Interim Condensed Consolidated Financial Statements for the three-month and six-month periods ended September 30, 2022 and 2021

(Unaudited)

Interim Condensed Consolidated Statements of Loss

Unaudited

In thousands of Canadian dollars except number of shares and loss per share amounts	Three-month periods ended September 30, 2022 $	2021 $	Six-month periods ended September 30, 2022 $	2021 $
Revenues (Note 6)	**33,216**	25,080	**65,412**	47,653
Cost of revenues	**13,851**	10,813	**27,551**	20,145
Gross margin	**19,365**	14,267	**37,861**	27,508
Operating expenses				
General and administrative	**6,486**	10,421	**13,761**	15,402
Selling and marketing	**8,363**	6,545	**17,052**	12,657
Technology	**8,462**	6,123	**17,969**	12,560
	23,311	23,089	**48,782**	40,619
Operating loss	**(3,946)**	(8,822)	**(10,921)**	(13,111)
Impairment loss (Notes 8 and 13)	**(85,604)**	-	**(85,604)**	-
Foreign exchange gain	**1,780**	1,397	**2,387**	570
Finance expenses (Note 14b))	**(1,060)**	(254)	**(1,683)**	(249)
Change in fair value of purchase price contingent consideration (Note 16)	**(646)**	-	**(647)**	-
Loss before income taxes	**(89,476)**	(7,679)	**(96,468)**	(12,790)
Income tax expense (recovery)	**293**	(1,371)	**(376)**	(2,197)
Net loss	**(89,769)**	(6,308)	**(96,092)**	(10,593)
Loss per share				
Basic and diluted	**(2.04)**	(0.19)	**(2.19)**	(0.34)
Weighted average number of shares outstanding				
Basic and diluted	**43,970,943**	33,536,037	**43,970,943**	30,970,076
Number of shares outstanding at end of periods (Note 10b))	**43,970,943**	43,970,943	**43,970,943**	43,970,943

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

Interim Condensed Consolidated Statements of Comprehensive Income (Loss)

Unaudited

In thousands of Canadian dollars	Three-month periods ended September 30, 2022 $	2021 $	Six-month periods ended September 30, 2022 $	2021 $
Net loss	**(89,769)**	(6,308)	**(96,092)**	(10,593)
Other comprehensive loss items:				
Items that may be reclassified subsequently to loss				
Change in unrealized gains on foreign currency forward contracts, net of deferred taxes of $339 for the three and six-month periods (respectively $57 and $32 in 2021)	**(941)**	(158)	**(941)**	(88)
Reclassification of realized losses on foreign currency forward contracts, net of deferred taxes of nil for the three and six-month periods (respectively $54 and $108 in 2021)	**-**	(151)	**-**	(299)
Translation adjustments losses on financial instruments designated as net investment hedges	**(433)**	-	**(561)**	-
Foreign exchange gains on translation of foreign operations	**11,790**	2,509	**18,670**	2,509
Total other comprehensive income	**10,416**	2,200	**17,168**	2,122
Comprehensive loss	**(79,353)**	(4,108)	**(78,924)**	(8,471)

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

Interim Condensed Consolidated Statements of Financial Position
Unaudited

In thousands of Canadian dollars	As at September 30, 2022 $	As at March 31, 2022 $
Assets		
Current assets		
Cash and cash equivalents	**7,474**	5,985
Cash held for the benefit of third parties	**11,954**	20,544
Trade and other receivables (Note 6)	**8,225**	10,391
Current portion of unbilled receivables (Note 6)	**8,194**	8,540
Current portion of finance sub-lease receivable	**24**	-
Income taxes receivable	**1,761**	2,660
Current portion of tax credits receivable	**12,308**	10,727
Prepaid expenses and deposits	**4,510**	5,251
Derivative financial instruments	**-**	22
Assets held for sale (Note 7)	**41,396**	-
	95,846	64,120
Non-current assets		
Unbilled receivables (Note 6)	**13,965**	7,400
Finance sub-lease receivable	**149**	-
Property and equipment	**1,842**	2,258
Right-of-use assets	**7,640**	8,917
Intangible assets and acquired intangible assets	**101,691**	100,777
Goodwill (Note 8)	**167,688**	273,397
Tax credits receivable	**2,749**	2,858
Deferred tax assets	**1,098**	3,580
	392,668	463,307
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	**17,707**	21,193
Other accounts payable	**11,954**	20,544
Deferred revenues (Note 6)	**34,156**	29,253
Current portion of purchase price contingent consideration (Note 16)	**1,388**	49
Income taxes payable	**408**	84
Current portion of long-term debt (Note 9)	**2,741**	1,500
Current portion of lease liabilities	**2,265**	2,013
Derivative financial instruments	**1,480**	-
Liabilities held for sale (Note 7)	**1,363**	-
	73,462	74,636
Non-current liabilities		
Purchase price contingent consideration	**-**	680
Long-term debt (Note 9)	**61,765**	48,262
Deferred tax liabilities	**10,453**	13,049
Lease liabilities	**6,548**	7,739
	152,228	144,366
Shareholders' equity		
Share capital (Note 10)	**336,621**	336,621
Reserves	**20,412**	2,821
Retained earnings (deficit)	**(116,593)**	(20,501)
	240,440	318,941
	392,668	463,307

