18, 2024	2.64
90,580	1.90	April 07, 2026	4.02
45,290	2.28	April 07, 2026	4.02
30,190	3.31	April 07, 2026	4.02
819,188			**2.05**

(Unaudited - In Canadian dollars, except where otherwise indicated)

As at Dec 31, 2021, the following Options were outstanding:

Number of options	Exercise price	Expiry date	Remaining contractual life (years)
90,580	1.90	April 06, 2022	0.26
23,948	2.21	April 06, 2022	0.26
45,290	2.21	August 31, 2022	0.67
90,580	1.90	October 29, 2022	0.83
45,290	2.21	October 29, 2022	0.83
2,812	3.31	October 29, 2022	0.83
90,580	1.90	September 26, 2024	2.74
45,290	2.21	September 26, 2024	2.74
30,190	3.31	September 26, 2024	2.74
188,568	1.25	November 18, 2024	2.88
90,580	1.90	April 07, 2026	4.27
45,290	2.28	April 07, 2026	4.27
30,190	3.31	April 07, 2026	4.27
819,188			**2.30**

The fair value of the options were valued using the Black-Scholes option pricing model with the following weighted average assumptions for the three months ended March 31, 2022 and for the year ended December 31, 2021:

	March 31, 2022	December 31, 2021
Grant date share price	-	$1.13
Exercise price	-	$1.72
Risk free rate	-	1.17%
Expected life, years	-	3.67
Expected volatilities	-	140%

(b) Warrants

The Company issued an aggregate of 7,343,750 common share purchase warrants (“Warrants”) in connection with the non-brokered private placement (Note 25). The Warrants are exercisable at the option of the holder to acquire one Share at an exercise price of $0.80 per Warrant.

(Unaudited - In Canadian dollars, except where otherwise indicated)

Continuity of the Warrants issued and outstanding are as follows:

	Number of warrants		Weighted average exercise price
Outstanding, December 31, 2020	**-**	**$**	**-**
Granted	-		-
Exercised	-		-
Outstanding, December 31, 2021	-		-
Granted	7,343,750		0.80
Exercised	-		-
Outstanding, March 31, 2022	**7,343,750**	**$**	**0.80**
Exercisable, March 31, 2022	**-**	**$**	**-**

(c) Restricted Share Units

Continuity of the Company's RSUs issued and outstanding was as follows:

	Number of RSUs		Weighted average grant date fair value
Outstanding, December 31, 2020	**764,127**	**$**	**4.39**
Granted	335,297		7.51
Exercised	(281,623)		1.59
Cancelled	(182,133)		2.94
Outstanding, December 31, 2021	**635,668**	**$**	**7.69**
Granted	87,209		0.86
Exercised	(109,434)		13.11
Outstanding, March 31, 2022	**613,444**		**5.76**
Vested, pending settlement and issue	**191,196**	**$**	**5.72**

27. RELATED PARTY DISCLOSURES

Related parties include key management, the Board of Directors, close family members and entities which are controlled by these individuals as well as certain persons performing similar functions.

Key management personnel compensation

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company defines key management personnel as being the directors and key officers. For the three months ended March 31, 2022 and 2021, the compensation awarded to key management personnel is as follows:

(Unaudited - In Canadian dollars, except where otherwise indicated)

		For the three months ended March 31, 2022		For the three months ended March 31, 2021
Salaries, service fees and short-term benefits	$	263,331	$	132,137
Share based compensations		336,328		123,325
	$	**599,659**	**$**	**255,462**

Related party transactions

During the three months ended March 31, 2022 and 2021, the Company incurred office space, operational supports, consulting, and product development expenses for services provided by the following related entities controlled by key officers or directors:

		For the three months ended March 31, 2022		For the three months ended March 31, 2021
Connex Telecommunications Inc. ("**Connex**")	$	15,994	$	35,620
Abrahams LLP.		-		8,758
Mujir Muneeruddin Professional Corporation		-		60,000
	$	**15,994**	**$**	**104,378**

The above incurred expenses are included in cost of revenues, operational support expenses, and research and development expenses. Transactions with the related parties are measured at the amounts agreed to with the related parties.

