

QYOU Media Inc.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2023 and 2022
[unaudited] [expressed in Canadian dollars]

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Under Part 4, subsection 4.3(3)(a) of National Instrument 51-102 – *Continuous Disclosure Obligations*, if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of QYOU Media Inc. [the “Company”] have been prepared by and are the responsibility of the Company’s management.

The Company’s independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity’s auditor.

Condensed consolidated interim statements of financial position

[unaudited] [expressed in Canadian dollars]

As at	September 30, 2023	December 31, 2022
	\$	\$
Assets		
Current assets		
Cash	1,701,511	3,510,951
Trade receivables [note 18]	4,770,373	6,904,132
Other receivables	3,294,105	1,890,999
Prepaid expenses	1,786,337	1,223,135
	11,552,326	13,529,217
Non-current assets		
Property and equipment, net [note 5]	148,514	144,833
Capitalized programming asset, net [note 6]	919,365	978,154
Right-of-use assets, net [note 7]	359,081	361,228
Security deposit	165,106	140,873
Intangible assets, net [notes 10]	1,667,818	915,965
Goodwill [notes 4 & 11]	163,194	—
	14,975,404	16,070,270
Liabilities		
Current liabilities		
Trade and other payables	7,922,469	6,961,546
Revolving credit facility [note 9]	652,267	—
Contingent consideration [note 12]	1,040,445	451,579
Deferred revenue	22,196	22,442
Lease liabilities [note 8]	233,954	253,896
Borrowings	7,756	7,756
	9,879,087	7,697,219
Non-current liabilities		
Contingent consideration [note 12]	—	542,618
Deferred tax liabilities	206,606	206,968
Lease liabilities [note 8]	165,814	164,213
Borrowings	54,684	56,997
	10,306,191	8,668,015
Shareholders' equity		
Share capital [note 13]	50,579,523	49,344,015
Warrants [note 13]	4,011,555	4,011,555
Share-based payment reserve [note 13]	12,523,805	11,906,601
Foreign exchange translation reserve	23,328	52,341
Accumulated deficit	(62,014,715)	(57,466,809)
Equity attributable to shareholders' of the Company	5,123,496	7,847,703
Non-controlling interests [note 15]	(454,283)	(445,448)
	4,669,213	7,402,255
	14,975,404	16,070,270

Contingencies [note 16]

Subsequent events [note 21]

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

On behalf of the Board:

"Signed"

"Signed"

Condensed consolidated interim statements of loss and comprehensive loss

[unaudited] [expressed in Canadian dollars, except number of shares]

For the three months and nine months ended September 30,	2023	2022	2023	2022
	\$	\$	\$	\$
REVENUE <i>[note 20]</i>	7,279,874	7,244,558	22,041,314	19,362,601
OPERATING EXPENSES				
Content and productions costs	4,475,466	4,620,558	13,351,309	12,596,941
Sales and marketing	810,461	1,070,288	2,471,880	3,970,243
Legal and consulting	404,938	757,881	1,287,140	1,915,095
Salaries and benefits	1,923,298	1,496,034	5,656,777	3,851,064
Share-based compensation <i>[note 14]</i>	519,169	744,980	1,816,855	2,615,022
General and administrative	426,368	620,367	1,485,711	1,505,193
Depreciation and amortization	387,774	184,209	807,019	449,705
Gain on termination of lease	—	—	—	(12,437)
Loss on remeasurement of contingent consideration <i>[note 4]</i>	—	—	—	25,952
Foreign exchange (gain) loss	149,850	(58,986)	3,282	(62,392)
Interest and other (income) expenses	94,263	52,948	38,351	207,186
Total operating expenses	9,191,587	9,488,279	26,918,324	27,061,572
Loss before income taxes	(1,911,713)	(2,243,721)	(4,877,010)	(7,698,971)
Income tax (recovery) expense	12,653	(126,044)	(14,096)	23,920
NET LOSS	(1,924,366)	(2,117,677)	(4,862,914)	(7,722,891)
Other comprehensive gain (loss)				
Item that may be reclassified subsequently to income:				
Exchange gain on translation of foreign operations	127,714	320,334	(29,013)	139,029
Total other comprehensive income	127,714	320,334	(29,013)	139,029
COMPREHENSIVE LOSS	(1,796,652)	(1,797,343)	(4,891,927)	(7,583,862)
Net loss attributable to:				
Equity owners of the Company	(1,755,400)	(2,040,513)	(4,547,906)	(7,333,835)
Non-controlling interests <i>[note 14]</i>	(168,965)	(77,164)	(315,008)	(389,056)
	(1,924,365)	(2,117,677)	(4,862,914)	(7,722,891)
Net loss per share - basic and diluted	(0.01)	(0.01)	(0.01)	(0.02)
Weighted average number of shares outstanding - basic and diluted	456,932,288	422,571,336	455,891,677	412,172,395

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

Condensed consolidated interim statements of changes in shareholders' equity

For the three months ended September 30, 2023 and 2022

[unaudited] [expressed in Canadian dollars, except number of shares]

