TRIBE PROPERTY TECHNOLOGIES INC.

Condensed Consolidated Interim Financial Statements
For the nine months ended September 30, 2023 and 2022

(Expressed in Canadian Dollars - unaudited)

TRIBE PROPERTY TECHNOLOGIES INC.
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian Dollars)

As at	September 30, 2023 (unaudited)	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents (Note 20)	$ 1,517,687	$ 8,096,696
Accounts receivable (Note 18)	1,149,300	1,012,675
Prepaid expenses and deposits	225,976	452,387
Investments	71,373	67,689
Total current assets	2,964,336	9,629,447
Property and equipment (Note 6)	3,617,786	4,000,096
Intangible assets (Note 7)	7,011,267	7,227,498
Goodwill (Note 7)	5,212,807	5,197,808
TOTAL ASSETS	$ 18,806,196	$ 26,054,849
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (Note 19)	$ 1,353,862	$ 1,562,221
Deferred revenue (Note 8)	331,410	134,306
Loans and borrowings (Note 9)	-	27,180
Current portion of lease obligations (Note 10)	793,431	859,755
Note payable (Note 11)	1,457,285	940,543
Total current liabilities	3,935,988	3,524,005
Lease obligations (Note 10)	2,807,495	2,932,113
Note payable (Note 11)	1,452,093	1,924,647
Deferred tax liability (Note 3)	29,000	29,000
TOTAL LIABILITIES	8,224,576	8,409,765
SHAREHOLDERS' EQUITY		
Share capital (Note 12)	54,196,162	54,196,162
Reserve (Notes 12 and 13)	2,588,835	2,453,299
Accumulated deficit	(46,203,377)	(39,004,377)
TOTAL SHAREHOLDERS' EQUITY	10,581,620	17,645,084
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 18,806,196	$ 26,054,849

Subsequent Events (Note 21)

These condensed consolidated financial statements were authorized for issue by the Board of Directors on November 21, 2023. They are signed on behalf of the Board of Directors by:

/s/ "Joseph Nakhla"
CEO and Director

/s/ "Raymond Choy"
Director

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

TRIBE PROPERTY TECHNOLOGIES INC.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars - unaudited)

	For the Three Months Ended		For the Nine Months Ended	
	September 30, 2023	**September 30, 2022**	**September 30, 2023**	**September 30, 2022**
REVENUE (Note 4)	**$ 4,798,627**	$ 4,529,310	**$ 14,278,328**	$ 13,064,345
OPERATING EXPENSES				
Cost of software and services and software licensing fees	**2,928,352**	2,942,847	**8,624,603**	7,942,773
Selling, general and administrative expenses (Notes 5 and 16)	**3,409,978**	3,772,697	**11,264,189**	11,218,849
Depreciation (Note 6)	**207,716**	228,411	**646,183**	661,622
Amortization of intangible assets (Note 7)	**146,778**	106,855	**441,231**	299,449
Stock-based compensation (Notes 13 and 16)	**46,979**	100,848	**135,536**	298,630
NET OPERATING EXPENSES	**6,739,803**	7,151,658	**21,111,742**	20,421,323
LOSS FROM OPERATIONS	**(1,941,176)**	(2,622,348)	**(6,833,414)**	(7,356,978)
OTHER INCOME AND EXPENSES				
Interest expense (Notes 9, 10 and 11)	**(145,449)**	(174,076)	**(436,124)**	(535,994)
Interest income	**19,285**	70,238	**71,894**	152,714
Foreign exchange gain (loss)	**30**	(3,324)	**6,914**	(4,392)
Fair value gain (loss) on investment	**(3,005)**	(4,361)	**3,684**	(16,672)
Loss on revaluation of government grant (Note 9)	-	-	**(11,503)**	-
Loan forgiveness on government grant (Note 9)	**-**	-	**10,000**	-
NET LOSS BEFORE TAX	**(2,070,315)**	(2,733,871)	**(7,188,549)**	(7,761,322)
Income tax recovery (expense)	**(334)**	-	**(10,451)**	282
NET LOSS	**$ (2,070,649)**	$ (2,733,871)	**$ (7,199,000)**	$ (7,761,040)
LOSS PER SHARE, BASIC AND DILUTED	**$ (0.10)**	$ (0.13)	**$ (0.34)**	$ (0.37)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING, BASIC AND DILUTED	**21,207,516**	21,223,479	**21,207,516**	20,910,611

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

TRIBE PROPERTY TECHNOLOGIES INC.
Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian Dollars - unaudited)