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

Interim Condensed Consolidated Statements of Changes in Shareholders' Equity

Unaudited

Six-month periods ended September 30, 2022

In thousands of Canadian dollars	Share capital $	Reserves: Stock option plan $	Reserves: Accumulated other comprehensive income (loss) $	Reserves: Total $	Retained earnings (Deficit) $	Total $
Balance as at March 31, 2022	336,621	4,752	(1,931)	2,821	(20,501)	318,941
Net loss	-	-	-	-	(96,092)	(96,092)
Other comprehensive income, net of income taxes	-	-	17,168	17,168	-	17,168
Comprehensive income for the period	-	-	17,168	17,168	(96,092)	(78,924)
Compensation under the stock option plan (Note 11)	-	423	-	423	-	423
Balance as at September 30, 2022	**336,621**	**5,175**	**15,237**	**20,412**	**(116,593)**	**240,440**

Six-month periods ended September 30, 2021

In thousands of Canadian dollars	Share capital $	Reserves: Stock option plan $	Reserves: Accumulated other comprehensive income $	Reserves: Total $	Retained earnings (Deficit) $	Total $
Balance as at March 31, 2021	216,975	3,680	475	4,155	3,437	224,567
Net loss	-	-	-	-	(10,593)	(10,593)
Other comprehensive income, net of income taxes	-	-	2,122	2,122	-	2,122
Comprehensive loss for the period	-	-	2,122	2,122	(10,593)	(8,471)
Issuance of common shares – net of issuance costs (Note 10b))	117,997	-	-	-	-	117,997
Deferred income tax related to share issuance costs (Note 10b))	1,668	-	-	-	-	1,668
Compensation under the stock option plan (Note 11)	-	518	-	518	-	518
Balance as at September 30, 2021	336,640	4,198	2,597	6,795	(7,156)	336,279

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

Interim Condensed Consolidated Statements of Cash Flows

Unaudited

	Three-month periods ended September 30,		Six-month periods ended September 30,	
	2022	2021	2022	2021
In thousands of Canadian dollars	$	$	$	$
CASH FLOWS RELATED TO				
Operating activities				
Net loss for the periods	**(89,769)**	(6,308)	**(96,092)**	(10,593)
Adjustments for the following items:				
Amortization and depreciation (Note 13)	**4,735**	2,862	**9,227**	5,133
Amortization of deferred financing costs (Note 14b))	**75**	158	**152**	215
Impairment loss (Note 13)	**85,604**	-	**85,604**	-
Gain on lease modification	**(238)**	-	**(238)**	-
Interest expense (Note 14b))	**945**	(35)	**1,473**	(97)
Change in fair value of purchase price contingent consideration	**646**	-	**647**	-
Share-based compensation (Note 11)	**202**	319	**423**	518
Unrealized foreign exchange loss	**1,652**	590	**900**	726
Deferred income tax recovery	**(236)**	(461)	**(794)**	(992)
Current income tax expense (recovery)	**529**	(909)	**418**	(1,205)
Changes in non-cash working capital items (Note 14a))	**(15,718)**	(9,769)	**(11,816)**	(6,097)
Changes in non-current unbilled receivables	**(3,135)**	-	**(6,565)**	-
Changes in non-current tax credits receivable	**135**	-	**109**	-
Interest received (paid)	**8**	171	**62**	247
Income taxes received (paid)	**(142)**	(313)	**529**	(666)
Net cash outflow from operating activities	**(14,707)**	(13,695)	**(15,961)**	(12,811)
Investing activities				
Business combinations	**-**	(227,192)	**-**	(227,192)
Purchase price contingent consideration paid	**(42)**	-	**(72)**	-
Acquisition of property and equipment	**(104)**	(129)	**(213)**	(229)
Acquisition of intangible assets	**(1,133)**	(1,422)	**(1,590)**	(2,156)
Net cash outflow from investing activities	**(1,279)**	(228,743)	**(1,875)**	(229,577)
Financing activities				
Net increase in long-term debt	**7,112**	35,590	**11,714**	35,590
Interest paid on long-term debt	**(664)**	(10)	**(1,075)**	(24)
Deferred financing costs paid	**-**	(439)	**-**	(439)
Lease payments	**(509)**	(489)	**(1,170)**	(957)
Issuance of common shares – net of issuance costs (Note 10b))	**-**	114,166	**-**	114,166
Net cash inflow from financing activities	**5,939**	148,818	**9,469**	148,336
Net decrease in cash and cash equivalents	**(10,047)**	(93,620)	**(8,367)**	(94,052)
Effect of foreign exchange rate changes on cash and cash equivalents	**2,703**	(203)	**1,946**	(330)
Cash and cash equivalents at beginning of periods	**27,452**	110,223	**26,529**	110,782
Cash and cash equivalents at end of periods	**20,108**	16,400	**20,108**	16,400
Cash and cash equivalents consist of the following statements of financial position items:				
Cash and cash equivalents	**7,474**	8,915	**7,474**	8,915
Cash held for sale (Note 7)	**680**	-	**680**	-
Cash held for the benefit of third parties	**11,954**	7,485	**11,954**	7,485

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

1 Incorporation and nature of operations

mdf commerce inc. (the "Corporation") provides e-business solutions to consumers and businesses. It operates its activities through its wholly-owned subsidiaries.