	Common shares #	Share capital \$	Warrants \$	Share-based payment reserve \$	Non-controlling interests \$	Foreign exchange translation reserve \$	Accumulated deficit \$	Total \$
Balance, December 31, 2021	401,394,314	44,758,863	3,700,682	9,907,637	(443,443)	120,235	(46,118,245)	11,925,729
Issuance of common shares, net of issuance costs [note 13]	27,440,000	2,099,179	—	—	—	—	—	2,099,179
Share-based compensation [note 14]	—	—	—	3,286,170	—	—	—	3,286,170
Issuance of warrants, net of issuance costs [note 13]	—	—	424,049	—	—	—	—	424,049
Compensation options and warrants exercised [note 13]	16,428,163	1,016,751	(113,176)	178,893	—	—	—	1,082,468
Restricted share units redeemed [note 14]	6,783,335	1,464,963	—	(1,464,963)	—	—	—	—
Share options exercised [note 14]	41,660	4,259	—	(1,136)	—	—	—	3,123
Comprehensive loss	—	—	—	—	(2,005)	(67,894)	(11,348,564)	(11,418,463)
Balance, December 31, 2022	452,087,472	49,344,015	4,011,555	11,906,601	(445,448)	52,341	(57,466,809)	7,402,255
Share-based compensation [note 14]	—	—	—	1,816,855	—	—	—	1,816,855
Restricted share units redeemed [note 14]	5,949,991	1,231,332	—	(1,231,332)	—	—	—	—
Share options exercised [note 14]	20,830	2,510	—	(946)	—	—	—	1,564
Acquisition of Maxamtech [note 4]	—	1,666	—	32,627	306,173	—	—	340,466
Comprehensive loss	—	—	—	—	(315,008)	(29,013)	(4,547,906)	(4,891,927)
Balance, September 30, 2023	458,058,293	50,579,523	4,011,555	12,523,805	(454,283)	23,328	(62,014,715)	4,669,213

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

QYOU Media Inc.

Condensed consolidated interim statements of cash flows

[unaudited] [expressed in Canadian dollars]

For the nine months ended September 30,	2023	2022
	\$	\$
Operating activities		
Net loss	(4,862,914)	(7,722,891)
Adjustments to reconcile net loss to net cash used in operating activities:		
Gain on lease termination	—	(12,437)
Loss on remeasurement of contingent liability [note 4]	—	25,952
Warrants issued for compensation	—	3,133
Unrealized foreign exchange (gain) loss	(30,035)	59,038
Depreciation and amortization	807,019	449,705
Share-based compensation	1,816,855	2,615,022
Income tax expense	14,096	23,920
Interest expense	32,918	15,745
	(2,222,061)	(4,542,813)
Changes in non-cash working capital items		
Trade receivables	2,133,759	(1,682,665)
Other receivables	(1,403,106)	60,531
Prepaid expenses	(563,202)	931,816
Security deposit	(24,233)	(4,075)
Trade and other payables	960,923	2,362,440
Revolving credit facility [note 9]	652,267	-
Deferred revenue	(246)	(99,045)
Cash provided by (used in) operating activities	(465,899)	(2,973,811)
Investing activities		
Capitalized programming asset	(499,631)	(623,462)
Purchase of property and equipment	(52,413)	(102,310)
Capitalized intangible asset	(569,235)	—
Contingent consideration payment	—	(570,311)
Acquisition of Maxamtech [note 4]	2,771	—
Cash used in investing activities	(1,118,508)	(1,296,083)
Financing activities		
Repayment of lease obligation [note 8]	(228,169)	(196,952)
Repayment of loan	(2,313)	—
Proceeds from exercise of options	1,565	2,498
Proceeds from exercise of compensation options and warrants [note 13]	—	888,908
Cash provided by (used in) financing activities	(228,917)	694,454
Net change in cash	(1,813,324)	(3,575,440)
Effect of foreign exchange on cash	3,884	104,319
Cash, beginning of period	3,510,951	6,548,890
Cash, end of period	1,701,511	3,077,769

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

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

[unaudited] [expressed in Canadian dollars, unless otherwise noted]

1. BUSINESS AND ORGANIZATION

QYOU Media Inc. (“QYOU” or the “Company”) was incorporated pursuant to the Business Corporations Act (Alberta) on July 30, 1993 under the name “575161 Alberta Inc.”. The registered and head office of the Company is 154 University Avenue, Suite 601, Toronto, ON M5H 3Y9. The Company is a global media company that, through its subsidiaries, curate, produce and distributes content created by social media stars and digital content creators.

The Company has the following subsidiaries:

Entity name	Country	Ownership percentage	Ownership percentage
		September 30, 2023	December 31, 2022
		%	
QYOU Media Inc.	Canada	100	100
QYOU Productions Inc.	Canada	100	100
QYOU Limited	Ireland	100	100
QYOUTV International Limited	Ireland	100	100
QYOU USA Inc.	USA	100	100
QYOU Media India Private Ltd.	India	88	88
Chatterbox Technologies Private Ltd.	India	98	98
Maxamtech Digital Ventures Private Limited	India	51	0

Change of Fiscal Year-end

Effective in 2021, the Company changed its fiscal year end from June 30 to December 31 in order to align the Company’s year-end with that of comparative media companies.

Going Concern Uncertainty

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

The Company has not yet achieved profitable operations for the period ended September 30, 2023 and as at September 30, 2023, has an accumulated deficit. When the Company can attain profitability and positive cash flows from operations, it has material uncertainty, which may cast significant doubt upon the Company’s ability to continue as a going concern.

The Company anticipates it has sufficient cash on hand to service its liabilities and generates sufficient revenue to fund operating costs for the immediate future. The application of the going concern assumption is dependent on the Company’s ability to generate future profitable operations or obtain necessary financing. While the Company anticipates a positive cash flow position and has been successful in obtaining financing to date, there can be no assurance that it will be able to do so in the future.

2. BASIS OF PRESENTATION

[a] Statement of Compliance

These unaudited condensed consolidated interim financial statements (“financial statements”) have been prepared by management using the same accounting policies and methods as those used in the Company’s audited consolidated financial statements for the periods ended December 31, 2022, 2021 and June 30, 2021. These financial statements have been prepared in compliance with IAS 34 – Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain disclosures normally included in annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) have been omitted or condensed. These financial statements should be read in conjunction with the Company’s audited consolidated financial statements for the periods ended December 31, 2022, 2021 and June 30, 2021.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

[unaudited] [expressed in Canadian dollars, unless otherwise noted]

The timely preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies, if any, as at the date of the financial statements, and the reported amounts of revenue and expenses during the nine months ended September 30, 2023. By their nature, estimates are subject to measurement uncertainty and changes in such estimates in future periods could require a material change in the financial statements.