	For the Nine Months Ended	
	September 30, 2023	**September 30, 2022**
Cash flows provided by (used in):		
OPERATING ACTIVITIES		
Net loss	**$ (7,199,000)**	$ (7,761,040)
Adjustments for items not affecting cash:		
Income tax expense (recovery)	**10,451**	(282)
Depreciation	**646,183**	661,622
Amortization of intangible assets	**441,231**	299,449
Interest expense	**436,124**	535,994
Interest income	**(71,894)**	(152,714)
Fair value loss (gain) on investment	**(3,684)**	16,672
Stock-based compensation	**135,536**	298,630
Loss on revaluation of government grant	**11,503**	-
Loan forgiveness on government grant	**(10,000)**	-
	(5,603,550)	(6,101,669)
Net changes in non-cash working capital items:		
Receivables and prepaid expenses	**139,786**	(246,953)
Accounts payable and accrued liabilities	**(176,798)**	248,992
Deferred revenue	**197,104**	30,574
	160,092	32,613
Taxes paid	**(10,117)**	-
Interest paid	**(390,619)**	(476,368)
Net cash flows used in operating activities	**(5,844,194)**	(6,545,424)
INVESTING ACTIVITY		
Payment for acquisition of Southview	**-**	(347,747)
Purchase of property and equipment	**(76,103)**	(163,125)
Purchase of intangible assets	**(200,000)**	(475,000)
Deposit for acquisition of Meritus	**(50,000)**	-
Cash acquired from Southview	**-**	37,461
Purchase price adjustment for NAI	**-**	(9,368)
Net cash flows used in investing activities	**(326,103)**	(957,779)
FINANCING ACTIVITIES		
Proceeds from issuance of shares, net of share issuance costs	**-**	19,725,301
Proceeds from exercise of stock options	**-**	18,288
Repayment of demand loan	**-**	(45,975)
Repayment of government loan	**(30,000)**	-
Repayment of note payable	**-**	(1,000,000)
Repayment of lease obligations	**(378,711)**	(444,320)
Common shares repurchased	**-**	(33,931)
Net cash flows provided (used) by financing activities	**(408,711)**	18,219,363
Net increase (decrease) in cash	**(6,579,009)**	10,716,160
Cash and cash equivalents, beginning	**8,096,696**	1,211,899
Cash and cash equivalents, ending	**$ 1,517,687**	$ 11,928,059
Supplemental cash flow information:		
Non-cash settlement of shareholder loans	**$ -**	$ -
Common shares issued for consulting services	**-**	-
Common shares issued for acquisition of Southview	**-**	150,000

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

TRIBE PROPERTY TECHNOLOGIES INC.
Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars - unaudited)

	Number of shares	Amount	Reserve	Accumulated deficit	Total
Balance, December 31, 2021	**15,903,231**	**$ 34,697,639**	**$ 1,749,832**	**$ (28,460,117)**	**$ 7,987,354**
Shares issued for cash (Note 12)	5,250,000	21,000,000	-	-	21,000,000
Share issuance costs (Note 12)	-	(1,611,377)	336,678	-	(1,274,699)
Exercise of stock options (Note 13)	6,650	29,185	(10,897)	-	18,288
Shares issued for Southview acquisition (Notes 3 and 12)	76,635	150,000	-	-	150,000
Stock-based compensation (Notes 13 and 16)	-	-	298,630	-	298,630
Common shares repurchased and held in treasury (Note 12)	-	(7,711)	-	-	(7,711)
Common shares repurchased and cancelled (Note 12)	(12,900)	(26,220)	-	-	(26,220)
Net and comprehensive loss for the period	-	-	-	(7,761,040)	(7,761,040)
Balance, September 30, 2022	**21,223,616**	**$ 54,231,516**	**$ 2,374,243**	**$ (36,221,157)**	**$ 20,384,602**
Balance, December 31, 2022	**21,210,516**	**$ 54,196,162**	**$ 2,453,299**	**$ (39,004,377)**	**$ 17,645,084**
Stock-based compensation (Notes 13 and 16)	-	-	135,536	-	135,536
Treasury shares cancelled (Note 12)	(3,000)	-	-	-	-
Net and comprehensive loss for the period	-	-	-	(7,199,000)	(7,199,000)
Balance, September 30, 2023	**21,207,516**	**$ 54,196,162**	**$ 2,588,835**	**$ (46,203,377)**	**$ 10,581,620**

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

1. REPORTING ENTITY

On March 15, 2021, the Company (as defined below) (then "Cherry Street Capital Inc.", a Canadian capital pool company previously listed on the TSX Venture Exchange (the "Exchange") under the symbol "CHSC.P") ("Cherry Street")) acquired all of the outstanding shares of Tribe Property Technologies Inc. ("Tribe Private") by way of a three-cornered amalgamation, pursuant to which a wholly-owned subsidiary of Cherry Street amalgamated with Tribe Private, with Tribe Private surviving as a wholly-owned subsidiary of Cherry Street under the name "Tribe Property Solutions Inc." (the "Qualifying Transaction"). On March 15, 2021, Cherry Street changed its name to "Tribe Property Technologies Inc." and on March 25, 2021, the Company was listed on the Exchange under the symbol "TRBE".

Tribe Property Technologies Inc. ("Tribe" or the "Company") was incorporated under the *Business Corporations Act* (Ontario) on June 5, 2017 under the name Cherry Street. The Company's registered office is located at Suite 3200, Bay Adelaide Centre – North Tower, 40 Temperance Street, Toronto, Ontario, M5H 0B4 and its principal place of business is located at 1606-1166 Alberni Street, Vancouver, BC, V6E 3Z3.

The Company's principal business activity is offering technology-enabled property management services to meet the needs of developers, condominium and residential communities, owners and residents. The services provided via its technology platform are focused on improving the living experience of the residents within each community, with a key focus on communication, information, education and protection. Through its technology platform, the Company provides on-demand access to important records and documents, simple communication tools, online payment options, bookable amenities and a ticketing system for residents to notify their developer or management of issues, warranty concerns and deficiencies.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been omitted or condensed, and therefore these condensed consolidated interim financial statements should be read in conjunction with the Company's audited consolidated financial statements for the period ended December 31, 2022 and the notes thereto.

These condensed consolidated interim financial statements are based on the IFRS issued and effective as of November 21, 2023, the date these condensed consolidated interim financial statements were authorized for issuance by the Company's Board of Directors, and follow the same accounting policies and methods of computation as the most recent annual financial statements.

2.2 Significant accounting judgements, estimates and assumptions

<u>Business combinations</u>

On the completion of business acquisitions, management's judgement is required to estimate the purchase price and to identify and determined the fair value of all assets acquired and liabilities assumed. The determination of the fair value of assets acquired and liabilities assumed is based on management's estimates and certain assumptions generally included in a present value calculation of the related cash flows.

