



CIBT EDUCATION GROUP INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

MAY 31, 2022

EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS UNLESS OTHERWISE NOTED

UNAUDITED

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102, the Company discloses that its external auditors have not reviewed the accompanying condensed consolidated interim financial statements, notes to the condensed consolidated interim financial statements and the related Management's Discussion and Analysis.

CIBT EDUCATION GROUP INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS
(Unaudited)

	May 31, 2022	August 31, 2021
ASSETS		
CURRENT		
Cash and cash equivalents	\$ 11,424	\$ 18,338
Restricted cash	1,259	739
Trade and other receivables	21,874	21,173
Development assets (Note 6)	26,000	25,931
Income taxes receivable	24	–
Prepayments	3,632	2,909
Inventory	936	852
TOTAL CURRENT ASSETS	65,149	69,942
Investment properties (Note 5)	340,248	322,606
Property and equipment	57,980	58,390
Right-of-use assets	12,667	11,920
Development assets (Note 6)	41,382	41,390
Intangible assets and goodwill	13,158	12,716
Deferred income tax assets	1,277	1,020
Other	956	1,055
TOTAL ASSETS	\$ 532,817	\$ 519,039
LIABILITIES		
CURRENT		
Trade and other payables	\$ 19,041	\$ 18,866
Income taxes payable	399	176
Deferred revenue	26,804	25,001
Current portion of borrowings (Note 8)	184,780	156,894
Current lease liabilities	4,241	3,894
TOTAL CURRENT LIABILITIES	235,265	204,831
Borrowings (Note 8)	56,115	87,356
Lease liabilities	11,783	12,283
Deferred income tax liabilities	11,116	10,986
TOTAL LIABILITIES	314,279	315,456
EQUITY		
SHARE CAPITAL	45,565	46,573
RESERVES (Note 9(c))	6,886	6,770
DEFICIT	(9,023)	(2,841)
ACCUMULATED OTHER COMPREHENSIVE INCOME	250	295
Shareholders' Equity	43,678	50,797
Non-controlling interests (Note 10)	174,860	152,786
TOTAL EQUITY	218,538	203,583
TOTAL LIABILITIES AND EQUITY	\$ 532,817	\$ 519,039

EVENTS AFTER THE REPORTING PERIOD (Note 15)

Approved on behalf of the Board:

"Toby Chu"

Toby Chu, Chief Executive Officer & Director

"Troy Rice"

Troy Rice, Director

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

CIBT EDUCATION GROUP INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME AND LOSS
EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS EXCEPT SHARE AND PER SHARE DATA
(Unaudited)

	Three Months Ended May 31,		Nine Months Ended May 31,	
	2022	2021	2022	2021
REVENUES				
Educational	\$ 13,878	\$ 12,858	\$ 38,697	\$ 34,046
Rental	4,611	2,653	12,257	6,678
Development fees	-	667	588	3,038
Design and advertising	142	140	399	622
Commissions and referral fees	248	139	730	416
	18,879	16,457	52,671	44,800
DIRECT COSTS				
Educational	6,549	5,492	17,725	14,658
Rental	1,414	1,242	4,340	3,377
Design and advertising	22	37	116	274
Commissions and referral fees	124	83	262	206
	8,109	6,854	22,443	18,515
OTHER EXPENSES				
General and administrative (Note 11)	7,296	7,493	21,794	20,863
Amortization of property, equipment and intangible assets	959	1,268	2,894	3,815
Share-based payment expense	82	16	117	91
	8,337	8,777	24,805	24,769
OPERATING INCOME (LOSS)				
	2,433	826	5,423	1,516
Finance costs (Note 12)	(2,830)	(4,165)	(8,991)	(10,140)
Gain (loss) on fair value changes in investment properties	(507)	(298)	(1,493)	8,779
Other income (expense), net (Note 13)	1,015	1,978	5,284	6,950
Income (loss) before income taxes	111	(1,659)	223	7,105
Income tax (expense) recovery	(55)	339	(95)	(816)
NET INCOME (LOSS)	\$ 56	\$ (1,320)	\$ 128	\$ 6,289
ATTRIBUTABLE TO:				
CIBT Education Group Inc. shareholders	\$ 284	\$ (895)	\$ 237	\$ 6,755
Non-controlling interests	(228)	(425)	(109)	(466)
	\$ 56	\$ (1,320)	\$ 128	\$ 6,289
Net income (loss) per share attributable to equity holders of CIBT Education Group Inc.				
Basic	\$ 0.00	\$ (0.01)	\$ 0.00	\$ 0.09
Diluted	\$ 0.00	\$ (0.01)	\$ 0.00	\$ 0.02
Weighted average number of common shares outstanding				
Basic	68,396,000	70,796,528	68,923,703	71,719,755
Diluted	68,684,383	70,796,528	69,241,964	72,694,836

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

CIBT EDUCATION GROUP INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME AND LOSS
EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS EXCEPT SHARE AND PER SHARE DATA
(Unaudited)

	Three Months Ended May 31,		Nine Months Ended May 31,	
	2022	2021	2022	2021
NET INCOME (LOSS)	\$ 56	\$ (1,320)	\$ 128	\$ 6,289
OTHER COMPREHENSIVE INCOME (LOSS):				
Items that are reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	(84)	(70)	(44)	(2)
	\$ (28)	\$ (1,390)	\$ 84	\$ 6,287
ATTRIBUTABLE TO:				
CIBT Education Group Inc. shareholders	\$ 198	\$ (966)	\$ 192	\$ 6,753
Non-controlling interests	(226)	(424)	(108)	(466)
	\$ (28)	\$ (1,390)	\$ 84	\$ 6,287

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

CIBT EDUCATION GROUP INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS EXCEPT SHARE DATA
(Unaudited)