These financial statements were approved and authorized for issuance by the Board of Directors of the Company on November 29, 2023.

[b] Functional Currency and Presentation currency

These financial statements are presented in Canadian dollars, which is the functional currency of QYOU Media Inc.

The functional currencies of the Company's subsidiaries are as follows:

Name of Subsidiary	Jurisdiction of incorporation	Functional currency
QYOU Media Inc.	Canada	Canadian dollar
QYOU Productions Inc.	Canada	Canadian dollar
QYOU Limited	Ireland	Euro
QYOUTV International Limited	Ireland	Euro
QYOU USA Inc.	USA	US dollar
QYOU Media India Private Ltd.	India	Indian rupee
Chatterbox Technologies Private Ltd.	India	Indian rupee
Maxamtech Digital Ventures Private Limited	India	Indian rupee

[c] Basis of Consolidation

The interim financial statements incorporate the financial information of the Company and the subsidiaries over which the Company has control. An entity is controlled when the Company has the ability to direct the relevant activities of the entity, has exposure or rights to variable returns from its involvement with the entity and is able to use its power over the entity to affect its returns from the entity.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control as prescribed by IFRS 10 – Consolidated Financial Statements. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the unaudited consolidated interim statements of operations and comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Company's accounting policies.

All intercompany assets and liabilities, equity, income, expenses and cash flows are eliminated in full on consolidation.

[d] Use of Estimates and Judgments

The preparation of these financial statements in conformity with IFRS requires management to make estimates and judgments that affect the application of accounting policies and the reported amounts of assets and liabilities, consistent with those disclosed in the audited consolidated financial statements for the periods ended December 31, 2022, 2021 and June 30, 2021 and described in these financial statements. Actual results could differ materially from the amounts included in the financial statements.

Estimates are based on management's best knowledge of current events and actions that the Company may undertake in the future. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

[unaudited] [expressed in Canadian dollars, unless otherwise noted]

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in preparing these financial statements are unchanged from those disclosed in the Company's audited consolidated financial statements for the periods ended December 31, 2022, 2021 and June 30, 2021, and have been applied consistently to all periods presented in these financial statements.

Adoption of New and Amended Accounting Pronouncements

During the period ended September 30, 2023, the Company adopted certain IFRS amendments. The application of these amendments had no significant impact on the Company's financial position or results of operations. As required by International Accounting Standard ("IAS") 8 Accounting Policies, Changes in Accounting Estimates and Errors, the nature of these changes are disclosed below:

Classification of Liabilities as Current or Non-current (Amendments to IAS 1, Presentation of Financial Statements)

On January 23, 2020, an amendment was issued to IAS 1 to address inconsistencies with how entities apply the standards over classification of current and non-current liabilities. The amendment serves to address whether, in the statement of financial position, debt and other liabilities with an uncertain settlement should be classified as current or non-current. This amendment is effective on January 1, 2023.

Disclosure of Accounting Policies (Amendments to IAS 1)

The amendments to IAS 1 require an entity to disclose its material accounting policies instead of its significant accounting policies. The amendments clarify that accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements. The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and are to be applied prospectively.

Definition of Accounting Estimates (Amendments to IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors)

The amendments to IAS 8 provide guidance to assist entities in distinguishing between accounting policies and accounting estimates. The amendments replace the definition of a change in accounting estimates with the definition of accounting estimates. Under the new definition, accounting estimates are monetary amounts in financial statements that are subject to measurement uncertainty. The amendments also clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors. The amendments are effective for annual periods beginning on or after January 1, 2023 and are to be applied prospectively.

Accounting Pronouncements Issued But Not Yet Effective

Non-current Liabilities with Covenants (Amendments to IAS 1)

The amendments to IAS 1 specify that only covenants with which an entity is required to comply on or before the reporting date affect the classification of a liability as current or non-current. In addition, an entity has to disclose information in the notes that enables users of financial statements to understand the risk that non-current liabilities with covenants could become repayable within twelve months. The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and are to be applied retrospectively.

4. BUSINESS COMBINATION

Maxamtech

On January 31, 2023, the Company subscribed newly issued common shares of Maxamtech Digital Ventures Private Limited ("Maxamtech") for cash consideration of \$467,500, resulting in the Company owning 51% of the issued and outstanding common shares. Maxamtech is an India based venture creating technology and games for the mobile gaming industry and is part of the Company's international distribution and strategic partnership growth strategy.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

[unaudited] [expressed in Canadian dollars, unless otherwise noted]

The share acquisition of Maxamtech qualified as a business combination and was accounted for using the acquisition method of accounting. Accordingly, the results of Maxamtech have been included in the condensed consolidated interim financial statements of the Company from the date of acquisition, which is the date the Company obtained control.

Due to the complexity associated with the valuation process and short period of time between the acquisition date and the period end, the identification and measurement of the assets acquired and liabilities assumed is provisional and subject to adjustment on completion of the valuation process and analysis of resulting tax effects. Management will finalize the accounting for the acquisition, specifically the intangible assets and related tax effects, no later than one year from the date of the acquisition and will reflect these adjustments retrospectively as required under IFRS 3. Differences between these provisional estimates and the final acquisition accounting may occur and these differences could have impact on the Company's future financial position and results of operations.