<u>Going concern</u>

Management has applied judgements in the assessment of the Company's ability to continue as a going concern when preparing its condensed consolidated interim financial statements. Management prepares its condensed consolidated interim financial statements on a going concern basis unless management either intends to liquidate the Company or has no realistic alternative other than to do so.

<u>Impairment of goodwill</u>

Determining whether goodwill is impaired requires an estimation of the value in use of the Cash Generating Unit ("CGU") to which goodwill has been allocated. The value in use calculation requires management to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate present value. The fair value calculation requires management's estimate of future revenues and a suitable revenue multiplier.

(In Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

The Company tests goodwill for impairment at least annually in accordance with the requirements of IAS 36 *Impairment of Assets*. The recoverable amounts of CGU's are determined based on the greater of their fair value less costs of disposal and value in use.

For the purposes of impairment testing, assets are grouped into CGU's that have been identified as being the smallest identifiable group of assets that generate cash inflows that are independent of cash inflows of other assets or groups of assets. The determination of these CGU's is based on management's judgement in regards to shared infrastructure, geographical proximity, product type and other relevant factors.

Determination of useful life

Each significant component of property and equipment and intangible assets are depreciated over their estimated useful lives. Estimated useful lives are determined based on current facts and past management experience and take into consideration the anticipated physical life of the asset, existing long-term sales agreements and contracts, current and forecasted demand, and the potential for technological obsolescence.

3. BUSINESS COMBINATIONS

On June 30, 2022, the Company acquired 100% of the outstanding share capital of Southview Property Management Inc. ("Southview") for 76,635 common shares of the Company, $347,747 cash consideration, and up to $100,000 in cash consideration that is deferred until twelve months after the closing date, and subject to certain adjustments based on revenue and customer contracts. All common shares issued are subject to a voluntary lock-up from which one-third of the shares will be released every six months for a period of eighteen months.

In accordance with the measurement requirements set out under IFRS 3, Business Combinations, the purchase price allocation based on the fair value of assets and liabilities assumed is as follows:

Fair value of Tribe shares	$	133,985
(76,635 common shares at $1.96 per share) (Note 12)		
Deferred cash consideration		14,409
Cash consideration		347,747
Fair value of purchase consideration	**$**	**496,141**
Allocated to:		
Cash and cash equivalents	$	37,461
Accounts receivable		4,725
Prepaid expenses		20,656
Equipment		21,709
Right-of-use assets (Note 6)		65,605
Intangible assets (Note 7)		109,000
Goodwill (Note 7)		340,292
Deferred tax liability		(29,000)
Lease liabilities (Note 10)		(65,605)
Accounts payable and accrued liabilities		(8,702)
Total	**$**	**496,141**

The goodwill represented the excess of the purchase price over the fair value of net assets acquired. It is attributable to the workforce acquired and expected synergies from combining operations. None of the goodwill is deductible for tax purposes. The goodwill was added to the Gateway CGU (Note 7).

The receivables acquired in the transaction had a fair value of $4,725 which approximated the gross contractual amounts receivable. The best estimate at the acquisition date of the contractual cash flows for which collection is uncertain is $0.

During the six months ended June 30, 2023, an increase adjustment of $14,999 based on revenue performance was made to the deferred cash consideration balance, resulting in a balance of $29,408 as at June 30, 2023 (Note 7). The adjustment increased the goodwill balance by the same amount. The deferred cash consideration was paid on July 17, 2023.

On August 29, 2023, the Company entered into an agreement, as amended on September 28, 2023 and October 31, 2023 (the "Meritus Agreement"), to acquire 100% of the outstanding share capital of Meritus Group

(In Canadian dollars)

3. BUSINESS COMBINATIONS (continued)

Management Inc ("Meritus"). Pursuant to the Meritus Agreement, as amended, the Company has agreed to pay Meritus as aggregate of $800,000 as follows:

a) $50,000 payable within five days of the execution of the agreement (paid September 6, 2023)
b) $350,000 payable on the closing date, subject to adjustments based on working capital and revenue performance;
c) $100,000 payable in common shares of the Company; and
d) $300,000 payable by promissory note to be executed and delivered on the closing date.

Closing of the Meritus transaction remains subject to Exchange approval.

4. REVENUE

A disaggregation of revenue from contracts with customers is as follows:

	Three Months Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Software and service fees	$ 4,264,785	$ 4,145,450	$ 12,661,316	$ 11,660,209
Transactional revenues	472,933	367,545	1,355,556	1,267,425
Software and services	4,737,718	4,512,995	14,016,872	12,927,634
Software licensing fees	60,909	16,315	261,456	136,711
Total revenue	$ 4,798,627	$ 4,529,310	$ 14,278,328	$ 13,064,345

5. SELLING, GENERAL AND ADMINISTRATIVE

Selling, general and administrative expenses are comprised of:

	Three Months Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Salaries and wages	$ 2,369,847	$ 2,369,652	$ 7,663,977	$ 6,893,171
Office expenses	590,180	943,233	1,995,454	2,436,301
Professional fees	262,850	176,986	885,956	1,023,897
Subcontractors	80,598	163,696	306,473	481,403
Investor relations	69,724	79,037	282,778	244,371
Advertising and promotion	36,779	40,093	129,551	139,706
Total selling, general and administrative expenses	$ 3,409,978	$ 3,772,697	$ 11,264,189	$ 11,218,849

(In Canadian dollars)