	Note	Share Capital		Reserves	AOCI	Deficit	Total Shareholders' Equity	Non-Controlling Interests	Total Equity
		Number of Common Shares	Dollar Amount						
August 31, 2021		69,978,240	\$ 46,573	\$ 6,770	\$ 295	\$ (2,841)	\$ 50,797	\$ 152,786	\$ 203,583
Net income (loss) for the period		-	-	-	-	237	237	(109)	128
Unrealized translation adjustments		-	-	-	(45)	-	(45)	1	(44)
Total comprehensive income (loss)		-	-	-	(45)	237	192	(108)	84
Share-based payments		-	-	117	-	-	117	-	117
Payments to non-controlling interests	10	-	-	-	-	-	-	(946)	(946)
Non-controlling interests' contributions	10	-	-	-	-	-	-	2,282	2,282
Changes to ownership changes, net of tax	10	-	-	-	-	(6,419)	(6,419)	20,846	14,427
Purchase of treasury shares	9(a)	-	-	(1,009)	-	-	(1,009)	-	(1,009)
Treasury share cancellations	9(a)	(1,517,500)	(1,008)	1,008	-	-	-	-	-
May 31, 2022		68,460,740	\$ 45,565	\$ 6,886	\$ 250	\$ (9,023)	\$ 43,678	\$ 174,860	\$ 218,538
August 31, 2020		74,543,540	\$ 49,534	\$ 6,108	\$ 243	\$ (4,616)	\$ 51,269	\$ 129,310	\$ 180,579
Net income (loss) for the period		-	-	-	-	6,755	6,755	(466)	6,289
Unrealized translation adjustments		-	-	-	(2)	-	(2)	-	(2)
Total comprehensive income (loss)		-	-	-	(2)	6,755	6,753	(466)	6,287
Share-based payments		-	-	91	-	-	91	-	91
Payments to non-controlling interests		-	-	-	-	-	-	(1,479)	(1,479)
Non-controlling interests' contributions		-	-	-	-	-	-	4,885	4,885
Changes in ownership interests, net of tax		-	-	(8)	-	-	(8)	15,761	15,753
Purchase of treasury shares		-	-	(1,995)	-	-	(1,995)	-	(1,995)
Treasury share cancellations		(2,122,200)	(1,179)	1,179	-	-	-	-	-
Shares issued – stock option exercises		5,000	3	(1)	-	-	2	-	2
Equity component of convertible debt, net		-	-	(209)	-	-	(209)	773	564
May 31, 2021		72,426,340	\$ 48,358	\$ 5,165	\$ 241	\$ 2,139	\$ 55,903	\$ 148,784	\$ 204,687

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

CIBT EDUCATION GROUP INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS
(Unaudited)

	Three Months Ended May 31,		Nine Months Ended May 31	
	2022	2021	2022	2021
OPERATING ACTIVITIES				
Net income (loss)	\$ 56	\$ (1,320)	\$ 128	\$ 6,289
Items not involving cash:				
Depreciation and amortization	1,729	1,655	4,895	5,000
Share-based payment expense	82	16	117	91
Net loss (gain) on fair value changes in investment properties	507	298	1,493	(8,779)
Loss on disposal of equipment	2	-	2	24
Finance cost (Note 12)	2,830	4,165	8,991	10,140
Accrued interest income due	(124)	(934)	(449)	(2,702)
Income tax expense (recovery)	55	(339)	95	816
Other	(414)	(338)	(3,413)	(1,148)
Increase in working capital (Note 14(a))	5,355	5,460	2,162	8,660
Cash generated from operations	10,078	8,663	14,021	18,391
Interest paid	(2,004)	(1,911)	(6,152)	(5,354)
Income taxes (paid) recovered	177	(230)	(19)	(1,586)
Net cash provided by operating activities	8,251	6,522	7,850	11,451
INVESTING ACTIVITIES				
Purchases of property and equipment	(151)	(588)	(345)	(960)
Acquisitions of investment properties, net	(3,494)	(2,411)	(10,939)	(52,972)
Capitalized borrowing costs	(2,191)	(1,939)	(6,201)	(6,225)
Additions of intangible assets	(1,033)	(531)	(2,539)	(1,205)
Other	(192)	(11)	(520)	(43)
Net cash used in investing activities	(7,061)	(5,480)	(20,544)	(61,405)
FINANCING ACTIVITIES				
Cash flows associated with borrowings (Note 14(b))	4,524	3,789	11,243	54,758
Payments of lease liabilities	(1,249)	(1,290)	(3,926)	(3,973)
Promissory note receivable proceeds, net	-	66	75	164
Advances from related parties, net	(108)	77	(623)	(1,020)
Proceeds from issuance of shares, net of costs	-	-	-	2
Repurchase of common shares (Note 9(a))	(254)	(832)	(1,009)	(1,995)
Non-controlling interest, net (Note 10)	(495)	3,163	1,335	2,832
Payment of financing costs	(295)	(199)	(1,271)	(3,627)
Net cash provided by financing activities	2,123	4,774	5,824	47,141
Effects of exchange rate changes on cash and cash equivalents	(85)	(67)	(44)	(80)
Increase (decrease) in cash and cash equivalents	3,228	5,749	(6,914)	(2,893)
Cash and cash equivalents, beginning of period	8,196	14,388	18,338	23,030
Cash and cash equivalents, end of period	\$ 11,424	\$ 20,137	\$ 11,424	\$ 20,137

Supplemental cash flow information (Note 14)

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

CIBT EDUCATION GROUP INC.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

All amounts in thousands of Canadian Dollars except share and per share amounts

May 31, 2022

NOTE 1 – NATURE OF OPERATIONS

Nature of operations

CIBT Education Group Inc. (the “Company”) is an educational and student-housing real estate company headquartered in Vancouver, British Columbia, Canada. The Company’s current business operations include education, media communications, revenue producing properties and real estate development. The Company currently has five principal business units/segments, being Sprott Shaw College Corp. (“SSCC”), Sprott Shaw Language College (“SSLC”), which includes Vancouver International College (“VIC”), CIBT School of Business & Technology Corp. (“CIBT China”), IRIX Design Group Inc. (“IRIX”), and Global Education City Holdings Inc. (“GECH”). The Company’s education business is conducted through SSCC and SSLC/VIC in Canada and through CIBT China and its subsidiaries in Asia. The Company operates its media communications business through IRIX. GECH is an investment holding and management company with a focus on education related real estate projects in Vancouver, Canada.

The head office and principal address of the Company are located at Suite 1200, 777 West Broadway, Vancouver, British Columbia, Canada and its registered and records offices are located at 595 Burrard Street, Suite 2900, Vancouver, British Columbia, Canada.