The allocation of the total consideration to the fair value of the identifiable assets acquired and liabilities assumed as at the date of the acquisition was as follows:

	\$
Total cash consideration paid	467,500
Net identifiable assets acquired (liabilities assumed)	
Cash	470,271
Trade receivables	65,408
Other receivables	19,388
Property and equipment, net	7,015
Intangible assets - Platform Development	216,008
Trade and other payables	(153,247)
	624,843
Purchase price allocation	
Net identifiable assets acquired	624,843
Non-controlling interest	(306,173)
Goodwill	148,830
	467,500
Net cash outflows	
Cash consideration paid	467,500
Cash acquired	(470,271)
	(2,771)

Non-controlling interest is recognized at the non-controlling interest's proportionate share of Maxamtech's fair value of identifiable net assets.

Goodwill arising from the acquisition reflects the benefits attributable to synergies, revenue growth and future market development. These benefits were not recognized separately from goodwill as they did not meet the recognition criteria for identifiable intangible assets. Goodwill is not deductible for income tax purposes. Goodwill is tested for impairment annually as at December 31 or more frequently if events or changes in circumstances indicate that they may be impaired.

QYOU Media Inc. has committed to provide Maxamtech with an intercompany loan up to an aggregate of \$330,000 in the next 3 years.

The Company has the option to acquire up to 12% of shares in the calendar year 2024, 20% in 2025 and 17% in 2026 on a fully diluted basis.

From the date of acquisition, Maxamtech contributed \$572 of revenue and \$86,494 of net loss to consolidated net loss for the nine months ended September 30, 2023.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
[unaudited] [expressed in Canadian dollars, unless otherwise noted]

5. PROPERTY AND EQUIPMENT

The Company's property and equipment are as follows:

Cost	Computer hardware and equipment	Furniture and fixtures	Total
	\$	\$	\$
As at December 31, 2021	263,972	316,589	580,561
Additions	101,171	9,357	110,528
Foreign exchange	7,418	1,111	8,529
As at December 31, 2022	372,561	327,057	699,618
Additions	34,770	17,643	52,413
Acquisition	6,371	644	7,015
Foreign exchange	899	(6,763)	(5,864)
As at September 30, 2023	414,601	338,581	753,182

Accumulated depreciation	Computer hardware and equipment	Furniture and fixtures	Total
	\$	\$	\$
As at December 31, 2021	213,107	262,756	475,863
Depreciation	57,509	10,670	68,179
Foreign exchange	9,022	1,721	10,743
As at December 31, 2022	279,638	275,147	554,785
Depreciation	47,873	5,518	53,391
Foreign exchange	(14,182)	10,674	(3,508)
As at September 30, 2023	313,329	291,339	604,668

Net book value	Computer hardware and equipment	Furniture and fixtures	Total
	\$	\$	\$
As at December 31, 2021	50,865	53,833	104,698
As at December 31, 2022	92,923	51,910	144,833
As at September 30, 2023	101,272	47,242	148,514

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

[unaudited] [expressed in Canadian dollars, unless otherwise noted]

6. CAPITALIZED PROGRAMMING ASSET

The Company's capitalized programming asset are as follows:

Cost	\$
As at December 31, 2021	214,166
Additions	1,086,933
Effects of foreign exchange	9,881
As at December 31, 2022	1,310,980
Additions	499,631
Effects of foreign exchange	(27,783)
As at September 30, 2023	1,782,828
Accumulated amortization	
	\$
As at December 31, 2021	24,713
Amortization	312,454
Effects of foreign exchange	(4,341)
As at December 31, 2022	332,826
Amortization	534,669
Effects of foreign exchange	(4,032)
As at September 30, 2023	863,463
Net book value	
	\$
As at December 31, 2021	189,453
As at December 31, 2022	978,154
As at September 30, 2023	919,365

7. RIGHT-OF-USE ASSETS

The Company has four office leases with maturities ranging between 1 to 3 years.

The Company's right-of-use assets are as follows:

	\$
Balance – December 31, 2021	753,267
Termination of lease	(149,707)
Depreciation	(231,345)
Effects of foreign exchange	(10,987)
Balance – December 31, 2022	361,228
Additions	212,008
Depreciation	(211,066)
Effects of foreign exchange	(3,089)
Balance – September 30, 2023	359,081

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

[unaudited] [expressed in Canadian dollars, unless otherwise noted]

8. LEASE LIABILITIES

The Company's lease liabilities are as follows:

	\$
Balance – December 31, 2021	800,833
Termination of lease	(162,144)
Add: Interest expense	20,062
Less: Lease payments	(266,751)
Effects of foreign exchange	26,109
Balance – December 31, 2022	418,109
Additions	212,008
Add: Interest expense	32,918
Less: Lease payments	(228,169)
Effects of foreign exchange	(35,098)
Balance – September 30, 2023	399,768
Current	233,954
Non-current	165,814

9. REVOLVING CREDIT FACILITY

	\$
Principal balance	694,890
Facility agreement costs	(44,923)
Interest and accretion expense	996
Effects of foreign exchange	1,304
Balance - September 30, 2023	652,267

On September 28, 2023 ("date of advance"), the Company finalized the terms of a revolving credit facility with Oxford Commercial Finance Corp. D/B/A FSW Funding and received loan proceeds of \$694,890 (\$515,000 USD). At any given time, the facility limit is the lesser of \$2,700,000 (\$2,000,000 USD) or 85% of the outstanding eligible trade receivables minus reserve payments of the Company's subsidiary QYOU USA Inc. ("QUSA"). As at September 28, 2023, the facility limit was \$694,890 (\$515,000 USD) with all available funds withdrawn.

	Available	Drawn	Undrawn
Revolving credit facility	694,890	694,890	—

The facility bears either an annual interest rate of the Wall Street Journal reported prime rate as at September 30, 2023 plus 4.5% or \$8,788 (\$6,500 USD) per month, whichever is greater. The term of the facility is 12 months from the closing date and the Company has the option to extend for another 12 months term indefinitely.