The Corporation, incorporated on February 16, 1996 under the *Canada Business Corporations Act*, is listed on the Toronto Stock Exchange (the "TSX") under the ticker symbol "MDF." Its head office is located at 1111 St-Charles West, East Tower, Suite 255, Longueuil, Quebec, Canada.

The Corporation's Board of Directors approved the interim condensed consolidated financial statements for the three-month and six-month periods ended September 30, 2022 and 2021 on November 11, 2022.

2 Basis of presentation

The accounting policies applied in these interim condensed consolidated financial statements are based on IFRS issued and effective as at September 30, 2022 and are the same as the accounting policies applied in the preparation of the annual consolidated financial statements of the Corporation for the years ended March 31, 2022 and 2021, except as set out below. The Corporation's reporting currency is the Canadian dollar.

Basis of preparation

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS) 34, *Interim Financial Reporting*, through the application of accounting principles that are compliant with International Financial Reporting Standards (IFRS). These interim condensed consolidated financial statements do not include all of the information required for complete financial statements under IFRS, including the notes, and should be read in conjunction with the annual consolidated financial statements of the Corporation for the years ended March 31, 2022 and 2021. The annual financial statements of the Corporation are available on SEDAR at www.sedar.com.

Comparative figures

Certain comparative figures have been reclassified to conform with the current period presentation.

3 New and revised IFRS, issued but not yet effective

a) Adopted in the current period

IFRS 3, Business Combinations

The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

Finally, the amendments add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination. The amendments were effective for annual periods beginning on or after January 1, 2022 and they were adopted with no impact on the interim condensed consolidated financial statements.

IAS 37, Provisions, Contingent Liabilities and Contingent Assets

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application. The amendments were effective for annual periods beginning on or after January 1, 2022 and they were adopted with no impact on the interim condensed consolidated financial statements.

IAS 16, Property, Plant and Equipment

In September 2020, IAS 16, *Property, Plant and Equipment* was amended to prohibit the deduction from the cost of an item of property and equipment of any proceeds from selling items produced before the asset is available for use. The proceeds from selling this property and equipment, as well as the related costs, will instead be recognized in profit or loss. The amendments were effective for annual periods beginning on or after January 1, 2022 and they were adopted with no impact on the interim condensed consolidated financial statements.

b) Issued but not yet effective

IAS 1, Presentation of Financial Statements

In January 2020, the IASB issued amendments to IAS 1, *Presentation of Financial Statements* regarding the classification of liabilities as current or non-current. These amendments clarify that the classification of liabilities as either current or non-current should be based on the entity's rights at the end of the reporting period and make clear the link between the settlement of the liability and the outflow of the entity's resources. These amendments are effective for fiscal years beginning on or after January 1, 2023 and should be applied retrospectively. The Corporation does not intend to early adopt these amendments and is assessing their impact on its consolidated financial statements.

In February 2021, the IASB issued amendments to IAS 1 requiring entities to disclose their material accounting policies rather than their significant accounting policies. The IASB has developed guidance and examples to help entities apply materiality judgments to accounting policy disclosure. The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and earlier application is permitted. The Corporation does not intend to early adopt these amendments and is assessing their impact on its consolidated financial statements.

IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors

In February 2021, the IASB issued amendments to IAS 8 introducing a definition of an accounting estimate and include other amendments to IAS 8 to help entities distinguish changes in accounting estimates from changes in accounting policies. The amendments are effective for annual periods beginning on or after January 1, 2023 and changes in accounting policies and changes in accounting estimates that occur on or after the start of that period and earlier application is permitted. The Corporation does not intend to early adopt these amendments and is assessing their impact on its consolidated financial statements.

IAS 12, Income Taxes

In May 2021, IASB issued amendments to IAS 12 clarifying the accounting for deferred tax on transactions such as leases and decommissioning obligations. The scope of the recognition exemption in IAS 12 no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and earlier application is permitted. The Corporation does not intend to early adopt these amendments and is assessing their impact on its consolidated financial statements.

4 Management's significant estimates and judgments

In preparing interim condensed consolidated financial statements in accordance with IFRS, management must exercise judgment when applying accounting policies and rely on estimates and assumptions, both affecting the reported amounts of revenues and expenses during the period, the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the reporting date. Management reviews its estimates regularly, and 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 the period being reviewed and future periods. Actual results may differ from these estimates. Explanations about the main assumptions and estimates are presented in Note 5 of the Corporation's audited consolidated financial statements for the years ended March 31, 2022 and March 31, 2021. Included hereafter are the most significant estimates and judgments used in the preparation of these interim condensed consolidated financial statements relating to the TRX model and to the measurement of assets.

Estimating variable consideration of TRX model agreements

Under the TRX model agreement, the transaction price is based entirely on variable consideration that is a significant estimate. The total contract value (TCV) represents the total convenience fee expected to be collected over the contract term, estimated based on a percentage of the customer's spend on eligible goods and services over the contract term. Customers spend is estimated based on historical purchases of goods and services and estimated growth from customers over the contract term.