6. PROPERTY AND EQUIPMENT

	Computer hardware	Computer software	Furniture and equipment	Leasehold improvements	Right-of-use assets	Total
Cost						
Balance, December 31, 2021	$ 297,150	$ 1,095,546	$ 172,900	$ 336,772	$ 4,625,687	$ 6,528,055
Additions (Note 10)	89,231	102,071	33,893	-	502,587	727,782
Disposals	-	-	-	(168,858)	-	(168,858)
Assets acquired (Note 3)	-	-	-	-	65,605	65,605
Balance, December 31, 2022	386,381	1,197,617	206,793	167,914	5,193,879	7,152,584
Additions	13,462	60,987	1,654	-	187,770	263,873
Balance, September 30, 2023	$ 399,843	$ 1,258,604	$ 208,447	$ 167,914	$ 5,381,649	$ 7,416,457
Accumulated amortization						
Balance, December 31, 2021	$ 219,181	$ 857,768	$ 81,039	$ 189,639	$ 1,079,651	$ 2,427,278
Depreciation	56,640	81,957	22,521	21,987	710,963	894,068
Disposals	-	-	-	(168,858)	-	(168,858)
Balance, December 31, 2022	275,821	939,725	103,560	42,768	1,790,614	3,152,488
Depreciation	36,090	66,296	15,180	16,807	511,810	646,183
Balance, September 30, 2023	$ 311,911	$ 1,006,021	$ 118,740	$ 59,575	$ 2,302,424	$ 3,798,671
Net book value						
Balance, December 31, 2022	$ 110,560	$ 257,892	$ 103,233	$ 125,146	$ 3,403,265	$ 4,000,096
Balance, September 30, 2023	$ 87,932	$ 252,583	$ 89,707	$ 108,339	$ 3,079,225	$ 3,617,786

(In Canadian dollars)

7. INTANGIBLE ASSETS AND GOODWILL

		Customer Relationships		Goodwill
Cost				
Balance, December 31, 2021	$	7,700,608	$	4,857,516
Additions (Note 3)		684,000		340,292
Disposals		(77,288)		-
Purchase price adjustment		9,368		-
Balance, December 31, 2022		8,316,688		5,197,808
Additions		300,000		-
Purchase price adjustment		(75,000)		14,999
Balane, September 30, 2023	$	8,541,688	$	5,212,807
Accumulated amortization				
Balance, December 31, 2021	$	549,168		-
Amortization		547,383		-
Disposals		(7,361)		-
Balance, December 31, 2022		1,089,190		-
Amortization		441,231		-
Balance, September 30, 2023	$	1,530,421	$	-
Net book value				
Balance, December 31, 2022	$	7,227,498	$	5,197,808
Balance, September 30, 2023	$	7,011,267	$	5,212,807

For the purposes of assessing impairment of goodwill and non-financial assets, the Company must identify its CGUs. Determination of what constitutes a CGU is subject to management judgment. Management has determined that the Company has two CGUs: Tribe CGU and Gateway CGU. Both CGUs belong to the Software and Services segment as they pertain to the property management business associated with the Company's community-living technology platform.

At December 31, 2022, the carrying amount of goodwill allocated to the Gateway CGU is $3,419,141 and the carrying amount of goodwill allocated to the Tribe CGU is $59,667.

At December 31, 2022, the Company tested its CGUs for impairment. The inputs for the calculated recoverable amounts below are not based on observable market data. As such, the recoverable amounts of both the Gateway and Tribe CGUs are categorized in Level 3 of the fair value measurement hierarchy.

For the Gateway CGU, the estimated recoverable amount was calculated using a revenue multiple of 1 based on 2022 revenues, less costs of disposal. This resulted in a recoverable amount of $11,713,377, exceeding the CGU carrying amount of $10,341,464. The revenue multiple used reflected current market assessments and the acquisition history of the Company. A 1% change in the recoverable amount is a difference of $117,134 and would not yield a different result.

For the Tribe CGU, the estimated recoverable amount was calculated using a revenue multiple of 1 based on 2022 revenues, less costs of disposal. This resulted in a recoverable amount of $5,848,432, exceeding the CGU carrying amount of $992,903. The revenue multiple used reflected current market assessments and the acquisition history of the Company. A 1% change in the recoverable amount is a difference of $58,484 and would not yield a different result.

During the year ended December 31, 2021, the Company completed acquisitions of three sets of property management contracts for total consideration of $415,000. Of this amount, $50,000 was settled through the issuance of 12,977 common shares (Note 12). During the year ended December 31, 2022, there was a purchase price adjustment of $9,368 on one of the acquisitions.

During the year ended December 31, 2022, the Company added Customer Relationships and Goodwill through its acquisition of Southview (Note 3).

During the year ended December 31, 2022, the Company added Customer relationships through its acquisition of Martello Property Services Inc for total consideration of $550,000. The Company paid $475,000 on the closing date of July 31, 2022, with $75,000 payable on the date that is thirteen months after the closing date, and up to $170,000 payable upon the future delivery of property management contracts related to buildings that are currently under development. The $170,000 payable related to buildings under development was not added to intangible assets and

(In Canadian dollars)

7. INTANGIBLE ASSETS AND GOODWILL (continued)

not accrued as there is no certainty that the property management contracts for the buildings under development will be signed. Based on revenue performance, the $75,000 payable was adjusted to $nil on August 31, 2023.

During the year ended December 31, 2022, the Company paid $25,000 related to previous customer relationship acquisitions price adjustments.

During the year ended December 31, 2022, the Company sold customer relationships with a carrying value of $69,927 to Team Approach Property Services Ltd., for consideration of $42,540.

During the nine months ended September 30, 2023, the Company added customer relationships through its acquisition of Warrington PCI Management for total consideration of $300,000. The Company paid $200,000 on the closing date of January 5, 2023, with $100,000 payable on the date that is thirteen months after the closing date, and up to $75,000 payable upon the future delivery of property management contracts related to buildings that are currently under development. The $75,000 payable related to buildings under development was not added to intangible assets and not accrued as there is no certainty that the property management contracts for the buildings under development will be signed.