All trade receivables of QUSA are being used as collateral for the facility. As at September 30, 2023, QUSA had \$2,449,727 (\$1,811,928 USD) trade receivables.

The facility was recognized as a financial liability at amortized cost and using the effective interest rate of 25%. In addition, the Company incurred Facility Agreement costs of \$44,923 (\$33,293 USD) to obtain the facility. The difference between the initial carrying amount and the facility proceeds is the value of the facility of \$649,966 (\$481,706 USD).

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

[unaudited] [expressed in Canadian dollars, unless otherwise noted]

Subject to the Loan Agreement, all borrowings made under the facility must be repaid on the Termination Date which is 12 months from the Closing Date. As at September 30, 2023, the Company was in compliance with all of its covenants for the facility and is in good standing.

10. INTANGIBLE ASSETS

A summary of the Company's intangible assets are as follows:

	Brand QYOU \$	Brand Chatterbox \$	Customer relationships \$	Platform Development \$	Total \$
As at December 31, 2021	85,071	636,241	306,353	—	1,027,665
Effects of foreign exchange	396	(24,284)	(11,693)	—	(35,581)
As at December 31, 2022	85,467	611,957	294,660	—	992,084
Additions	—	—	—	569,235	569,235
Acquisition - Maxamtech	—	—	—	216,008	216,008
Effects of foreign exchange	(911)	(3,736)	(1,799)	(2,751)	(9,197)
As at September 30, 2023	84,556	608,221	292,861	782,492	1,768,130

	Brand QYOU \$	Brand Chatterbox \$	Customer relationships \$	Platform Development \$	Total \$
Accumulated amortization					
As at December 31, 2021	—	—	29,726	—	29,726
Amortization	—	—	49,627	—	49,627
Effects of foreign exchange	—	—	(3,234)	—	(3,234)
As at December 31, 2022	—	—	76,119	—	76,119
Amortization	—	—	24,283	—	24,283
Effects of foreign exchange	—	—	(90)	—	(90)
As at September 30, 2023	—	—	100,312	—	100,312

	Brand QYOU \$	Brand Chatterbox \$	Customer relationships \$	Platform Development \$	Total \$
Net book value					
As at December 31, 2021	85,071	636,241	276,627	—	997,939
As at December 31, 2022	85,467	611,957	218,541	—	915,965
As at September 30, 2023	84,556	608,221	192,549	782,492	1,667,818

Platform development capital expenditures relate to the building of a direct-to-consumer application platform. The Company will begin to amortize the intangible asset once the platform is ready for use. Platform development costs are capitalized when all the following conditions are met:

- Technical feasibility can be demonstrated
- Management has the intent and the ability to complete the asset for use
- It is probable that economic benefits will be generated
- Costs attributable to the asset can be measured reliably

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
[unaudited] [expressed in Canadian dollars, unless otherwise noted]

11. GOODWILL

A summary of the Company's goodwill is as follows:

	\$
Balance – December 31, 2021	3,399,639
Impairment of goodwill	(3,269,882)
Effects of foreign exchange	(129,757)
Balance – December 31, 2022	—
Acquisition - Maxamtech	148,830
Effects of foreign exchange	14,364
Balance - September 30, 2023	163,194

12. CONTINGENT CONSIDERATION

The contingent consideration is classified as Level 3 in the fair value hierarchy. The contingent consideration fair value is based on the present value of the estimated likely obligation. The Company uses a scenario-based model to independently assess individual earnouts and calculate the fair value of the earnout based on probabilities of success attributable to each individual scenario. The significant assumptions used in making the estimates are revenue growth rate and discount rate. A 10% change in the discount rate used in the valuation of the contingent consideration as at September 30, 2023 would change the valuation of the liability by approximately \$1,440 (December 31, 2022 – approximately \$15,000).

The contingent consideration as at September 30, 2023:

	\$
Balance – December 31, 2021	2,638,912
Gain on remeasurement of contingent consideration	(1,005,292)
Payment of contingent consideration	(570,311)
Effects of foreign exchange	(69,112)
Balance – December 31, 2022	994,197
Effects of foreign exchange	46,248
Balance - September 30, 2023	1,040,445
Current	1,040,445
Non-current	—

13. SHARE CAPITAL

	Common shares	Share capital	Warrants	Warrants	Compensation options	Compensation options amount within share-based payment reserve
	#	\$	#	\$	#	\$
Balance, December 31, 2021	401,394,314	44,758,863	35,660,575	3,700,682	4,140,899	1,443,077
Issuance of common shares and warrants, net of issuance costs [d]	27,440,000	2,099,179	15,640,000	424,049	1,982,304	186,586
Compensation options and warrants exercised [a]	16,428,163	1,016,751	(15,062,291)	(113,176)	(910,582)	(14,665)
RSUs redeemed [b]	6,783,335	1,464,963	—	—	—	—
Share options exercised [c]	41,660	4,259	—	—	—	—
Compensation options and warrants expired	—	—	(37,504)	—	(17,500)	—
Balance, December 31, 2022	452,087,472	49,344,015	36,200,780	4,011,555	5,195,121	1,614,998
RSUs redeemed [e]	5,949,991	1,231,332	—	—	—	—
Share options exercised [f]	20,830	2,510	—	—	—	—
Acquisition of Maxamtech [note 4]	—	1,666	—	—	—	—
Compensation options and warrants expired	—	—	(20,560,780)	—	(3,212,817)	—
Balance, September 30, 2023	458,058,293	50,579,523	15,640,000	4,011,555	1,982,304	1,614,998

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

[unaudited] [expressed in Canadian dollars, unless otherwise noted]