Revenue recognized based on the TCV involves management judgement and significant assumptions including estimating the amount of government agency spend on eligible goods and services on which the convenience fees are estimated over the term of the contract, and on the collectability of convenience fees from suppliers.

After the initial determination of the TCV at inception of the contract, the transaction price can change for various reasons, including the resolution of uncertain events or other changes in circumstances that change the amount or timing of the transaction price, the consideration to which the Corporation expects to be entitled to in exchange for the promised goods and services to the government agencies, changes in the assessment of whether the variable consideration is constrained or a contract modification. At the end of each reporting period, the Corporation reviews the TCV, and assesses the key assumptions. Changes to the TCV could result in additional revenue or a reduction in revenue based on a cumulative adjustment from inception of the contract with the customer to the end of the current reporting period.

Changes in revenue would have an impact on the amount allocated to the SaaS performance obligation as the residual and would affect the corresponding contract asset or liability.

Allocation of the TCV to performance *obligations in a TRX Model*

The TRX model agreement includes performance obligations of right of use and professional services including implementation and managed services. For revenue recognition purposes the total transaction price (TCV) is first allocated to professional services based on a cost-plus a profit margin approach, and the residual amount is allocated to the right of use.

Changes in the revenue recognized from professional services would have an impact on the TCV amount allocated to the right of use performance obligation as the residual.

Measurement of assets

When applying the discounted future cash flows model to determine the fair value of groups of cash-generating units to which goodwill is allocated, certain parameters must be used, including estimates of future cash flows, discount rates and other variables; a high degree of judgement must therefore be exercised. Impairment tests on property and equipment, on intangible assets, and on acquired intangible assets are also based on similar assumptions. Any future deterioration in market conditions or poor operational performance could translate into an inability to recover the current carrying amounts of property and equipment, intangible assets, acquired intangible assets, and goodwill.

5 Segment information

The Corporation has determined that there is only one reportable segment, e-commerce services.

Geographical information is as follows:

	Three-month period ended September 30,		**Six-month period ended September 30,**	
	2022	**2021**	**2022**	**2021**
In thousands of Canadian dollars	**$**	**$**	**$**	**$**
Revenues				
United States	**20,229**	12,303	**36,743**	22,004
Canada	**10,681**	10,665	**24,143**	21,443
Europe	**1,001**	1,706	**2,090**	3,482
Asia and other	**1,305**	406	**2,436**	724
	33,216	25,080	**65,412**	47,653

In thousands of Canadian dollars	**As at September 30, 2022** **$**	**As at March 31, 2022** **$**
Non-current assets		
United States	**236,774**	295,570
Canada	**58,764**	97,114
Asia and other	**37**	65
	295,575	392,749

Revenues are attributed to countries based on the location of customers.

The total non-current assets, other than financial instruments and deferred taxes include property and equipment, right-of-use assets, intangible assets, acquired intangible assets, goodwill, unbilled receivables and tax credits receivable.

As at September 30, 2022, non-current assets presented above exclude deferred tax assets of $1,097,700 ($3,579,862 as at March 31, 2022).

6 Revenues

Revenues are detailed as follows:

	Three-month periods ended September 30,		**Six-month periods ended September 30,**	
	2022	**2021**	**2022**	**2021**
In thousands of Canadian dollars	**$**	**$**	**$**	**$**
Revenues from right of use	**24,252**	17,839	**47,008**	34,274
Revenues from professional services	**6,339**	4,387	**12,763**	7,927
Revenues from transaction fees	**1,978**	2,311	**4,369**	4,573
Revenues from maintenance and hosting services	**212**	99	**420**	141
Other	**435**	444	**852**	738
	33,216	25,080	**65,412**	47,653

Contract assets and liabilities

Below are the receivables, unbilled receivables, contract assets, and contract liabilities recognized in the Interim Condensed Consolidated Statements of Financial Position:

In thousands of Canadian dollars	**As at September 30, 2022** **$**	**As at March 31, 2022** **$**
Receivables (included in trade and other receivables)	**8,225**	10,391
Contract assets (included in unbilled receivables)	**22,159**	15,940
Deferred revenues	**34,156**	29,253

Contract assets

The change in contract assets is as follows:

In thousands of Canadian dollars	**2022** **$**	**2021** **$**
Balance as at March 31	**15,940**	1,680
Increase from business combinations	**-**	13,175
Increase in contract assets related to stage of completion	**9,846**	4,233
Decrease in contract assets related to billing or collection	**(5,242)**	(3,457)
Reclassification to assets held for sale (Note 7)	**(98)**	-
Foreign exchange	**1,713**	153
Balance as at September 30	**22,159**	15,784

All contract assets included in the current portion of unbilled receivables as at September 30, 2022 are expected to be collected from customers within the following year. There were no impairment losses recognized on receivables and contract assets arising from contracts with customers during the three and six-month periods ended September 30, 2022 and 2021.

As at September 30, 2022, the Corporation did not provide for an allowance for doubtful accounts on unbilled amounts, as amounts were deemed collectible (nil as at March 31, 2022).