NOTE 2 – BASIS OF ACCOUNTING

These unaudited condensed consolidated interim financial statements include the accounts of CIBT Education Group Inc., the ultimate parent company of its consolidated group, and its subsidiaries and are prepared in accordance with International Accounting Standard 34 - *Interim Financial Reporting* (“IAS 34”) as issued by the International Accounting Standards Board (“IASB”). Certain disclosures included in annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRSs”) as issued by the IASB have been condensed or omitted. Accordingly, these unaudited condensed consolidated interim financial statements should be read in conjunction with the Company’s audited consolidated financial statements for the year ended August 31, 2021. The accounting policies applied in the preparation of these unaudited condensed consolidated interim financial statements are consistent with those applied and disclosed in Note 28 of the Company’s audited consolidated financial statements for the year ended August 31, 2021.

The Company’s presentation currency is Canadian dollars and all amounts are presented in thousands of Canadian dollars unless otherwise stated. The consolidated financial statements include the accounts of the Company and those of its subsidiaries, which are entities over which the Company has control. The Company’s interim results are not necessarily indicative of its results for a full year. Certain comparative figures have been reclassified to conform to the current period’s presentation.

These unaudited condensed consolidated interim financial statements were prepared on a going-concern basis, which contemplates the Company will continue its operations and be able to realize its assets and discharge its liabilities and commitments in the normal course of business for the foreseeable future. At May 31, 2022, the Company reported a working capital deficiency of \$170,116. Further, as at May 31, 2022, \$184,780 of the Company’s debt was due within the next 12 months. Management is actively involved in the review, planning and approval of significant expenditures commitments.

These financial statements were authorized for issue by the Audit Committee of the Company’s Board of Directors on July 13, 2022.

NOTE 3 – CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the preparation of the consolidated financial statements and the application of the Company’s accounting policies, management is required to make judgements, estimates and assumptions that affect the carrying amounts of assets and liabilities and disclosure of contingent liabilities at the dates of the consolidated financial statements and the reported amounts of revenues and expenses during each reporting period. The estimates and associated assumptions are limited by the relevance of historical data and uncertainty of future events. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimates are revised and in any future periods.

CIBT EDUCATION GROUP INC.
NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
All amounts in thousands of Canadian Dollars except share and per share amounts
May 31, 2022

NOTE 3 – CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

In preparing the Company's unaudited condensed consolidated interim financial statements for the three and nine months ended May 31, 2022, the Company applied critical judgements and estimates, including significant areas of estimation uncertainty in applying policies, disclosed in Note 3 of its audited consolidated financial statements for the year ended August 31, 2021.

As a result of the uncertainty associated with the unprecedented nature of the pandemic, certain significant assumptions made by the Company may be impacted. Uncertain environments make estimating several items in the financial statements more challenging and are likely to result in more frequent changes in management's expectations about the future. In particular, significant assumptions are required when measuring the fair value of the Company's investment properties which are based in part on market conditions. During the year ended August 31, 2021 and continuing for the three and nine months ended May 31, 2022, market conditions have stabilized resulting in less uncertainty surrounding the measurement of fair value; however, the situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the Company are not known at this time. These impacts could include decreases in the valuation of investment properties and potential future decreases in revenue or the profitability of ongoing expenses.

NOTE 4 – APPLICATION OF NEW AND REVISED IFRSs AND FUTURE ACCOUNTING POLICIES

New accounting standards, interpretations and amendments not yet effective

There are a number of new accounting standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods. These standards are not expected to have a material impact on the Company in the year of adoption as described in Note 4(b) to the audited consolidated financial statements for the year ended August 31, 2021.

NOTE 5 – INVESTMENT PROPERTIES

The following table is a reconciliation of investment properties balances, including both revenue producing properties and properties under development that are owned by the real estate limited partnerships which the Company controls. The Company selected the fair value model to apply to its investment properties. The Company's investment properties and the valuation thereof is described in Note 5 to the audited consolidated financial statements for the year ended August 31, 2021.

	May 31, 2022	August 31, 2021
Balance, beginning of period	\$ 322,606	\$ 246,327
Acquisitions	-	48,500
Capital additions	63	16
Remeasurement of lease liability	67	-
Development costs	10,876	8,740
Capitalized borrowing costs	8,129	10,221
Net (loss) gain on change in fair value	(1,493)	8,802
Balance, end of period	\$ 340,248	\$ 322,606
Total revenue producing properties	\$ 155,242	\$ 156,606
Total properties under development	185,006	166,000
Total value of investment properties	\$ 340,248	\$ 322,606

CIBT EDUCATION GROUP INC.
NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
All amounts in thousands of Canadian Dollars except share and per share amounts
May 31, 2022

NOTE 6 – DEVELOPMENT ASSETS

The following represents balances associated with the Company’s real estate properties under development:

	May 31, 2022	August 31, 2021
Receivable from developer ⁽¹⁾	\$ 26,000	\$ 25,931
Current development assets	\$ 26,000	\$ 25,931
Deposits ⁽²⁾	\$ 40,000	\$ 40,000
Deferred costs	1,382	1,390
Non-current development assets	\$ 41,382	\$ 41,390

⁽¹⁾ Relates to GEC Project 9 described below. At May 31, 2022, the amount includes \$6,000 interest receivable on deposit due from developer (August 31, 2021 - \$5,931).

⁽²⁾ Deposits advanced to parties under real estate agreements which are applied to the purchase price of a property in the period the property is purchased. Deposits are refundable subject to the terms of the agreement if the purchase of a property is not completed. All of this balance relates to transactions related to GEC Project 9 (see below).

GEC Project 9

Pursuant to a Purchase and Development Agreement (“LP9 PDA”) with a Vancouver developer for the construction of a number of buildings, at August 31, 2019, a controlled subsidiary of the Company, GEC Limited Partnership 9 (“LP 9”) had paid a total of \$60,000 in deposits associated with the right to purchase the completed project. In March 2019, the LP9 PDA was amended to reflect that \$20,000 of the deposits already paid would be returned to GEC LP 9 in accordance with the terms of the agreement versus being applied to the purchase. The \$20,000 deposit became subject to interest of 15% per annum when the developer did not meet certain milestones. During the year ended August 31, 2020, there was an amendment to the terms of the LP9 PDA to further define certain terms including escalating interest and it was determined that repayment at a date in advance of closing of the purchase will be based on the developer receiving third party financing.