Due to related parties:

As at March 31, 2022 and 2021 amounts due to related parties include:

As at March 31,		2022		2021
Directors	$	90,000	$	-
Founders		195,559		195,559
Entities controlled by key officers or directors		595,077		499,145
	$	**880,636**	**$**	**694,704**

Amounts due to directors and entities controlled by key officers or directors are included in accounts payable and accrued liabilities (Note 22). Amounts due to founders are included as due to related parties. The amounts owing by the Company are unsecured, and non-interest bearing, with no specific terms for repayment.

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's primary financial risk management objective is to protect the Company's consolidated financial position statement and cash flow. The Company's principal financial liabilities are comprised of accounts payable and accrued liabilities, lease liabilities and amounts due to related parties. The main purpose of these financial liabilities is to provide working capital for the Company's operations. During the normal course of operations, the Company may become exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Board of Directors that advises on financial risks and the appropriate financial risk governance framework for the Company.

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 risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Currency risk

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. As at March 31, 2022, the Company is primarily exposed to foreign exchange risk through its United States dollars denominated, investment in preferred shares and the investment in Tally. The Company mitigates foreign exchange risk by monitoring foreign exchange rate trends. The Company does not currently hedge its currency risk.

Based on current exposures as at March 31, 2022 and assuming that all other variables remain constant, a 10% appreciation or depreciation of the Canadian dollar relative to the United States dollar would result in a gain or loss of approximately $15,800 in the Company's consolidated statements of loss and comprehensive loss.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at March 31, 2022 the Company is not exposed to significant interest rate risk.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

Examples include changes in commodity prices or equity prices. As at March 31, 2022, the Company is not exposed to significant other price risk, except with regards to FVTPL investments.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or counterparty to a financial instrument fails to meet its contractual obligation. The Company's financial instruments that are exposed to credit risk consist primarily of cash and cash equivalents and trade and other receivables. The Company reduces its credit risk on cash and cash equivalents by placing these instruments with financially stable and insured institutions. The Company mitigates its exposure to credit risk from trade and other receivables through a payment collection platform which processes users' pre-authorized credit cards. As payments from users are typically pre-authorized, the risk of credit loss is expected to be minimal. As at March 31, 2022, the Company is not exposed to significant credit risk.

(Unaudited - In Canadian dollars, except where otherwise indicated)

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 to managing liquidity is to ensure, as far ahead as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions such as those created by the global pandemic COVID-19. The Company manages liquidity risk by reviewing its capital requirements on an ongoing basis. The Company continuously reviews both actual and forecasted cash flows in order to ensure that the Company has appropriate capital capacity.

As at March 31, 2022	**Carrying Amount**	**Undiscounted Contractual Cash Flows**		
		< 1 year	**1 – 5 years**	**Total**
Accounts payables and accrued liabilities	$ 8,086,733	$ 8,086,733	$ -	$ 8,086,733
Due to related parties	195,559	195,559	-	195,559
Loans	101,327	-	160,000	160,000
Lease liabilities	10,026,767	3,160,881	8,713,948	11,874,829
	$ 18,410,386	**$ 11,443,173**	**$ 8,873,948**	**$ 20,317,121**
As at December 31, 2021				
Accounts payables and accrued liabilities	$ 7,037,112	$ 7,037,112	$ -	$ 7,037,112
Due to related parties	195,559	195,559	-	195,559
Loans	98,591	-	160,000	160,000
Lease liabilities	11,133,486	3,308,548	9,920,109	13,228,657
	$ 18,464,748	**$ 10,541,219**	**$ 10,080,109**	**$ 20,621,328**

Capital management

The Company manages its capital, which consists exclusively of equity, with the primary objective being safeguarding sufficient working capital to sustain operations. The Company may require additional funds in order to fulfill all of its future expenditure requirements or obligations, in which case the Company may raise additional funds either through the issuance of equity or by incurring debt to satisfy such requirements or obligations. There is no assurance that any additional funding required by the Company will be available to the Company on terms acceptable to the Company or at all.