Deferred revenues

The following table provides information related to deferred revenues (contract liabilities):

In thousands of Canadian dollars	**2022** **$**	**2021** **$**
Balance as at March 31	**29,253**	20,310
Increase in deferred revenues upon customer invoicing	**37,994**	25,613
Increase in deferred revenues from business combinations	**-**	3,167
Decrease in deferred revenues upon recognition in revenues of services rendered during the periods	**(35,057)**	(23,878)
Reclassification to liabilities held for sale (Note 7)	**(265)**	-
Foreign exchange	**2,231**	174
Balance as at September 30	**34,156**	25,386

Deferred revenues arise mainly from prepaid rights-of-use or professional services revenue.

Remaining Performance Obligations

Transaction prices for unfulfilled (or partially unfulfilled) performance obligations represent services that have not yet been performed, that will be recognized as revenue in future periods.

The total was $34,155,766 as at September 30, 2022 ($25,386,439 as at September 30, 2021), approximately 96% of which the Corporation expects to account for as revenues within the next 12 months and 4% in subsequent fiscal years (97% and 3% respectively as at September 30, 2021).

7 Disposal group held for sale

In September 2022, the Corporation's Board of Directors committed to a formal plan for the sale of its wholly-owned subsidiary InterTrade Systems Inc. ("InterTrade"), and together with the potential buyer, agreed on the final terms of the agreement in anticipation of closing the sale transaction.

As at September 30, 2022, in accordance with IFRS 5 *Non-current assets and discontinued operations*, the Corporation classified certain assets and liabilities recorded in this subsidiary as a disposal group classified as held for sale. No impairment loss on remeasurement of assets of the disposal group was recognized upon such classification. InterTrade provides e-commerce solutions to customers for supply chain collaboration. On October 4, 2022, the Corporation completed the sale of InterTrade through a share purchase agreement (Note 17).

The major classes of assets and liabilities pertaining to the disposal group and classified as held for sale are as follows as at September 30, 2022:

In thousands of Canadian dollars	**$**
Cash and cash equivalents	**680**
Trade and other receivables	**1,257**
Current portion of unbilled receivables	**98**
Prepaid expenses and deposits	**194**
Income taxes receivable	**372**
Intangible assets	**1,086**
Goodwill	**37,709**
Total assets of disposal group held for sale	**41,396**
Accounts payable and accrued liabilities	**943**
Deferred revenue	**265**
Deferred tax liabilities	**155**
Total liabilities of disposal group held for sale	**1,363**

8 Goodwill

The change in goodwill is as follows:

In thousands of Canadian dollars	**2022** **$**	**2021** **$**
Balance as at March 31	**273,397**	101,029
Addition from business combinations	**-**	168,256
Impairment loss	**(85,000)**	-
Reclassification to assets held for sale (Note 7)	**(37,709)**	-
Foreign exchange	**17,000**	1,654
Balance as at September 30	**167,688**	270,939

For the purposes of goodwill impairment testing, the Corporation has two cash-generating units (CGUs), the Corporation without Periscope Intermediate Corporation ("Periscope"), a wholly owned U.S. subsidiary of the Corporation acquired on August 31, 2021, and Periscope.

The goodwill recognized from the acquisition of Periscope arises mainly from the synergies with other activities of the Corporation, the economic value of the expertise of the workforce acquired as well as intangible assets that do not meet the criteria for separate recognition. The Corporation continues to execute on its plan to achieve the benefits of the acquisition of Periscope, including formalizing contractual agreements with governments, in line with its growth objectives. A long average buying cycle in the public sector, has impacted management's estimates of the expected timing of achieving actual revenue growth objectives, and consequently, the financial forecasts.

During the three and six-month periods ended September 30, 2022, the U.S. Federal Reserve increased the interest rate by 125 and 275 basis points respectively.

The increases in interest rates and the decrease in forecasted cash inflows from Periscope affect the future cash flows and the discount rate used in calculating the value in use and the recoverable amount for the Periscope's CGU. As a result, an impairment test was performed for this CGU.

As at September 30, 2022, the recoverable amount was determined using a value in use approach based on discounted future cash flow projections according to management's financial budget for fiscal year 2023 and the re-forecast for the current year and the following four years. These future cash flows consider Periscope's historical performance and the current economic situation and therefore include significant estimates that may differ from actual results.

Based on this test, the carrying amount of the CGU was determined to be higher than its recoverable amount of $194,575,000 and as a result, a goodwill impairment loss of $85,000,000 was allocated to goodwill and recorded in the three-month period ended September 30, 2022.

The key assumptions used in the estimation of value in use were as follow.

	As at September 30, 2022	**As at March 31, 2022**
Pre-tax discount rate in %	**18.5%**	16.5%
Terminal value growth rate in %	**4.5%**	4.5%

Following the impairment loss recognised in the Periscope's CGU, the recoverable amount was equal to the carrying amount. Therefore, adverse movements in key assumptions could lead to further impairment.