8. DEFERRED REVENUE

Balance, December 31, 2021	$	238,258
Billings		110,402
Revenue recognized		(214,354)
Balance, December 31, 2022		134,306
Billings		342,397
Revenue recognized		(145,293)
Balance, September 30, 2023	$	331,410

9. LOANS AND BORROWINGS

	September 30, 2023		December 31, 2022	
CEBA loan	$	-	$	27,180
	$	-	$	27,180

Operating line of credit

The Company has a $1,000,000 operating line of credit with the Toronto-Dominion Bank (“TD”) available to be drawn at the Company’s discretion. The interest rate is prime + 1.25% per annum and is calculated daily and payable monthly in arrears. All amounts are repayable immediately on demand by TD and the credit facility may be terminated by TD at any time.

CEBA loan

On April 30, 2020, the Company received a $40,000 line of credit under the Canada Emergency Business Account (“CEBA”) program funded by the Government of Canada. The CEBA line of credit is non-interest bearing and can be repaid without penalty at any time.

On June 30, 2021, the outstanding balance on the CEBA line of credit of $40,000 automatically converted to a 2-year interest-free term loan (the “CEBA term loan”). If 75% of the CEBA term loan is repaid on or before December 31, 2023, the remaining 25% will be forgiven. If, on December 31, 2023, the Company exercises the option for a 2-year term extension, interest of 5% per annum will apply to any remaining balance during the extension period. The Company recorded the CEBA term loan at fair value using an effective interest rate of 13.3%. The fair value of the CEBA term loan is accreted up to its cost and during the nine months ended September 30, 2023, interest accretion of $1,317 (September 30, 2022 - $2,487) was recognized.

The Company repaid $30,000, which is 75% of the loan, on February 21, 2023, and thus qualified for the 25% loan forgiveness of $10,000. This resulted in a loss on revaluation of the CEBA loan of $11,503 for the nine months ended September 30, 2023 (September 30, 2022 - $nil).

(In Canadian dollars)

10. LEASES

The Company leases office space for its operations as well as computers and related equipment. The leased assets and liabilities were measured at the present value of the lease payments plus the anticipated exercise of renewal options, discounted using the incremental borrowing rate which was estimated to be between 10% and 13%.

The Company's lease liabilities are as follows:

	September 30, 2023	December 31, 2022
Current portion of lease obligations	$ 793,431	$ 859,755
Non-current portion of lease obligations	2,807,495	2,932,113
	$ 3,600,926	$ 3,791,868

The lease liability interest expense recognized in profit and loss and lease payments recognized in the financing component of statement of cash flows is as follows:

Balance, December 31, 2021	$ 3,806,945
New leases (Note 6)	502,587
Leases acquired (Note 3)	65,605
Interest expense	392,097
Payments	(975,366)
Balance, December 31, 2022	3,791,868
New leases	187,770
Interest expense	278,430
Payments	(657,142)
Balance, September 30, 2023	$ 3,600,926

As at September 30, 2023, the Company is committed to minimum lease payments as follows:

	September 30, 2023
Less than one year	$ 815,774
One to five years	2,830,168
More than five years	1,360,487
Total undiscounted lease liabilities	$ 5,006,429

The Company did not designate any leases as low-value or short-term under IFRS 16.

11. NOTE PAYABLE

In connection with the acquisition of Gateway Property Management Corp. ("Gateway"), the Company owed a note payable of $9,000,000 plus a working capital payment of $1,000,000. During the year ended December 31, 2022, the working capital payment was made. The note payable bears interest at 5% per annum, which is accrued and paid monthly. On September 20, 2023, the promissory note was amended and restated, with the principal repayable as follows:

- $5,000,000, plus accrued interest, paid on March 29, 2021 (paid);
- $1,000,000, plus accrued interest, paid on December 31, 2022 (paid);
- $1,000,000 payable on December 31, 2023;
- $500,000 payable on June 30, 2024;
- $1,000,000 payable on December 31, 2024;
- The remaining principal and any accrued interest outstanding, on June 30, 2025.

The note payable has been recorded at its fair value, using a market discount rate of 7.5% per annum:

	September 30, 2023	December 31, 2022
Current portion of note payable	$ 1,457,285	$ 940,543
Non-current portion of note payable	1,452,093	1,924,647
Total note payable	$ 2,909,378	$ 2,865,190

12. SHARE CAPITAL

12.1 Authorized

Authorized, unlimited number of voting common shares without par value.

12.2 Issued common shares

On November 8, 2021, the Company issued 12,977 common shares with a fair value of $50,000 in connection with an acquisition of property management contracts (Note 7).

On January 14, 2022, the Company completed a private placement equity financing pursuant to which the Company raised gross proceeds of $21,000,000 from the sale of units of the Company (each, a "Unit") at a price of $4.00 per Unit (5,250,000 common shares issued). Each Unit consists of one common share and one common share purchase warrant ("Warrant") of the Company. Each Warrant entitles the holder to acquire one common share at a price of $5.10 per common share, until January 14, 2025, subject to adjustment in certain events. No value was attributed to the Warrants under the residual value method. Total issuance costs incurred was $1,274,699, of which $1,197,000 was paid to agents. The Company issued to the agents 299,248 compensation warrants (each, a "Compensation Option") at a price of $5.10 per Compensation Option, until January 14, 2025, subject to adjustment in certain events. The Compensation Options were valued at $336,678 using the Black-Scholes-Merton option pricing model, using an exercise price of $5.10, expected life of 3 years, volatility of 50%, and risk-free rate of 1.25%.

On June 30, 2022, the Company issued 76,635 common shares with a fair value of $133,985 in connection with the acquisition of Southview (Note 3).