There have been no changes in the Company's approach to capital management during the three months period ended March 31, 2022, nor have there been any changes made in the objectives, policies, or processes of the Company in respect of capital management during the three months period ended March 31, 2022. 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.

The Company's primary objectives when managing capital are to:

- safeguard the Company's ability to continue as a going concern, so that it can provide adequate returns to its shareholders and benefits for other stakeholders;
- fund capital projects for facilitation of business expansion provided there is sufficient liquidly of capital to enable the internal financing; and
- maintain a capital base to maintain investor, creditor, and market confidence.

The Company considers the items included in the consolidated statements of changes in equity as capital. The Company manages its capital structure and makes adjustments thereto as is necessary from time to time in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new Shares from treasury. The Company is not subject to externally imposed capital requirements.

29. COMMITMENTS, CONTINGENCIES AND GUARANTEES

Legal claim contingency

The Company may from time to time become subject to a variety of claims and lawsuits that arise from time to time in the ordinary course of the Company's business. Although management currently believes that resolving claims against the Company, individually or in aggregate, will not have a material adverse impact on the Company's financial position, results of operations or cash flows, these matters are subject to inherent uncertainties and management's view of these matters may change in the future.

On March 2, 2020, an oppression remedy action was commenced by the individual pursuant to section 248 of the *Business Corporations Act* (Ontario) against the Company, its Board of Directors, and Odyssey Trust Company (its transfer agent), in the Ontario Superior Court of Justice. The plaintiff is seeking, among other relief, an order requiring the Company's Board of Directors to deliver to the plaintiff 340,947 common shares in the Company or, in the alternative, payment of damages equal to the greater of $1,568,356 or the monetary value of the 340,947 common shares of the Company as of the date of trial. To date, the Company has not been required to deliver a statement of defence. The Company has assessed that the likelihood of delivering the shares or paying the damages to be remote. As such, no provision has been recognized for this matter as at March 31, 2022.

On February 22, 2022, a supplier commenced an action against the Company in the Ontario Superior Court of Justice for an amount of USD$213,075 for breach of contract and unjust enrichment. The action is at an early stage and the Company has defended the action. The Company is of the view that the claim is without merit and that the likelihood of paying the claim to be remote. As such, no provision has been recognized for this matter as at March 31, 2022.

On October 27, 2021, Tally served a notice of default to the Company, alleging that the Company had defaulted on the terms of the Options and 727,273 of the Company's Initial Tally Preferred Shares will be converted into common shares of Tally and, together with the Initial Tally Common

(Unaudited - In Canadian dollars, except where otherwise indicated)

Shares, will be returned to Tally for cancellation. (Note 33)

Guarantees

The Company indemnifies its directors and officers against claims reasonably incurred and resulting from the performance of their services to the Company and maintains liability insurance for its directors and officers.

At March 31, 2022, the Company was contingently liable under an irrevocable letter of credit issued by its bank in February 2020 in the amount of $25,000 which expires in February 2023. The letter of credit was issued to Greater Toronto Airports Authority ("**GTAA**") as a security for the Company's obligations in connection with an agreement between the Company and GTAA.