On April 1, 2022, the developer and its partners (collectively, the “Developer”) applied for and was granted an initial order to commence proceedings under the Canada *Companies’ Creditor Arrangement Act* (the “CCAA”) to restructure its business. On April 25, 2022, the Supreme Court of British Columbia (the “Court”) extended the stay period until August 3, 2022, which means that no proceedings may be commenced against the Developer until that date. In addition, the Court approved the sales and investment solicitation process (“SISP”) with the bidding process originally scheduled to end on June 22, 2022. Subsequent to May 31, 2022, the key dates associated with the SISP process have been extended (Note 15(a)). At May 31, 2022, it was not known whether there would be a successful bid for the purchase of the property or restructuring of the project. The outcome of the CCAA proceedings may not be known until August 2022 or later. There is the possibility that LP 9 may not be repaid the full amount of the deposits or the amounts due from the Developer depending on the final decision made by the Court; however, the outcome cannot be reliably estimated at this time.

CIBT EDUCATION GROUP INC.**NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

All amounts in thousands of Canadian Dollars except share and per share amounts

May 31, 2022

NOTE 7 – FINANCIAL INSTRUMENTS**(a) Classification and measurement of financial assets and liabilities by category**

The following represents the carrying values of the financial assets and liabilities of the Company and the associated classifications and measurement basis for each balance after initial recognition.

		May 31, 2022	August 31, 2021
Financial assets	Measurement basis		
Cash and cash equivalents	Amortized cost	\$ 11,424	\$ 18,338
Restricted cash	Amortized cost	1,259	739
Trade and other receivables	Amortized cost	20,620	19,990
Receivable from developer	Amortized cost	26,000	25,931
Interest reserves and other assets	Amortized cost	3,049	2,188
		<u>\$ 62,352</u>	<u>\$ 67,186</u>
Financial liabilities	Measurement basis		
Trade and other payables	Amortized cost	\$ 14,777	\$ 14,755
Secured loans and credit line	Amortized cost	228,326	217,410
Lease liabilities	Amortized cost	16,024	16,177
Debentures – liability ⁽¹⁾	Amortized cost	5,393	5,826
Debentures – derivatives ⁽¹⁾	FVTPL	56	528
2017 Debentures	FVTPL	-	185
Convertible promissory notes ⁽²⁾	Amortized cost	-	14,358
Bond payable	Amortized cost	2,000	2,000
Other loans payable	Amortized cost	4,880	3,703
		<u>\$ 271,456</u>	<u>\$ 274,942</u>

⁽¹⁾ 2019 and 2020 Debentures (Note 8(b)).

⁽²⁾ Represents liability portion only (Note 8(c)).

Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, restricted cash, trade and other receivables, receivable from developer, interest reserves, other assets and trade and other payables are considered reasonable approximations of their fair values due to the short-term nature of these instruments. The fair value of secured loans and credit line, bond payable and other loans payable approximate their carrying values. All financial instruments not measured at fair value are considered level 2 financial assets or liabilities under the fair value hierarchy.

(b) Measurement of fair value

As described in Note 28(O) to the Company's consolidated financial statements for the year ended August 31, 2021 the fair value hierarchy establishes three levels to classify the significance of inputs to valuation techniques used in making fair value measurements of financial assets and liabilities. At May 31, 2022 and August 31, 2021 there were no financial assets and financial liabilities measured and recognized at fair value on a non-recurring basis.

There were no transfers between any of the levels during the three and nine months ended May 31, 2022. The valuation methodologies for level 2 and level 3 financial liabilities are described in Note 21(b) to the consolidated financial statements for the year ended August 31, 2021. There were no changes to the valuation methodology used in the measurement of fair value for level 2 or level 3 financial assets and liabilities during the three and months ended May 31, 2022.

(c) Financial instruments risk

A description of the Company's financial instruments and financial risks that the Company is exposed to and management of these risks is included in Note 21 and Note 22 to the consolidated financial statements for the year ended August 31, 2021. There were no significant changes in the Company's exposure to those risks during the three and nine months ended May 31, 2022 except as noted below. See Note 15(a) and (b) for events subsequent to May 31, 2022.

CIBT EDUCATION GROUP INC.**NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

All amounts in thousands of Canadian Dollars except share and per share amounts

May 31, 2022

NOTE 7 – FINANCIAL INSTRUMENTS (continued)**(c) Financial instruments risk (continued)**

The table of the maturities of financial liabilities at August 31, 2021 is presented in Note 22(a) to the consolidated financial statements for the year ended August 31, 2021. In the nine months ended May 31, 2022, there were no material changes except for net increases in secured loans of \$11,517 (Note 14(b)) and the December 2021 conversion of the convertible promissory notes (Note 8(c)) the latter of which reduces liquidity risk as there will be no cash outflow associated with these convertible promissory notes. As a result of additional borrowing and extension of maturity dates of the Company's current financing agreements the timing of payments of secured loans has generally been extended.

NOTE 8 – BORROWINGS

The carrying value of borrowings by entities controlled by the Company are as follows:

	May 31, 2022	August 31, 2021
Current liabilities		
Current portion of secured loans (a)	\$ 177,331	\$ 138,859
Credit facility	-	359
Current portion of convertible debentures issued in 2017	-	185
Current portion of convertible debentures (b)	5,449	1,133
Current portion of convertible promissory notes (c)	-	14,358
Bond payable ⁽¹⁾	2,000	2,000
	<u>\$ 184,780</u>	<u>\$ 156,894</u>
Non-current liabilities		
Secured loans (a)	50,995	78,192
Convertible debentures (b)	-	5,221
Loans payable ⁽²⁾	4,130	3,703
Government loans ⁽³⁾	990	240
	<u>\$ 56,115</u>	<u>\$ 87,356</u>
Total borrowings	<u>\$ 240,895</u>	<u>\$ 244,250</u>

⁽¹⁾ In April 2022, the maturity date of the corporate bond was extended by one year to April 2023. The holder may request repayment of amounts due under the bond with 60-days prior notice.

⁽²⁾ In April 2021, the Company issued two loans with total principal of \$3,700 which mature in April 2025 subject to certain prepayment and interest deferral provisions. These loans are secured by units in a specific limited partnership controlled by the Company. In January 2022, the Company borrowed \$520 related to one of its limited partnerships, which is unsecured and matures in January 2024, of which \$200 was repaid in the three months ended May 31, 2022.

⁽³⁾ Loans payable to the Government of Canada under COVID-19 related programs with maturity dates ranging from December 2023 to March 2032.