9 Long-term debt

Long-term debt is detailed as follows:

In thousands of Canadian dollars	As at September 30, 2022 $	As at March 31, 2022 $
Term Facility denominated in USD bearing interest at Libor rate plus 4.00% as at September 30, 2022, maturing on August 31, 2024	**21,931**	19,994
Revolving Facility denominated in CAD, bearing interest at the Bankers acceptance rate, plus 2.50% as at September 30, 2022, maturing on August 31, 2024	**36,297**	18,000
Revolving Facility denominated in USD, bearing interest at Libor rate, plus 2.50% as at September 30, 2022, maturing on August 31, 2024	**6,854**	12,496
	65,082	50,490
Less: Deferred financing fees	**(576)**	(728)
	64,506	49,762
Current portion	**2,741**	1,500
Long-term portion	**61,765**	48,262

On August 31, 2021, the Corporation and Tim USA Inc., a wholly-owned subsidiary of the Corporation, entered into a new credit agreement (the "Credit Agreement") with a Canadian financial institution under which the lender has provided a three-year secured revolving facility (the "Revolving Facility") of up to $50,000,000 with an accordion amount on the Revolving Facility up to $20,000,000 subject to the lender's approval, and a non-revolving credit facility (the "Term Facility") of up to US$16,000,000. The Credit Agreement matures on August 31, 2024, and any unpaid amounts are due in full at maturity.

During the three-month period ended September 30, 2022, the Corporation initiated proactive discussions with the Lender and on August 11, 2022, a second amendment to the Credit Agreement was executed, and provided for a reset of the fixed charge coverage ratio from 1.20:1.00 to 0.50:1.00 for the fiscal quarters ending on September 30 and December 31, 2022 and March 31, 2023. This amendment included modifications to the applicable margin and interest rates.

On October 4, 2022, simultaneous to the closing of the sale of InterTrade (Notes 7 and 17) a third amendment to the Credit Agreement was executed, which provides for a waiver of the fixed charge coverage ratio, which was replaced with a minimum EBITDA (as defined in the Credit Agreement) of zero calculated quarterly, for the fiscal quarters ending on December 31, 2022, March 31, 2023 and June 30, 2023, and that, until June 30, 2023, requires the approval of the lender for the use of funds as it relates to borrowings in excess of $30,000,000. As at July 1, 2023 and thereafter, the fixed charge coverage ratio must be at 1.20:1.00.

Revolving Facility

The maximum amount available under the Revolving Facility is calculated monthly using a percentage of the balance of eligible accounts receivable (as defined in the Credit Agreement), and a multiple of the Corporation's monthly recurring revenue (as defined in the Credit Agreement), up to a maximum amount of $50,000,000. As at September 30, 2022, the maximum borrowing base under the Revolving Facility was in excess of $50,000,000.

Borrowings under the Revolving Facility can be made by way of the following options: i) prime rate ii) US dollar base rate loans; iii) bankers' acceptances; iv) LIBOR; and v) letters of credit up to a maximum amount of $5,000,000 and for a term not exceeding one year.

Borrowings under the Revolving Facility bear interest at rates varying according to the chosen option, plus a margin based on the rate of use of the Revolving Facility. The Revolving Facility bears interest at a rate based on either prime or U.S. base rate, or U.S. prime plus a margin of 0.50% to 1.25% to December 31, 2022, 1.50% to 2.25% from January 1, 2023 to March 31, 2023 and 0.50% to 0.75% as of April 1, 2023 and thereafter. Bankers' acceptances and LIBOR loans bear interest at rate plus margin of 1.75% to 2.50% to December 31, 2022, 2.75% to 3.50% from January 1, 2023 to March 31, 2023 and 1.75% to 2.00% as of April 1, 2023 and thereafter.

The unused portion of the Revolving Facility bears standby fees at rates from 0.35% to 0.56% until December 31, 2022, 0.55% to 0.79% from January 1, 2023 to March 31, 2023 and from 0.35% to 0.45% from April 1, 2023 and thereafter.

Term Facility

The Term Facility of US$16,000,000 was available by way of a single borrowing on the closing date of the acquisition of Periscope. As at September 30, 2022, the borrowing under the Term facility is at the full available amount.

Loans under the Term Facility can be made by way of the following options: i) prime rate; ii) U.S. dollar base rate loans; iii) bankers' acceptances; and iv) LIBOR.

The Term Facility bears interest at a rate based either on the prime rate or U.S. base rate plus a margin of 2.25% to December 31, 2022 and as of April 1, 2023 and thereafter, and of 2.75% to 3.75% between January 1, 2023 and March 31, 2023 or on the bankers' acceptances or LIBOR, plus a margin of 3.50% to December 31, 2022 and as of April 1, 2023 and thereafter and of 4.00% to 5.00% between January 1, 2023 and March 31, 2023.

The Term Facility is repayable in equal consecutive quarterly payments based on an amortization rate of 10% per annum starting on September 30, 2022. As part of the third amendment to Credit Agreement, the lender postponed the September 30, 2022 principal and interest payment until the date upon which the net cash proceeds were received by the lender following the closing of the sale of InterTrade.

As at September 30, 2022, $36,297,449 was drawn on the Revolving Facility in Canadian dollars and CA$6,853,500 (US$5,000,000) on the Revolving Facility in U.S. dollars. As at September 30, 2022, the amount drawn on the Term Facility in U.S. dollars was CA$21,931,200 (US$16,000,000).