12.3 Normal-Course Issuer Bid

On June 9, 2022, the Company filed a Notice of Intention to make a Normal-Course Issuer Bid ("NCIB") with the Exchange, which would allow the Company to purchase outstanding common shares of the Company. Under the NCIB, the Company may acquire up to an aggregate of 907,337 shares over the 12-month period commencing on June 13, 2022 and ending on June 12, 2023, representing approximately 10% of the public float as of May 31, 2022. Under the NCIB, the Company may not acquire more than 2% of the issued and outstanding common shares in any 30-day period. All common shares purchased by the Company under the NCIB will be returned to treasury and cancelled.

During the three months ended June 30, 2022, the Company purchased 12,900 common shares at a total price of $26,220, and subsequently cancelled these shares in the three months ended September 30, 2022. During the three months ended September 30, 2022, the Company purchased 4,200 common shares at a total price of $7,711. As of September 30, 2022, the Company was in the process of cancelling the 4,200 common shares purchased, and the shares were classified as treasury shares.

During the year ended December 31, 2022, the Company purchased 29,000 common shares at a total price of $53,270, and subsequently cancelled 26,000 shares in the year ended December 31, 2022. As of December 31, 2022, the Company was in the process of cancelling the remaining 3,000 common shares purchased, and the shares were classified as treasury shares. During the nine months ended September 30, 2023, the Company cancelled the 3,000 treasury shares.

13. STOCK, COMPENSATION OPTIONS AND WARRANTS

The Company has a rolling stock option plan ("SOP") whereby a maximum of 10% of the issued and outstanding common shares of the Company may be reserved for issuance pursuant to the exercise of stock options. The terms of the granted stock options are fixed by the Board of Directors and are not to exceed ten years. The exercise price of stock options is determined by the Board of Directors.

Stock options granted under the SOP may vest immediately on grant, or over a period as determined by the Board of Directors, or in respect of stock options granted for investor relations services, as prescribed by the Exchange policy.

13.1 Employee Stock Options

The Black-Scholes-Merton option pricing model inputs for employee stock options granted during the nine months ended September 30, 2023 are as follows:

(In Canadian dollars)

13. STOCK, COMPENSATION OPTIONS AND WARRANTS (continued)

Grant Date	Expiry Date	Share Price at Grant Date	Exercise Price	Risk-Free Interest Rate	Expected Life (in years)	Volatility Factor	Dividend Yield	Fair Value
August 1, 2023	December 31, 2027	$0.96	$1.25	4.08%	4.95	50%	0%	$0.36

The risk-free interest rate is based on the Canadian government bond rate for a similar term as the expected life of the stock options. The stock options vest over 2 years.

Total stock-based compensation expense from employee stock options during the three and nine months ended September 30, 2023 was $51,119 and $130,814 respectively (September 30, 2022 - $88,991 and $249,714 respectively) using the Black-Scholes-Merton option pricing model.

A continuity schedule of the Company's outstanding employee stock options for the nine months ended September 30, 2023 and December 31, 2022 is as follows:

	September 30, 2023			December 31, 2022		
	Number outstanding	Weighted average exercise price		Number outstanding	Weighted average exercise price	
Outstanding, beginning	1,182,550	$	3.55	849,670	$	3.96
Granted	10,000		1.25	380,500		2.80
Exercised	-		-	(6,650)		2.75
Forfeited	(228,595)		2.80	(40,970)		5.00
Outstanding, ending	963,955	$	3.71	1,182,550	$	3.55
Exercisable, ending	599,730	$	3.74	601,683	$	3.53

At September 30, 2023, the Company had outstanding employee stock options as follows:

Expiry date	Options outstanding	Options exercisable	Exercise price		Weighted average remaining contractual life (in years)
April 30, 2025	319,330	319,330	$	2.75	1.58
January 31, 2026	200,000	120,000	$	5.00	2.34
February 21, 2026	196,500	122,900	$	5.00	2.40
December 31, 2026	68,125	17,500	$	5.00	3.25
December 31, 2026	50,000	16,666	$	3.50	3.25
December 31, 2027	120,000	-	$	1.55	4.25
December 31, 2027	10,000	3,334	$	1.25	4.25
	963,955	599,730			2.47

13.2 Consultant Stock Options

There were no consultant stock options granted during the nine months ended September 30, 2023.

(In Canadian dollars)

13. STOCK, COMPENSATION OPTIONS AND WARRANTS (continued)

Total stock-based compensation expense from consultant stock options during the three and nine months ended September 30, 2023, was $(4,140) and $(4,140) respectively (September 30, 2022 - $662 and $6,431 respectively) using the Black-Scholes-Merton option pricing model.

A continuity schedule of the Company's outstanding consultant stock options for the nine months ended September 30, 2023 and December 31, 2022 is as follows:

	September 30, 2023			December 31, 2022		
	Number outstanding		Weighted average exercise price	Number outstanding		Weighted average exercise price
Outstanding, beginning	70,000	$	5.00	70,000	$	5.00
Expired	(70,000)		5.00	-		-
Outstanding, ending	-	$	-	70,000	$	5.00
Exercisable, ending	-	$	-	70,000	$	5.00

13.3 Broker Compensation Options

There were no broker compensation options granted during the nine months ended September 30, 2023.

A continuity schedule of the Company's outstanding broker compensation options for the nine months ended September 30, 2023 and December 31, 2022 is as follows:

	September 30, 2023			December 31, 2022		
	Number outstanding		Weighted average exercise price	Number outstanding		Weighted average exercise price
Outstanding, beginning	457,582	$	5.07	158,334	$	5.00
Expired	(158,334)		5.00	299,248		5.10
Outstanding, ending	299,248	$	5.10	457,582	$	5.07
Exercisable, ending	299,248	$	5.10	457,582	$	5.07

At September 30, 2023, the Company had outstanding broker compensation options as follows:

Expiry date	Options outstanding	Options exercisable	Exercise price		Weighted average remaining contractual life (in years)
January 15, 2025	299,248	299,248	$	5.10	1.29

13.4 Board Stock Options

There were no board stock options granted during the nine months ended September 30, 2023.