Total interest expense associated with borrowings including interest capitalized to investment properties for the three and nine months ended May 31, 2022, was \$5,648 and \$16,717 (three and nine months ended May 31, 2021 - \$5,226 and \$15,948). Total interest expense associated with borrowings recognized in net income for the three and nine months ended May 31, 2022 was \$2,719 and \$8,588 (three and nine months ended May 31, 2021 - \$2,873 and \$8,142). Approximately 69% of the outstanding borrowings at May 31, 2022 have variable interest rates linked to the Canadian prime rate (August 31, 2021 – 61%); however, most of these loans are subject to stated minimum interest rates. This means that despite recent increases in the prime rate, the rates for the majority of the Company's variable-rate debt did not increase and therefore there was only nominal impact on interest expense to May 31, 2022.

Full repayment of loans before maturity is permitted subject to specific criteria and satisfaction of minimum interest payment requirements. Certain commitment fees are customarily paid associated with commitment letters and other financing costs are incurred which are expensed over the term of the loans.

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NOTE 8 – BORROWINGS (continued)

(a) Secured loans

The following table is a continuity of the activity of the loans secured by mortgages associated with the real estate business.

	May 31, 2022	August 31, 2021
Balance, beginning of period	\$ 217,051	\$ 172,832
Advances ⁽¹⁾	13,329	84,249
Repayments	(1,812)	(38,048)
Finance costs incurred	(1,281)	(3,838)
Accretion of finance costs	3,842	2,855
Modification gain on non-substantial modification ⁽²⁾	(2,803)	(999)
Total current and non-current secured loans, end of period	<u>\$ 228,326</u>	<u>\$ 217,051</u>

⁽¹⁾ During the three and nine months ended May 31, 2022, real estate limited partnerships controlled by the Company received additional principal under existing financing agreements of \$6,028 including additional draws under a construction loan approximating \$7,301. Interest reserves of \$3,827 were deducted from proceeds of these advances to fund future interest payments. See Note 15(b) for activity subsequent to May 31, 2022.

⁽²⁾ During the three and nine months ended May 31, 2022, certain terms for seven secured mortgages were changed resulting in non-substantial modifications resulting in a non-cash modification gain, net (Note 13).

The loans are secured by a first and/or second mortgage, as applicable, whereby the first mortgagor must approve the second mortgage and any additional mortgages. Loan payments are interest only or blended payments of principal and interest. Loans secured by mortgages have maturity dates ranging from June 2022 to March 2031.

(b) 2019 and 2020 Convertible debentures

Convertible debentures are disclosed in Note 14(b) to the Company's consolidated financial statements for the year ended August 31, 2021. The balances associated with the 2019 and 2020 Debentures are presented as follows:

	May 31, 2022	August 31, 2021
Carrying value of host liability at beginning of period	\$ 5,826	\$ 8,123
Repayment of certain 2019 and 2020 debentures	(800)	(2,555)
Less: transaction costs	-	(50)
Modification gain	-	(116)
Loss on derecognition of financial liability	32	150
Accretion of carrying value of host liability	375	566
Foreign exchange adjustments	(40)	(292)
Carrying value of host liability at end of period	<u>\$ 5,393</u>	<u>\$ 5,826</u>
Fair value of embedded derivatives at beginning of period	\$ 528	\$ 371
Fair value (decrease) increases in liability	(471)	168
Foreign exchange adjustments	(1)	(11)
Balance, embedded derivatives at end of period	<u>\$ 56</u>	<u>\$ 528</u>
Total debentures at end of period	<u>\$ 5,449</u>	<u>\$ 6,354</u>
Current portion of debentures ⁽¹⁾	\$ 5,449	\$ 1,133
Non-current portion of debentures	-	5,221
Total 2019 and 2020 Debentures	<u>\$ 5,449</u>	<u>\$ 6,354</u>

⁽¹⁾ The remaining 2019 Debenture matures in November 2022 and the remaining two 2020 Debentures mature in February 2023.

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NOTE 8 – BORROWINGS (continued)**(c) Convertible promissory notes payable**

The convertible promissory notes bear interest at 8% per annum and mature one year after the date of issuance unless the lender exercises its option to convert into a fixed number of units of a limited partnership controlled by the Company. Principal and interest are due at maturity unless extended. At initial recognition, the convertible promissory notes are considered a compound financial instrument that included a liability classified at amortized cost and a conversion option classified as equity. The balances associated with the convertible promissory notes are presented as follows:

	May 31, 2022	August 31, 2021
Carrying value of host liability at beginning of period	\$ 14,358	\$ 21,960
Proceeds of issue of convertible promissory notes	-	7,727
Less: equity component	-	(773)
Modification gain on extension ⁽¹⁾	(382)	-
Accretion of carrying value of host liability	451	1,771
Conversion of principal portion of notes payable into units ⁽²⁾⁽³⁾	(14,427)	(16,327)
Carrying value of host liability at end of period ⁽²⁾	\$ -	\$ 14,358

⁽¹⁾ Non-substantial modification on extension of maturity date of convertible promissory notes.

⁽²⁾ In December 2021, convertible promissory notes in the principal amount of \$14,427 were converted into units of a limited partnership controlled by the Company (Note 10(b)) and there was no cashflow associated with these notes aside from the repayment of accrued interest.

⁽³⁾ In December 2020, convertible promissory notes in the principal amount of \$17,099 were converted into units of a limited partnership controlled by the Company (Note 10(b)).

NOTE 9 – CAPITAL AND RESERVES**(a) Treasury shares**

In March 2022, the Company received approval from the TSX to commence a new normal course issuer bid (“NCIB”) to purchase up to 3,423,000 of the Company’s previously issued common shares, subject to daily limits, from March 21, 2022 to March 20, 2023, to a maximum aggregate acquisition cost of \$3,000.

During the nine months ended May 31, 2022, the Company purchased 1,562,100 previously issued common shares at a cost of \$1,009, including 1,310,500 under the previous NCIB at a cost of \$855, and cancelled 1,517,500 common shares, leaving 251,600 common shares held in treasury at May 31, 2022. During the nine months ended May 31, 2021, the Company purchased 2,795,600 common shares at a cost of \$1,995 and cancelled 2,122,200 shares held in treasury, leaving 2,125,100 common shares held in treasury at May 31, 2021.

(b) Stock options

At May 31, 2022, 4,665,000 stock options were outstanding, of which 3,345,000 were exercisable (August 31, 2021 – 3,365,000 outstanding with 2,615,000 exercisable). During the nine months ended May 31, 2022, the Company granted 1,400,000 stock options at an exercise price of \$0.53 per share and 100,000 options expired unexercised. During the nine months ended May 31, 2021, 5,000 common shares were issued on exercise of stock options at an average exercise price of \$0.38 and 50,000 stock options expired unexercised.