30. LEASES

Right-of-use assets

At March 31, 2022, the Company's Right-of-use assets are as follows:

		Office space		Vehicles		Total
As at January 1, 2021	**$**	**442,571**	**$**	**7,495,417**	**$**	**7,937,988**
Additions		3,069,464		1,748,560		4,818,024
Disposals		(50,103)		(469,652)		(519,755)
Depreciation		(325,371)		(1,979,892)		(2,305,263)
Impact of currency translation		-		(53,928)		(53,928)
As at December 31, 2021	**$**	**3,136,561**	**$**	**6,740,505**	**$**	**9,877,066**
Additions				151,512		151,512
Disposals		(442,715)		(184,566)		(627,281)
Depreciation		(331,105)		(518,389)		(849,494)
Impact of currency translation		-		(73,672)		(73,672)
As at March 31, 2022	**$**	**2,362,741**	**$**	**6,115,390**	**$**	**8,478,131**

The depreciation on the vehicles has been presented as cost of revenue (Note 9). The vehicles referred to in the table above are related to the Company's services and offerings for vehicle subscription service.

Lease liability

At March 31, 2022, the Company's lease liability is as follows:

Lease liability		March 31, 2022		December 31, 2021
Current portion	$	2,355,933	$	2,415,372
Long-term portion		7,670,834		8,718,114
Total lease liability	**$**	**10,026,767**	**$**	**11,133,486**

(Unaudited - In Canadian dollars, except where otherwise indicated)

The Company is committed to undiscounted minimum lease payments as follows:

Lease commitments		**March 31, 2022**		**December 31, 2021**
Less than one year	$	3,160,881	$	3,308,548
One to five years		8,713,948		9,920,109
Total undiscounted lease commitments	**$**	**11,874,829**	**$**	**13,228,657**

Amounts recognized in the Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

During the three months ended March 31,		**2022**		**2021**
Interest on lease liabilities	$	238,402	$	185,006
Expenses relating to short-term leases		60,812		95,467
Expenses relating to variable lease payments not included in lease liabilities	$	46,159	$	30,065

Amounts recognized in the Condensed Consolidated Interim Statements of Cash Flows

During the three months ended March 31,		**2022**		**2021**
Interest paid	$	238,402	$	185,006
Payment of lease liabilities		461,984		252,171
Short-term lease payments		60,812		95,467
Expenses relating to variable lease payments not included in lease liabilities		46,159		30,065
Total cash outflows for leases	**$**	**807,357**	**$**	**562,709**

31. GOVERNMENT AND OTHER GRANTS

During the three months ended March 31,		**2022**		**2021**
CEBA loans (see note 23)	$	-	$	11,967
Ontario Ministry of Economic Development, Job Creation and Trade (the "**OTF**") Grant (a)		-		797,288
The National Research Council of Canada Industrial Research Assistance ("**NRC IRAP**") (b)		-		275,627
Toronto Region Board of Trade's Recovery Activation Program (c)		10,000		-
Canada Emergency Wage Subsidy ("**CEWS**") (d)		1,012,814		-
Total government and other grants	**$**	**1,022,814**	**$**	**1,084,882**

a) OTF Grant

On February 11, 2021, the OTF agreed to provide funding of up to $2,500,000 to fund the development and production of the TraceSCAN application. The grant is subject to the Company investing $3,333,333 in the development and commercialization of the TraceSCAN application, and the Company delivering a total of 160,000 TraceSCAN units by July 5, 2021.

(Unaudited - In Canadian dollars, except where otherwise indicated)

The Company received an initial tranche of $1,500,000 from the OTF on February 17, 2021. The remainder of $1,000,000 is subject to the Company completing the delivery of the 160,000 units and an audit of the costs incurred.

During the three months ended March 31, 2022, the Company has recognized $Nil (2021 - $797,288) as government grant income and $Nil (2020 - $702,712) as deferred income.

b) NRC IRAP wage subsidies

During the three months ended March 31, 2022, the Company has received wage subsidies in the amount $Nil (2021 - $275,627), which assisted innovative, early-stage small and medium-sized enterprises that are unable to access other existing COVID-19 business support.

c) Toronto Region Board of Trade's Recovery Activation Program

On February 18, 2022, the Company has received grand from Lenovo Evolve Small grant program in the amount $10,000 (2021 - $Nil), which aimed at providing relief to Black, Indigenous, and People of Colour-owned (BIPOC) small businesses navigating the challenges and impact of COVID-19.