All obligations under the Credit Agreement are secured by a first-ranking lien on substantially all of the Corporation's consolidated assets, tangible and intangible, present and future during the term of the Credit Agreement.

Financial and restrictive covenants

The Credit Agreement contains certain financial and restrictive covenants customary for loans of this nature, including certain limitations to the amounts of investments, acquisitions, dispositions or sale of assets or equity interest in subsidiaries, debt, capital expenditures and distributions. As at September 30, 2022 and September 30, 2021, the Corporation is in compliance with the financial ratios and restrictive covenants as set out in the Credit Agreement and related amendments.

The Corporation evaluates the risk that is inherent in forecasts, that financial results may not materialize as planned, and for which significant differences could result in non-compliance with financial covenants as set out in the Credit Agreement.

Based on current projections, Management believes that the Corporation has sufficient capital resources available to maintain its capacity to meet working capital requirements, to support the Corporation's planned growth, fund the activities of its business plan, and maintain an appropriate level of capital spending. The Corporation's capital management objectives are included in Note 15.

Deferred financing costs

Deferred financing costs include legal and consulting fees, regulatory filing fees and other financing costs incurred in connection with the Credit Agreement. These costs are amortized over the term of the Credit Agreement. The unamortized portion of deferred financing costs amounted to $576,383 as of September 30, 2022.

10 Share capital and accumulated other comprehensive loss

a) Authorized and paid, unlimited number of:

- Common shares
- Preferred shares, issuable in series with terms, conditions and dividends to be determined by the Board of Directors upon issuance

b) The following table summarizes common share activity for the six-month periods ended September 30:

	2022		2021	
In thousands	**Shares**	**$**	**Shares**	**$**
Balance at beginning of periods	**43,971**	**336,621**	28,404	216,975
Issuance of common shares	-	-	15,567	124,290
Issuance costs	-	-	-	(6,293)
Deferred taxes on share issuance costs	-	-	-	1,668
Balance at end of periods	**43,971**	**336,621**	43,971	336,640

On August 31, 2021, the Corporation completed a bought deal offering on a private placement basis in relation to the acquisition of Periscope.

Under the bought deal offering, a total of 8,480,000 common shares of the Corporation were sold at a price of $8.00 per common share for an aggregate gross proceed of $67,840,000. The net proceeds of the investment amounted to $63,004,654, net of fees of $4,835,346.

On August 31, 2021, in relation to the acquisition of Periscope, the Corporation completed a private placement with Fonds de solidarité FTQ and Investissement Québec, under which a total of 6,577,389 common shares of the Corporation were sold at a price of $8.00 per common share for aggregate gross proceeds of $52,619,112. The net proceeds of the investment amounted to $51,182,082, net of fees of $1,437,030.

On August 31, 2021, the Corporation issued 509,438 common shares at a price of $7.52 per common share for total of $3,830,974 as partial consideration for the purchase price for the acquisition of Periscope. Share issuance costs of $18,045 were recorded relating to this share issuance.

c) Dividends declared

No dividends were declared or paid during the three and six-month periods ended September 30, 2022 and 2021.

d) Accumulated other comprehensive loss

The components of accumulated other comprehensive loss included as at September 30:

	2022	2021
In thousands of Canadian dollars	$	$
Cash flow hedges	**(941)**	88
Net investment hedges	**(632)**	-
Foreign exchange differences on translation of foreign operations	**16,810**	2,509
	15,237	2,597

11 Share-based payment

For the three-month and six-month periods ended September 30, 2022, the compensation expense under the stock option plan was $202,455 and $423,430 respectively ($319,184 and $518,342 respectively for the three-month and six-month periods ended September 30, 2021).

Issued and outstanding stock options changed as follows during the six-month periods ended September 30:

	2022		2021	
	Number of options *(in thousands)*	**Weighted-average exercise price**	**Number of options *(in thousands)***	**Weighted-average exercise price**
Outstanding at beginning of periods	**1,426**	**7.47**	1,027	7.46
Options granted	**-**	**-**	527	7.44
Options forfeited or cancelled	**(134)**	**6.84**	(82)	6.92
Outstanding at end of periods	**1,292**	**7.53**	1,472	7.48

Of the options outstanding at September 30, 2022, 51,250 were exercisable (25,000 as at September 30, 2021).

On September 15, 2021, the Corporation granted 30,000 stock options to members of the Board of Directors at an exercise price of $7.14 per share. These stock options expire ten years after the grant date and vest on September 1, 2022.

On September 10, 2021, the Corporation granted 497,273 stock options to employees and members of the Board of Directors at an exercise price of $7.46 per share with various service commencement dates between April 1, 2021 and September 30, 2021.

Of these stock options, 496,023 expire seven years after the grant date (or after the commencement date, if it precedes the grant date) and one third of the options will vest on each of the 3rd, 4th and 5th anniversaries of the grant date (or after the commencement date, if it precedes the grant date). The remaining 1,250 stock options expire ten years after the grant date and vest over a period of one year.