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NOTE 9 – CAPITAL AND RESERVES (continued)**(b) Stock options (continued)**Measurement of fair values – equity settled arrangements

The weighted average fair value of stock options granted during the nine months ended May 31, 2022, of \$0.20 per option was calculated as of the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions and inputs: expected life of 5 years; risk-free interest rate of 2.6%; expected volatility of 39% and weighted average share price of \$0.53. The expected volatility assumption is based on historical volatility of the Company's common share price on the TSX. The risk-free interest rate assumption is based on yield curves on Canadian government zero coupon bonds with the remaining term equal to the stock options expected life. The Company estimated a weighted average forfeiture rate of 6.75% for the options granted during the nine months ended May 31, 2022.

The options outstanding at May 31, 2022, had an exercise price range of \$0.44 to \$0.78 (August 31, 2021 - \$0.44 to \$0.86) and a weighted average contractual life of 2.53 years (August 31, 2021 – 2.17 years). At May 31, 2022, if all exercisable options were exercised total cash received would be \$2,176 (August 31, 2021 - \$1,809).

(c) Reserves

The following table presents the movement in reserves which are part of shareholders' equity.

	Nine Months Ended May 31, 2022	Year Ended August 31, 2021
Total reserves at beginning of period	\$ 6,770	\$ 6,108
Share-based payment expenses	117	108
Change in ownership interests	-	201
Treasury share purchases	(1,009)	(2,401)
Treasury share cancellations	1,008	2,964
Contributed surplus on stock option exercise	-	(1)
Equity component of convertible debt, net	-	(209)
Total reserves at end of period	<u>\$ 6,886</u>	<u>\$ 6,770</u>

NOTE 10 – NON-CONTROLLING INTERESTS**(a) Continuity of non-controlling interests**

The following continuity reflects the movement in the equity attributable to non-controlling interests in the Company. Additional financial information about each reporting segment which has a non-controlling interest is presented in Note 16 – *Segmented Information*.

	May 31, 2022	August 31, 2021
GECH at beginning of period	\$ 153,006	\$ 129,514
Contributions from sale of limited partnership units	2,282	5,246
Distributions	(946)	(1,704)
Ownership changes not resulting in loss of control (b)	20,846	18,689
Equity component of convertible promissory notes	-	773
Allocation of net comprehensive income (loss)	(75)	488
GECH at end of period	175,113	153,006
CIBT China	(37)	(38)
IRIX	(216)	(182)
Total non-controlling interests	<u>\$ 174,860</u>	<u>\$ 152,786</u>

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NOTE 10 – NON-CONTROLLING INTERESTS (continued)**(b) Transactions with non-controlling interests**

The non-controlling interest and the Company's ownership of the individual limited partnerships which hold the real estate projects which are in the GECH operating segment are disclosed in Note 16(b) of the Company's audited consolidated financial statements for the year ended August 31, 2021. During the three and nine months ended May 31, 2022, contributions from the sale of limited partnership units related to three different limited partnerships were received; however, there were no material ownership changes related to these limited partnerships up to May 31, 2022.

In December 2021, convertible promissory notes payable issued with aggregate principal of \$14,427 were converted into units of GEC Limited Partnership 12, which was a wholly owned entity of the Company until the date of this transaction. Accrued and unpaid interest on these convertible promissory notes was paid. The associated borrowings with a carrying amount of \$14,427 were derecognized and recognized as non-controlling interests' equity in the limited partnership (Note 8(c)). This transaction resulted in the non-controlling ownership interest of GEC Limited Partnership 12 increasing from zero to 80% on the date of this transaction. The carrying amount of the non-controlling interest recognized on the date of conversion in the condensed consolidated interim statement of changes in equity was \$20,846. The Company has determined that, despite the increase in the non-controlling interest, it continues to control this limited partnership.

In December 2020, a portion of the convertible promissory notes payable issued with aggregate principal of \$17,099 were converted into units of GEC Limited Partnership 11, which was a wholly owned entity of the Company until the date of this transaction. Accrued and unpaid interest on these convertible promissory notes was paid. The associated borrowings with a carrying amount of \$16,327 were derecognized and recognized as non-controlling interests' equity in the limited partnership. This transaction resulted in the non-controlling ownership interest of GEC Limited Partnership 11 increasing from zero to 80% on the date of this transaction. The carrying amount of the non-controlling interest recognized on the date of conversion in the condensed consolidated interim statement of changes in equity was \$19,255. The Company has determined that, despite the increase in the non-controlling interest, it continues to control this limited partnership.

Cash inflows (outflows) from net contributions less distributions were \$(495) and \$1,335 for the three and nine months ended May 31, 2022 (three and nine months ended May 31, 2021 – \$3,163 and \$2,832). In addition, the Company paid \$574 for the nine months ended May 31, 2021 related to the purchase of limited partnership units resulting in ownership changes not resulting in a loss of control.

NOTE 11 – GENERAL AND ADMINISTRATIVE EXPENSES

	Three Months Ended May 31,		Nine Months Ended May 31,	
	2022	2021	2022	2021
Salaries and benefits	\$ 3,515	\$ 3,247	\$ 10,157	\$ 9,475
Office and general	1,006	1,253	2,999	3,116
Advertising	786	932	2,673	2,374
Professional fees	832	589	2,208	1,886
Consulting and management fees	171	208	505	730
Investor relations	26	42	68	112
Bank charges and interest	73	121	265	285
Rent	650	604	2,125	1,902
Credit loss allowance and write-offs	185	447	596	826
Travel and promotion	52	50	198	157
	\$ 7,296	\$ 7,493	\$ 21,794	\$ 20,863

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NOTE 12 – FINANCE COSTS

	Three Months Ended May 31,		Nine Months Ended May 31,	
	2022	2021	2022	2021
<i>Interest expense comprised of following:</i>				
Interest expense on borrowings	\$ 3,973	\$ 3,956	\$ 11,728	\$ 12,019
Accretion of finance fees and other	1,675	1,270	4,989	3,929
Accretion of lease liabilities	297	311	884	963
	5,945	5,537	17,601	16,911
Less: capitalized interest	(2,929)	(2,353)	(8,129)	(7,806)
Total interest expense	3,016	3,184	9,472	9,105
(Gain) loss on embedded derivatives, net	(186)	976	(471)	1,055
Other	-	5	(10)	(20)
Finance costs	\$ 2,830	\$ 4,165	\$ 8,991	\$ 10,140