Total stock-based compensation expense from board stock options during the three and nine months ended September 30, 2023 was $nil and $8,862 respectively (September 30, 2022 - $11,195 and $42,485 respectively) using the Black-Scholes-Merton option pricing model.

(In Canadian dollars)

13. STOCK, COMPENSATION OPTIONS AND WARRANTS (continued)

A continuity schedule of the Company's outstanding board stock options for the nine months ended September 30, 2023 and December 31, 2022 is as follows:

	September 30, 2023			December 31, 2022		
	Number outstanding	Weighted average exercise price		Number outstanding	Weighted average exercise price	
Outstanding, beginning	125,900	$	4.04	90,900	$	5.00
Granted	-		-	35,000		1.55
Outstanding, ending	125,900	$	4.04	125,900	$	4.04
Exercisable, ending	90,900	$	5.00	65,450	$	5.00

At September 30, 2023, the Company had outstanding board stock options as follows:

Expiry date	Options outstanding	Options exercisable	Exercise price		Weighted average remaining contractual life (in years)
February 21, 2026	90,900	90,900	$	5.00	2.40
December 31, 2027	35,000	-	$	1.55	4.25
	125,900	90,900			2.91

13.5 Warrants

The Company issued common share purchase warrants in connection with the brokered private placement on January 14, 2022 (Note 12).

A continuity schedule of the Company's outstanding common share purchase warrants for the nine months ended September 30, 2023 and December 31, 2022 is as follows:

	September 30, 2023			December 31, 2022		
	Number outstanding	Weighted average exercise price		Number outstanding	Weighted average exercise price	
Outstanding, beginning	5,250,000	$	5.10	-	$	-
Issued	-		-	5,250,000		5.10
Outstanding, ending	5,250,000	$	5.10	5,250,000	$	5.10

At September 30, 2023, the Company had outstanding common share purchase warrants exercisable as follows:

Expiry date	Warrants outstanding	Exercise price		Weighted average remaining contractual life (in years)
Jan 14, 2025	5,250,000	$	5.10	1.29

(In Canadian dollars)

14. FINANCIAL INSTRUMENTS

14.1 Categories of financial instruments and fair value measurements

The Company's financial assets and liabilities are classified as follows:

	Level	September 30, 2023	December 31, 2022
Financial assets:			
Fair value through profit and loss			
Cash and cash equivalents	1	$ 1,517,687	$ 8,096,696
Investments	1	71,373	67,689
Amortized cost			
Accounts receivable, net of allowance for doubtful accounts	2	1,149,300	1,012,675
Financial liabilities:			
Financial liabilities at amortized cost			
Accounts payable	2	$ 594,125	$ 852,433
Short-term debt	2	-	27,180
Note payable	2	2,909,378	2,865,190

14.2 Fair value information

The fair values of the Company's financial instruments approximate their carrying amounts due to the short-term nature of these instruments.

IFRS 13 *Fair Value Measurement* establishes a fair value hierarchy that reflects the significance of inputs used in measuring fair value as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included in 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 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

14.3 Management of financial risks

There were no transfers between levels of the fair value hierarchy during the three and nine months ended September 30, 2023 and 2022. As at September 30, 2023 and December 31, 2022, the Company's cash and cash equivalents, and investments were valued using Level 1 inputs of the fair value hierarchy.

The following is an analysis of the contractual maturities of the Company's financial liabilities as at September 30, 2023:

	Within 12 months	After 12 months
Accounts payable and accrued liabilities	$ 1,353,862	$ -
Note payable	1,457,285	1,452,093
Total	**$ 2,811,147**	**$ 1,452,093**

The undiscounted note payable contractual maturities are $1,500,000 within 12 months and $1,500,000 after 12 months, respectively.

The Company's financial instruments expose the Company to certain financial risks, including credit risk, liquidity risk, interest rate risk and foreign currency risk.

Credit risk

Credit risk arises from the potential that a counterparty will fail to perform its obligations. The Company has a significant number of customers which minimizes concentration of credit risk. The Company is exposed to credit risk from customers. In order to reduce its credit risk, the Company deals only with financially sound counterparties and,

14. FINANCIAL INSTRUMENTS (continued)

accordingly, does not anticipate loss for non-performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. Over 75% of accounts receivable is current. The amounts disclosed in the balance sheet represent the maximum credit risks. Credit risk that arises from accounts receivable is considered low. The Company's cash is also exposed to credit risk. Cash is held with a major financial institution, consequently, the risk is assessed as low.

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. The Company's interest rates on its short-term debt, note payable and demand loan are fixed. Management monitors its interest rates compared to market rates on a regular basis. The Company does not use derivative instruments to reduce its exposure to interest rate risk. Accordingly, interest rate risk is assessed as low.

Currency risk

Currency risk is the risk that the Company's net loss will vary from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company has not entered into any forward currency contracts or other financial derivatives to hedge foreign exchange risk. The Company is exposed to limited foreign currency transactions and has assessed the currency risk as low.

Liquidity risk

The Company's objective is to have sufficient liquidity to meet its liabilities when they become due. The Company monitors its cash balances and cash flows generated from operations to meet its requirements. As at September 30, 2023, the most significant financial liabilities are its accounts payables and note payable. As at September 30, 2023, the Company assessed liquidity risk as moderate.