During the three months ended March 31, 2022, the Company has recognized $10,000 (2021 - $Nil) as government grant income.

d) Canada Emergency Wage Subsidy ("**CEWS**")

The Canadian government announced CEWS program in April 2020 which provides a wage subsidy on eligible remuneration to eligible employers based on certain criteria. The Company determined that it qualified for this subsidy and accordingly applied for and received $1,012,814 and $Nil during the three months ended March 31, 2022 and 2021, respectively. The subsidy is recorded as government grant income on the condensed consolidated interim statements of comprehensive loss for the respective periods.

32. SEGMENT REPORTING

The Company has one operating segment, being the provider of Subscription-Based Offerings and On-demand Offerings, and operates in two geographic areas, being the United States and Canada. The Company's revenue and long-lived assets by geographic area during the three months ended and as at March 31, 2022 are set out below:

	Canada	United States	Total
March 31, 2022:			
On-Demand-Revenue recognized at a point of time			
B2B Marketplace	$ 8,330,039	$ -	$ 8,330,039
Super APP (Foods Delivery, Rideshare, Daas, Health)	1,646,374	-	1,646,374
On-Demand Offerings	$ 9,976,413	$ -	$ 9,976,413

(Unaudited - In Canadian dollars, except where otherwise indicated)

Subscription - Revenue recognized over the point of time						
Vehicle subscription service	$	104,282	$	558,499	$	662,781
EcoCRED		-		95,321		95,321
Subscription-Based Offerings	$	104,282	$	653,820	$	758,102
	$	**10,080,695**	**$**	**653,820**	**$**	**10,734,515**
Long-lived assets	$	9,891,656	$	7,569,211	$	17,460,867

		Canada		United States		Total
March 31, 2021:						
On-Demand-Revenue recognized at a point of time						
B2B Marketplace	$	179,695	$	-	$	179,695
Super APP (Foods Delivery, Rideshare, Daas, Health)		1,996,426		-		1,996,426
On-Demand Offerings	$	2,176,121		-		2,176,121
Subscription - Revenue recognized over the point of time						
Vehicle subscription service		-		596,713		596,713
EcoCRED		-		-		-
Subscription-Based Offerings		-		596,713		596,713
	$	**2,176,121**	**$**	**596,713**	**$**	**2,772,834**
December 31, 2021						
Long-lived assets	$	11,278,443	$	8,312,649	$	19,591,092

The above disclosures are consistent with the financial information regularly reviewed by the chief operating decision makers.

33. SUBSEQUENT EVENTS

Ontario Together Fund

On February 11, 2021, the Company and the Ministry entered into agreement whereby Facedrive will receive CAD $2,500,000 in non-dilutive funding via the Ministry's Ontario Together Fund ("OTF"). The Company received an initial tranche of $1,500,000 from the OTF on February 17, 2021.

On May 10, 2022, the Company received the agreed OTF's remaining tranche of $631,653.

Tally Update

On April 22, 2022, the Company entered into another amended agreement with Tally whereby it would be able to retain 1,935,618 shares of Tally's Series Seed Preferred Stock, which have a deemed original issue price of $0.6875, as well as warrants to purchase 250,000 shares of Common Stock of Tally at $0.01 per share.

Name Change to STEER

On April 20, 2022, the Company announced its plans for a corporate name change to 'Steer Technologies Inc." ("STEER") including a restyling of most offerings to "STEER", a brand that the Company acquired from Exelon in September of 2020.

Private Placement

On April 8, 2022, the Company completed a non-brokered private placement of 29,661,016 units (**"April Private Placement"**), with each unit consistent of one Share and one warrant, issued at a price of $0.59 per unit for aggregate gross proceeds to the Company of $17.5 million. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to acquire one additional share at a price of $0.73 each for a period of 36 months from the date of issuance, subject to customary adjustment provisions.