- [a] During the twelve months ended December 31, 2022, 2,249,990 8 cent warrants and 13,267,591 5 cent warrants were exercised for proceeds of \$843,379. Upon the exercise of the warrants the Company issued 15,062,291 common shares. In addition, 910,582 compensation options were exercised for proceeds of \$45,529, upon exercise, the Company issued 910,582 common shares.
- [b] During the twelve months ended December 31, 2022, 6,783,335 restricted share units were redeemed for 6,783,335 common shares.
- [c] During the twelve months ended December 31, 2022, 41,660 share options were exercised for proceeds of \$3,123. Upon the exercise of the share options, 41,660 common shares were issued.
- [d] During the twelve months ended December 31, 2022, the Company completed the issuance of 25,600,000 units as part of a public offering and 1,840,000 units as part of a private offering in total of 27,440,000 units at a price of \$0.125 per share. The total gross proceeds from the issuance was \$3,430,000. Each unit is comprised of one common share of the Company and one-half of one common share purchase warrant exercisable to purchase one common share at a price of \$0.20 (a "20 Cent Warrant").

Each 20 Cent Warrant is exercisable to purchase one common share in the capital of the Company at a price of \$0.20 until November 17, 2024. The fair value of each 20 Cent Warrant is \$0.0525 per warrant, calculated using the Black-Scholes options pricing model with a market price per common share of \$0.130 on the date of grant, a risk-free interest rate of 3.93%, an expected annualized volatility of 93.9% and expected dividend yield of 0%.

Total transaction costs consisted of \$720,136 in cash and issuance of 1,982,304 compensation options to the agents in connection with the transaction. Each compensation option is exercisable into one unit until November 17, 2024 at a price of \$0.125. Total fair value of the compensation options was determined to be \$186,586. The fair value of the compensation units was determined using the Black-Scholes options pricing model with a market price per common share of \$0.130 on the date of grant, a risk-free interest rate of 3.93%, an expected annualized volatility of 93.9% and expected dividend yield of 0%.

- [e] During the nine months ended September 30, 2023, 5,949,991 restricted share units were redeemed for 5,949,991 common shares.
- [f] During the nine months ended September 30, 2023, 20,830 share options were exercised for proceeds of \$2,510. Upon the exercise of the share options, 20,830 common shares were issued.

The following is a summary of the Company's warrants outstanding as at September 30, 2023:

Expiry Date	Exercise Price	Number Outstanding
	\$	#
November 17, 2024	0.20	15,640,000

The following is a summary of the Company's warrants outstanding as at December 31, 2022:

Expiry Date	Exercise Price	Number Outstanding
	\$	#
February 25, 2023	0.45	20,560,000
November 17, 2024	0.20	15,640,000
	0.34	36,200,000

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

[unaudited] [expressed in Canadian dollars, unless otherwise noted]

14. SHARE-BASED COMPENSATION

The Company has established a share option plan and restricted share unit (“RSU”) plan for directors, officers, employees and consultants of the Company. The Company’s Board of Directors determines, among other things, the eligibility of individuals to participate in these plans and the term, vesting periods, and the exercise price of share options granted to individuals under the share option plan.

Each share option converts into one common share of the Company on exercise and on receipt of exercise price. Each RSU converts into one common share of the Company on the date of vesting at \$nil exercise price. Share options may be exercised at any time from the date of vesting to the date of their expiry.

[i] Share options

Changes in the number of share options during the period ended September 30, 2023:

	Number of options #	Weighted average \$
Outstanding as at December 31, 2021	35,779,654	0.23
Granted	2,185,000	0.21
Forfeited	(173,556)	0.23
Expired	(4,581,771)	0.50
Exercised	(37,494)	0.06
Outstanding as at December 31, 2022	33,171,833	0.19
Granted	10,360,000	0.20
Forfeited	(228,753)	0.14
Exercised	(20,830)	0.08
Outstanding as at September 30, 2023	43,282,250	0.18
Exercisable as at September 30, 2023	24,891,700	0.16

There were 10,360,000 share options granted for the nine months ended September 30, 2023. The fair value of share options granted during the period ended September 30, 2023 were determined at the date of grant using the Black Scholes option pricing model using the following inputs:

	September 30, 2023	December 31, 2022
Grant date share price	\$0.12 - \$0.20	\$0.21
Exercise price	\$0.13 - \$0.20	\$0.21
Expected dividend yield	--	--
Risk free interest rate	3.66%	2.47%
Expected life	5 years	5 years
Expected volatility	107%	111%

Expected volatility was estimated by using the historical volatility of the Company. The expected option life represents the period of time that options granted are expected to be outstanding. The risk-free interest rate is based on government bonds with a remaining term equal to the expected life of the options.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 [unaudited] [expressed in Canadian dollars, unless otherwise noted]

The following table is a summary of the Company's share options outstanding as at September 30, 2023:

Options outstanding			Options exercisable		
Exercise price	Number outstanding	Weighted average remaining contractual life [years]	Exercise price	Number exercisable	
\$	#	#	\$	#	
0.050	7,622,903	2.02	0.050	6,341,673	
0.060	2,000,000	0.96	0.060	2,000,000	
0.075	2,841,654	0.66	0.075	2,837,488	
0.125	9,558,752	4.53	0.125	1,617,042	
0.180	4,350,000	2.58	0.180	2,900,032	
0.200	600,000	4.53	0.200	100,008	
0.210	2,014,160	3.78	0.210	732,042	
0.275	3,425,000	3.40	0.275	1,718,948	
0.300	8,569,781	2.67	0.300	5,344,431	
0.360	2,000,000	2.96	0.360	1,125,036	
0.370	300,000	2.91	0.370	175,000	
0.175	43,282,250	2.896	0.162	24,891,700	

The following table is a summary of the Company's share options outstanding as at December 31, 2022:

Options outstanding			Options exercisable		
Exercise Price	Number outstanding	Weighted average remaining contractual life [years]	Exercise Price	Number exercisable	
\$	#	#	\$	#	
0.050	7,622,903	2.51	0.050	5,094,843	
0.060	2,000,000	1.45	0.060	2,000,000	
0.075	2,862,484	1.16	0.075	2,764,990	
0.180	4,350,000	3.07	0.180	2,084,416	
0.210	2,041,665	4.27	0.210	354,097	
0.275	3,425,000	3.90	0.275	1,128,242	
0.300	8,569,781	3.17	0.300	3,911,191	
0.360	2,000,000	3.45	0.360	750,024	
0.370	300,000	3.41	0.370	118,750	
0.189	33,171,833	2.89	0.155	18,206,553	

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
[unaudited] [expressed in Canadian dollars, unless otherwise noted]

[ii] RSUs

Changes in the number of RSUs during the period ended September 30, 2023 were as follows:

	Number of RSUs #	Number exercisable #
Outstanding as at December 31, 2021	17,949,993	—
Vested	—	6,783,335
Granted	550,000	—
Redeemed	(6,783,335)	(6,783,335)
Outstanding as at December 31, 2022	11,716,658	—
Vested	—	5,916,658
Granted	3,050,000	—
Redeemed	(5,916,658)	(5,916,658)
Outstanding as at September 30, 2023	8,850,000	—

3,050,000 RSUs were granted during the nine months ended September 30, 2023 (2022 – Nil). The fair value of RSUs granted during the period ended September 30, 2023 was \$0.12 per unit, determined by reference to the Company's share price on the date of grant.

During the periods ended September 30, 2023 and 2022, the Company recognized the share-based compensation expense associated with share options and RSUs issued under the share options and RSU plans as follows:

For the three and nine months ended September 30,	2023 \$	2022 \$	2023 \$	2022 \$
Share options	312,098	374,882	1,088,492	1,316,016
RSUs	207,071	370,098	728,363	1,299,006
Share-based compensation expense	519,169	744,980	1,816,855	2,615,022

15. NON-CONTROLLING INTEREST

The Company has an 88% (2022 – 88%) ownership interest in QYOU India and an 51% (2022 – Nil) ownership interest in Maxamtech.

Reconciliation of non-controlling interest is as follows:

	QYOU India \$	Maxamtech \$	Total \$
Balance — December 31, 2021	(443,443)	—	(443,443)
Share of net loss for the period	(2,005)	—	(2,005)
Balance — December 31, 2022	(445,448)	—	(445,448)
Acquisition of Maxamtech	—	306,173	306,173
Share of net loss for the period	(203,504)	(111,504)	(315,008)
Balance - September 30, 2023	(648,952)	194,669	(454,283)

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

[unaudited] [expressed in Canadian dollars, unless otherwise noted]

The following is a summary of stand-alone financial results of QYOU India and Maxamtech:

	As at September 30, 2023		As at December 31, 2022	
	QYOU India	Maxamtech	QYOU India	Maxamtech
	\$	\$	\$	\$
Current assets	3,538,406	83,080	4,242,481	—
Non-current assets	1,107,847	556,662	1,208,809	—
Current liabilities	1,723,722	87,909	1,435,480	—
Non-Current liabilities	—	—	161,452	—
Revenue	5,957,709	2,196	2,228,708	—
Net income (loss)	(1,668,482)	(227,559)	(692,430)	—

	For the three and nine months ended September 30, 2023		For the three and nine months ended September 30, 2022	
	QYOU India	Maxamtech	QYOU India	Maxamtech
	\$	\$	\$	\$
Revenue (three months ended)	1,509,590	696	277,275	—
Revenue (nine months ended)	5,957,709	2,196	7,509,666	—
Net income (loss) (three months ended)	(2,351,862)	(96,870)	(606,750)	—
Net income (loss) (nine months ended)	(1,668,482)	(227,559)	(3,245,324)	—

16. CONTINGENCIES

In the ordinary course of business, from time to time the Company is involved in various claims related to operations, rights, commercial, employment or other claims. Although such matters cannot be predicted with certainty, management does not consider the Company's exposure to these claims to be material to these financial statements.

17. RELATED PARTY TRANSACTIONS

Key management personnel and directors include the Company's CEO, CFO, executives and members of the Board of Directors. The compensation paid or payable to key management and directors comprised of the following:

For the nine months ended September 30,	2023	2022
	\$	\$
Salaries, benefits, commissions and consulting fees	2,099,537	1,726,930
Share-based payments	1,007,425	1,151,785
	3,106,962	2,878,715

Included in trade and other payables is \$187,551 (December 31, 2022 - \$623,624) owing to executives for bonus, expense reimbursement and sales commissions.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
[unaudited] [expressed in Canadian dollars, unless otherwise noted]

18. FINANCIAL INSTRUMENTS

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from deposits with banks and outstanding receivables. The Company trades only with recognized, creditworthy third parties. The Company performs credit checks for all significant customers who wish to trade on credit terms. As at September 30, 2023, two customers represented 30% (December 31, 2022 – 2 customers represented 43%) of the outstanding trade receivable balance. As at September 30, 2023, the Company recorded a provision of \$147,436 for expected credit loss (December 31, 2022 - \$113,740).

The Company does not hold any collateral as security but mitigates this risk by dealing only with what management believes to be financially sound counterparties and, accordingly, does not anticipate significant loss for non-performance.

The aging of trade receivables is as follows:

	September 30, 2023	December 31, 2022
	\$	\$
Current	1,693,117	4,723,268
1 to 30 days	1,713,401	788,017
31 to 60 days	799,006	617,505
> 60 days	712,285	889,082
	4,917,809	7,017,872
Less: credit loss impairment	147,436	113,740
Total trade receivables	4,770,373	6,904,132

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's exposure to liquidity risk is dependent on the Company's ability to raise additional financing to meet its commitments and sustain operations. The Company mitigates liquidity risk by management of working capital, cash flows and the issuance of share capital.