NOTE 13 – OTHER INCOME (EXPENSE), NET

	Three Months Ended May 31,		Nine Months Ended May 31,	
	2022	2021	2022	2021
Interest and other income, net	\$ 718	\$ 1,154	\$ 1,386	\$ 3,219
Government grants ⁽¹⁾	-	533	556	2,651
Debt modification gain ⁽²⁾	380	116	3,400	646
Foreign exchange gain (loss)	(81)	325	(24)	608
Loss on derecognition of financial liabilities	-	(150)	(32)	(150)
Loss on disposal of equipment	(2)	-	(2)	(24)
	\$ 1,015	\$ 1,978	\$ 5,284	\$ 6,950

⁽¹⁾ Amounts recognized as other income associated with Government of Canada COVID-19 support programs including wage and rental subsidy programs.

⁽²⁾ During the three and nine months ended May 31, 2022, there were several modifications of terms of certain borrowings which resulted in non-substantial modifications. The difference between the present value of estimated contractual cash flow under original agreements and the present value of the modified estimated contractual cash flows represents a modification gain.

NOTE 14 – SUPPLEMENTAL CASH FLOW INFORMATION**(a) Changes in non-cash working capital**

	Three Months Ended May 31,		Nine Months Ended May 31,	
	2022	2021	2022	2021
Accounts receivable decrease (increase)	\$ 5,455	\$ 93	\$ (441)	\$ 1,815
Prepayments decrease (increase)	241	511	260	(346)
Inventory (increase) decrease	(94)	166	(84)	(246)
Accounts payable and accrued liabilities	978	337	1,456	492
Other payables (decrease)	-	-	-	(301)
Income taxes payable (decrease)	-	(3)	-	-
Deferred revenue (decrease) increase	(1,336)	2,890	1,803	7,078
Interest reserves decrease (increase) ⁽¹⁾	111	1,466	(832)	168
Increase in working capital	\$ 5,355	\$ 5,460	\$ 2,162	\$ 8,660

⁽¹⁾ Included in prepayments and other assets on the condensed consolidated interim statements of financial position.

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NOTE 14 – SUPPLEMENTAL CASH FLOW INFORMATION (continued)**(b) Changes in liabilities arising from financing activities**

	Three Months Ended May 31,		Nine Months Ended May 31,	
	2022	2021	2022	2021
Balances, beginning of period	\$ 235,590	\$ 237,216	\$ 244,250	\$ 204,915
Cash flows, comprised of:	4,524	3,789	11,243	54,758
Repayments of secured loans (Note 8(a))	(608)	(530)	(1,812)	(37,524)
Repayments of credit facility	(75)	(138)	(359)	(411)
Repayment of 2017 convertible debt	(62)	(62)	(185)	(185)
Repayment of 2019 convertible debt	(500)	(2,555)	(800)	(2,555)
Repayment of other loans	(200)	-	(200)	-
New advances of secured loans (Note 8(a))	5,719	1,374	13,329	81,946
Issuance of convertible promissory notes	-	-	-	7,727
Advances of other loans	250	5,700	1,270	5,760
<u>Liability related items:</u>				
Finance fees paid	(295)	(199)	(1,281)	(3,627)
<u>Non-cash related items:</u>				
Finance cost accretion ⁽¹⁾	1,296	1,304	1,621	3,425
Equity component of convertible debt	-	-	-	(773)
Derivative fair value (gain) loss	(186)	976	(471)	1,055
Conversion of promissory notes into units	-	-	(14,427)	(16,327)
Foreign exchange and other	(34)	(372)	(40)	(712)
Balances, end of period	\$ 240,895	\$ 242,714	\$ 240,895	\$ 242,714

⁽¹⁾ Includes increase in carrying value of secured debt resulting from debt modification gains.**NOTE 15 – EVENTS AFTER THE REPORTING PERIOD****(a) Development assets**

As described in Note 6, the CCAA process related to GEC Project 9 had not concluded at May 31, 2022. The deadline for parties to submit proposals for the purchase or restructuring of the Developers business was extended to July 19, 2022, after which if there is a successful bid, it is expected that the transaction under the final agreements would be required to be closed by the end of August 2022. The Company continues to investigate its options related to this matter.

(b) Borrowings

In July 2022, the Company executed a commitment letter to refinance borrowings for one of the real estate limited partnerships with a portion of the proceeds of the new loan to be used to repay the previous loan with a principal balance of \$5,000. When funded, commitments for principal and interest over the loan term are estimated to be approximately \$14,000.

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NOTE 16 – SEGMENTED INFORMATION

The Company's primary industry and geographic segments are in Canada where SSCC operates technical and career training schools, SSLC and VIC operate English language schools, IRIX conducts web design and advertising services, and GECH invests in and manages education related real estate projects, and in China where CIBT China operates technical and career training schools. The Company's corporate operations are also in Canada. Transactions between SSCC, SSLC/VIC, IRIX, GECH, CIBT China and the Company (Corporate) are reported as inter-segment transactions and are eliminated on consolidation.