(In Canadian dollars)

15. SEGMENTED INFORMATION

Management determined the Company's operating segments based on information reviewed by the Company's chief operating decision-maker, which consists of the Chief Executive Officer and the leadership team; largely on the basis of services offered and the classes of customers served.

The Company has three operating segments: (1) software and services, (2) software licensing fees, and (3) corporate. Software and services refers to the property management business associated with the Company's community-living technology platform. Software licensing fees refers to the Company's deficiency management software provided to developers and rental management software provided to landlords. The Company's corporate segment refers to the strategic and operational leadership of management, and shared corporate services to the group through the Company's head office operations. Financial performance and balances by segment are as follows:

	Software and Services	Software Licensing Fees	Corporate	Total
For the nine months ended September 30, 2023				
Revenue	$ 14,016,872	$ 261,456	$ -	$ 14,278,328
Expenses	15,567,433	3,453,217	2,446,226	21,466,877
Net loss	$ (1,550,561)	$ (3,191,761)	$ (2,446,226)	$ (7,188,549)
For the nine months ended September 30, 2022				
Revenue	$ 12,927,634	$ 136,711	$ -	$ 13,064,345
Expenses	14,065,946	4,055,577	2,704,144	20,825,667
Net loss	$ (1,138,312)	$ (3,918,866)	$ (2,704,144)	$ (7,761,322)
As at September 30, 2023				
Assets	$ 17,339,951	$ 1,466,245	$ -	$ 18,806,196
Liabilities	7,357,842	866,734	-	8,224,576
Property and equipment	3,334,621	283,165	-	3,617,786
Intangible assets	7,011,267	-	-	7,011,267
As at December 31, 2022				
Assets	$ 17,077,383	$ 8,977,466	$ -	$ 26,054,849
Liabilities	7,836,722	573,043	-	8,409,765
Property and equipment	3,687,613	312,483	-	4,000,096
Intangible assets	7,227,498	-	-	7,227,498

(In Canadian dollars)

16. RELATED PARTY TRANSACTIONS

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's Board of Directors and members of the executive team.

In the normal course of business, the Company enters into transactions with its related parties that are considered to be arm's length transactions and made at normal market prices and on normal commercial terms.

a) Key management compensation was as follows:

	Three Months Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Salary	$ 166,500	$ 251,035	$ 698,372	$ 701,785
Board of Directors' fees	47,313	46,875	143,750	134,950
Short-term benefits	7,037	6,908	18,435	17,200
Stock-based compensation	31,243	64,175	85,150	199,965
	$ 252,093	$ 368,993	$ 945,707	$ 1,053,900

b) During the nine months ended September 30, 2023, the Company made lease payments for office space of $375,135 to a company affiliated with a member of the executive team. As at September 30, 2023, the office leases have an average remaining term of 7.25 years, and the minimum remaining lease payments total $4,151,494. For the same period in 2022, the Company paid $375,135 for the same purpose.

17. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to ensure that there are adequate capital resources to safeguard the Company's ability to execute on its strategic operating plan, continue as a going concern and to maximize its financial flexibility by maintaining strong liquidity and by utilizing alternative sources of capital including equity, debt and bank loans or lines of credit to fund continued growth. In the management of capital, the Company includes the components of shareholders' equity and short-term liabilities, as well as cash. The Company sets the amount of capital in proportion to risk and based on the availability of funding sources. The Company manages its capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. Additional debt and/or equity financing may be pursued in the future as deemed appropriate to balance debt and equity. To maintain or adjust the capital structure, the Company may issue new shares, take on additional debt or sell assets to reduce debt. The Company is not subject to any externally imposed capital requirements and the Company does not pay out dividends. There were no changes in the Company's approach to capital management during the period.

18. ACCOUNTS RECEIVABLE

The balance of accounts receivable is comprised of the following:

	September 30, 2023	December 31, 2022
Accounts receivable, net of allowance for doubtful accounts	$ 1,087,780	$ 973,111
Other receivables	61,520	39,564
	$ 1,149,300	$ 1,012,675

As at September 30, 2023, an allowance for doubtful accounts of $14,314 (December 31, 2022 - $33,561) has been provided for balances outstanding over 90 days.

(In Canadian dollars)

19. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September, 2023	December 31, 2022
Accounts payable	$ 594,125	$ 852,433
Accrued liabilities	759,737	709,788
	$ 1,353,862	$ 1,562,221

20. CASH AND CASH EQUIVALENTS

	September 30, 2023	December 31, 2022
Cash	$ 1,517,687	$ 1,531,315
Cashable investment	-	6,565,381
	$ 1,517,687	$ 8,096,696

As at December 31, 2022, the Company held a 1-year cashable GIC investment with a balance of $6,565,381, interest yield of 2.23% annually, and maturity date of April 25, 2023.

On April 25, 2023, the 1-year cashable GIC investment held by the Company matured and was transferred to the Company's cash account.

21. SUBSEQUENT EVENTS

Subsequent to September 30, 2023, the Company entered into the following transaction:

i) On October 5, 2023, the Company signed a definitive loan agreement with a Canadian Schedule A bank, providing a senior term loan facility (the "Facility") for up to $15 million. The Facility consists of:

   a) a $3 million operating line to support the Company's working capital requirements;
   b) an mergers and acquisitions facility of $7 million with an additional accordion feature of $5 million

   The Facility has an interest rate of prime + 2.65% per annum.

ii) On October 10, 2023, the Company appointed a new Chief Financial Officer, Angelo Bartolini. He has over 12 years of experience in a public company setting, where he led as the CFO of Altus Group. On the same day, he was granted 500,000 stock options of the Company. 100,000 options immediately vested, and an additional 80,000 options will vest on September 1st on each of the next five years.