The Company is obligated to the following contractual maturities of undiscounted cash flows as of September 30, 2023:

	Carrying amount	Total contractual cash flows					
		Year 1	Year 2	Year 3	Year 4	Year 5 and beyond	
	\$	\$	\$	\$	\$	\$	\$
Trade and other payables	7,922,469	7,922,469	7,922,469	—	—	—	—
Lease liabilities	399,768	525,139	293,979	155,490	75,670	—	—
Contingent consideration	1,040,445	1,055,476	1,055,476	—	—	—	—
Revolving credit facility	652,267	694,890	694,890	—	—	—	—
Borrowings	62,440	312,006	11,176	11,176	11,176	11,176	267,302

The Company is obligated to the following contractual maturities of undiscounted cash flows as of December 31, 2022:

	Carrying amount	Total contractual cash flows					Year 5 and beyond
		Year 1	Year 2	Year 3	Year 4		
	\$	\$	\$	\$	\$	\$	
Trade and other payables	6,961,546	6,961,546	6,961,546	—	—	—	—
Lease liabilities	418,109	421,317	252,691	168,626	—	—	—
Contingent consideration	994,197	2,704,241	1,135,252	1,568,989	—	—	—
Borrowings	64,753	312,006	11,176	11,176	11,176	11,176	267,302

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

[unaudited] [expressed in Canadian dollars, unless otherwise noted]

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk.

Foreign Currency risk

Foreign currency risk arises on financial instruments that are denominated in a currency other than the functional currency in which they are measured. The Company's primary exposure with respect to foreign currencies is from USD and Indian Rupee denominated cash and other payables. A 1% change in the foreign exchange rates would change the valuation of foreign currency denominated cash and other payable as at September 30, 2023 by approximately \$17,000 (December 31, 2022 – approximately \$13,000).

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 is exposed to cash flow interest rate risk on its revolving credit facility. A 1% change in the interest rates would not result in any significant impact to the financial statements.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to other price risks as at September 30, 2023 and 2022.

Fair values

The carrying values of cash, trade receivables, other receivables and trade and other payables approximate the fair values due to the short-term nature of these items. The risk of material change in fair value is not considered to be significant due to a relatively short-term nature. The carrying value of borrowings approximate the fair value and change risk of material change in fair value is not considered to be significant. The Company does not use derivative financial instruments to manage this risk.

Financial instruments recorded at fair value on the consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The Company categorizes its fair value measurements according to a three-level hierarchy. The hierarchy prioritizes the inputs used by the Company's valuation techniques. A level is assigned to each fair value measurement based on the lowest-level input significant to the fair value measurement in its entirety. The three levels of the fair value hierarchy are defined as follows:

- Level 1 – Unadjusted quoted prices as at the measurement date for identical assets or liabilities in active markets.
- Level 2 – Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3 – Significant unobservable inputs, which are supported by little or no market activity. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

[unaudited] [expressed in Canadian dollars, unless otherwise noted]

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The contingent consideration is recognized as Level 3 (Note 11) and recorded at fair value through profit and loss.

19. CAPITAL MANAGEMENT

The Company defines its capital as shareholders' equity. The Company's objectives when managing capital are to build liquidity and shareholders' equity to ensure that strategic objectives are met. The Company makes every attempt to manage its liquidity to minimize shareholder dilution when possible.

The Company policy on dividends is to retain cash to keep funds available to finance operations and growth. Capital structure is managed within guidelines approved by the Board of Directors. The Company makes adjustments to its capital structure based on changes in economic conditions and planned requirements. The Company has the ability to adjust its capital structure by issuing new equity or debt.

20. SEGMENT INFORMATION

Reportable segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, with appropriate aggregation. The chief operating decision maker is the CEO who is responsible for allocating resources, assessing performance of the reportable segment and making key strategic decisions. The Company operates in a single segment, being the distribution of curated media content. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Company operates in four geographical areas, being Canada, United States of America, Ireland and India. Revenue and assets by geography are presented below:

	As at and for the three and nine months ended September 30, 2023				
	Canada	USA	Ireland	India	Total
Revenue (three months ending September 30, 2023)	—	3,740,591	—	3,539,283	7,279,874
Revenue (nine months ending September 30, 2023)	—	10,908,191	—	11,133,123	22,041,314
Current assets	815,504	4,400,677	5,854	6,330,291	11,552,326
Non-current assets	359,081	38,690	—	3,025,307	3,423,078

	As at and for the three and nine months ended September 30, 2022				
	Canada	USA	Ireland	India	Total
Revenue (three months ending September 30, 2022)	—	3,179,839	(195)	4,064,914	7,244,558
Revenue (nine months ending September 30, 2022)	—	7,070,530	10,630	12,281,441	19,362,601
Current assets	795,670	3,930,335	6,624	7,513,660	12,246,289
Non-current assets	4,681,804	40,962	79,112	846,879	5,648,757

As at September 30, 2023, one customer (2022 - one) represented 10% or more of total revenue.

	September 30, 2023	September 30, 2022
	%	%
Customer 1	17	14

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

[unaudited] [expressed in Canadian dollars, unless otherwise noted]

21. SUBSEQUENT EVENTS

On October 19, 2023, the Company completed a non-brokered private placement offering under the listed issuer financing exemption (LIFE) and issued a total of 30,000,000 units and 1,695,561 warrants for aggregate gross proceeds of \$2,100,000. Each unit consists of one common share and one warrant of the Company.

In November 2023, 1,050,002 RSUs were redeemed for 1,050,002 common shares. Of the total, 633,334 were redeemed by related parties.