	Nine Months Ended May 31, 2022						
	CIBT China	SSCC	SSLC/VIC	IRIX	GECH	Corporate	Total
Revenues							
Revenues from contracts with customers							
Educational	\$ 2,195	\$ 30,006	\$ 6,496	\$ -	\$ -	\$ -	\$ 38,697
Rental	-	-	-	-	4,134	-	4,134
Design and advertising	-	-	-	399	-	-	399
Commissions and referral fees	730	-	-	-	-	-	730
	<u>2,925</u>	<u>30,006</u>	<u>6,496</u>	<u>399</u>	<u>4,134</u>	<u>-</u>	<u>43,960</u>
Revenues from leases	-	-	-	-	8,123	-	8,123
Revenues from development fees	-	-	-	-	-	588	588
	<u>\$ 2,925</u>	<u>\$ 30,006</u>	<u>\$ 6,496</u>	<u>\$ 399</u>	<u>\$ 12,257</u>	<u>\$ 588</u>	<u>\$ 52,671</u>
Revenues, net of direct costs	\$ 1,299	\$ 17,607	\$ 2,534	\$ 283	\$ 7,917	\$ 588	\$ 30,228
Other income (expenses):							
General and administrative	(867)	(12,911)	(2,413)	(433)	(2,618)	(2,552)	(21,794)
Depreciation and amortization	(18)	(2,109)	(400)	(32)	(257)	(78)	(2,894)
Share-based payment expense	-	-	-	-	-	(117)	(117)
Interest and other income	204	296	537	83	4,020	202	5,342
Foreign exchange gain (loss)	(59)	-	-	(1)	-	36	(24)
Interest expense	-	(666)	(58)	(5)	(7,777)	(966)	(9,472)
Finance fees expense and other	-	-	-	-	15	466	481
Loss on fair value changes in investment properties	-	-	-	-	(1,493)	-	(1,493)
Loss on derecognition of financial liabilities	-	-	-	-	-	(32)	(32)
Loss on disposal of assets	-	(2)	-	-	-	-	(2)
Income tax provision, net	(160)	(217)	(412)	17	9	668	(95)
Inter-segment transactions	26	(1,418)	1,320	19	72	(19)	-
Net income (loss)	<u>\$ 425</u>	<u>\$ 580</u>	<u>\$ 1,108</u>	<u>\$ (69)</u>	<u>\$ (112)</u>	<u>\$ (1,804)</u>	<u>\$ 128</u>

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NOTE 16 – SEGMENTED INFORMATION (continued)

Industry and Geographic Segments

As at May 31, 2022

	CIBT China	SSCC	SSLC/VIC	IRIX	GECH	Corporate	Consolidated
Total assets	\$ 4,430	\$ 41,572	\$ 4,406	\$ 267	\$ 479,332	\$ 2,810	\$ 532,817
Property and equipment	\$ 76	\$ 2,017	\$ 82	\$ 35	\$ 55,764	\$ 6	\$ 57,980
Investment properties	\$ -	\$ -	\$ -	\$ -	\$ 340,248	\$ -	\$ 340,248
Intangible assets	\$ 461	\$ 6,431	\$ 748	\$ -	\$ -	\$ -	\$ 7,640
Goodwill	\$ -	\$ 5,218	\$ -	\$ -	\$ -	\$ 300	\$ 5,518
Total liabilities	\$ 1,085	\$ 46,698	\$ 8,329	\$ 467	\$ 256,899	\$ 801	\$ 314,279
Non-controlling interests	\$ (37)	\$ -	\$ -	\$ (216)	\$ 175,113	\$ -	\$ 174,860
Capital expenditures	\$ 1	\$ 302	\$ 11	\$ 1	\$ 30	\$ -	\$ 345

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NOTE 16 – SEGMENTED INFORMATION (continued)

	Nine Months Ended May 31, 2021						
	CIBT China	SSCC	SSLC/VIC	IRIX	GECH	Corporate	Total
Revenues							
Revenues from contracts with customers							
Educational	\$ 2,328	\$ 29,720	\$ 1,998	\$ -	\$ -	\$ -	\$ 34,046
Rental	-	-	-	-	1,590	-	1,590
Design and advertising	-	-	-	622	-	-	622
Commissions and referral fees	416	-	-	-	-	-	416
	<u>2,744</u>	<u>29,720</u>	<u>1,998</u>	<u>622</u>	<u>1,590</u>	<u>-</u>	<u>36,674</u>
Revenues from leases	-	-	-	-	5,088	-	5,088
Revenues from development fees	-	-	-	-	-	3,038	3,038
	<u>\$ 2,744</u>	<u>\$ 29,720</u>	<u>\$ 1,998</u>	<u>\$ 622</u>	<u>\$ 6,678</u>	<u>\$ 3,038</u>	<u>\$ 44,800</u>
Revenues, net of direct costs	\$ 1,117	\$ 18,217	\$ 264	\$ 348	\$ 3,301	\$ 3,038	\$ 26,285
Other income (expenses):							
General and administrative	(998)	(12,295)	(1,862)	(450)	(2,306)	(2,952)	(20,863)
Depreciation and amortization	(25)	(1,963)	(554)	(28)	(1,167)	(78)	(3,815)
Share-based payment expense	-	-	-	-	-	(91)	(91)
Interest and other income	221	535	1,470	105	4,050	135	6,516
Foreign exchange gain	52	-	-	-	-	556	608
Interest expense	-	(643)	(65)	(4)	(7,305)	(1,088)	(9,105)
Finance fees expense and other	-	-	-	-	25	(1,060)	(1,035)
Gain on fair value changes in investment properties	-	-	-	-	8,779	-	8,779
Loss on derecognition of financial liabilities	-	-	-	-	-	(150)	(150)
Loss on disposal of assets	(15)	-	(9)	-	-	-	(24)
Income tax provision, net	(91)	(393)	(206)	4	(374)	244	(816)
Inter-segment transactions	(7)	(2,395)	1,517	26	72	787	-
Net income (loss)	<u>\$ 254</u>	<u>\$ 1,063</u>	<u>\$ 555</u>	<u>\$ 1</u>	<u>\$ 5,075</u>	<u>\$ (659)</u>	<u>\$ 6,289</u>

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NOTE 16 - SEGMENTED INFORMATION (continued)

	As at May 31, 2021						Consolidated
	CIBT China	SSCC	SSLC/VIC	IRIX	GECH	Corporate	
Total assets	\$ 4,857	\$ 48,267	\$ 2,763	\$ 294	\$ 460,263	\$ 2,253	\$ 518,697
Property and equipment	\$ 96	\$ 1,951	\$ 107	\$ 34	\$ 56,343	\$ 8	\$ 58,539
Investment properties	\$ -	\$ -	\$ -	\$ -	\$ 316,397	\$ -	\$ 316,397
Intangible assets	\$ 461	\$ 6,454	\$ 452	\$ -	\$ -	\$ -	\$ 7,367
Goodwill	\$ -	\$ 5,218	\$ 317	\$ -	\$ -	\$ 300	\$ 5,835
Total liabilities	\$ 1,080	\$ 46,015	\$ 4,683	\$ 408	\$ 254,549	\$ 7,275	\$ 314,010
Non-controlling interests	\$ (33)	\$ -	\$ -	\$ (173)	\$ 148,990	\$ -	\$ 148,784
Capital expenditures	\$ 7	\$ 909	\$ 7	\$ 1	\$ 36	\$ -	\$ 960

--- END OF FINANCIAL STATEMENTS ---