The weighted average fair value of the options granted during the six-month period ended September 30, 2021 was $1,788,304 or $3.39 per option using the Black-Scholes option pricing model with the following weighted average assumptions:

	Six-month periods ended September 30, 2021
Risk-free interest rate	0.86%
Expected dividend yield	Nil
Expected share price volatility	50.78%
Expected term of the options	5.4 years

The expected volatility is based on the historical volatility of the Corporation's share price traded in the market. The risk-free rate interest rate is equal to the yield available on government of Canada bonds at the grant date with a term that approximates the expected terms of the options.

As at September 30, 2022, issued and outstanding stock options were as follows:

Exercise price ($)	**Number of options (in thousands)**	**Remaining weighted average contractual life (in years)**	**Weighted-average exercise price ($)**
5.81 – 5.85	500	4.43	5.81
7.14 - 9.89	672	5.83	7.52
12.29 - 15.15	120	5.41	14.79
Total	1,292	5.25	7.53

12 Loss per share

Basic loss per share is calculated by dividing the net loss attributable to shareholders of the Corporation by the weighted average number of common shares outstanding during the period.

Diluted loss per share is calculated by adjusting the net loss attributable to shareholders of the Corporation by the weighted average number of common shares that would have been outstanding for the period assuming the conversion of all dilutive instruments. The Corporation's potentially dilutive instruments include stock options, which are excluded from the calculation in periods during which they are anti-dilutive.

For the three and six-month periods ended September 30, 2022 and 2021, all stock options were excluded from the calculation of the diluted loss per share since the impact would have been anti-dilutive as the Corporation is in a net loss position. As a result, diluted loss per share is equal to basic loss per share.

13 Expenses by type

The Interim Condensed Consolidated Statements of loss include the following items:

	Three-month periods ended September 30,		Six-month periods ended September 30,	
	2022	**2021**	**2022**	**2021**
In thousands of Canadian dollars	**$**	**$**	**$**	**$**
Acquisition-related costs	**805**	4,628	**1,712**	4,707
Amortization and depreciation				
Property and equipment	**231**	224	**486**	428
Intangible assets	**888**	795	**1,600**	1,491
Acquired intangible assets	**3,025**	1,337	**5,991**	2,219
Right-of-use assets	**591**	506	**1,150**	995
Total amortization and depreciation	**4,735**	2,862	**9,227**	5,133
Impairment loss				
Property and equipment	**187**	-	**187**	-
Right-of-use assets	**417**	-	**417**	-
Goodwill	**85,000**	-	**85,000**	-
Total impairment loss	**85,604**	-	**85,604**	-
Employee benefit expenses				
Salaries and employee benefits [i)]	**21,723**	17,321	**45,472**	33,798
Share-based compensation	**202**	319	**423**	518
Termination benefits	**294**	166	**311**	283
	22,219	17,806	**46,206**	34,599
Tax credits	**(1,185)**	(1,541)	**(2,415)**	(2,709)
Total employee benefit expenses	**21,034**	16,265	**43,791**	31,890

[i)] Due to the COVID-19 pandemic, the Corporation and some of its subsidiaries qualified for the Canada Emergency Wage Subsidy ("CEWS"). For the three-month and six-month periods ended September 30, 2022, salaries and benefits were presented net of the CEWS of nil (nil and $808,683 for the three-month and six-month periods ended September 30, 2021).

14 Supplementary statements of Loss and cash flow information

a) Changes in non-cash operating working capital items are as follows:

In thousands of Canadian dollars	**Three-month periods ended September 30, 2022 $**	**2021 $**	**Six-month periods ended September 30, 2022 $**	**2021 $**
Decrease (increase) in:				
Trade and other receivables	**(3,030)**	17	**(2,875)**	684
Unbilled receivables	**618**	(949)	**1,956**	(949)
Tax credits receivable	**(523)**	(1,446)	**(1,660)**	(1,756)
Prepaid expenses and deposits	**80**	391	**759**	975
Increase (decrease) in:				
Accounts payable and accrued liabilities	**(3,813)**	(12,434)	**(4,625)**	(13,265)
Deferred revenues	**509**	(310)	**3,219**	1,874
Changes in non-cash operating working capital excluding Other accounts payable	**(6,159)**	(14,731)	**(3,226)**	(12,437)
Other accounts payable [i)]	**(9,559)**	4,962	**(8,590)**	6,340
	(15,718)	(9,769)	**(11,816)**	(6,097)

[i)] Other accounts payable represent the offsetting entry of Cash held for the benefit of third parties on the Interim Condensed Consolidated Statements of Financial Position.

During the three and six-month periods ended September 30, 2022, the Corporation reclassified an amount of $79,000 from Tax credits receivable to Income taxes payable because the Corporation expects to use these tax attributes against income taxes payable during the upcoming fiscal year ($258,000 and $302,000 respectively during the three and six-month periods ended September 30, 2021).

During the six-month period ended September 30, 2021, the Corporation issued shares for a fair value of $3,830,974 related to the settlement of a business combination (Note 10).

b) Finance expense consist of the following:

	Three-month periods ended September 30,		Six-month periods ended September 30,	
	2022	**2021**	**2022**	**2021**
In thousands of Canadian dollars	**$**	**$**	**$**	**$**
Amortization of deferred financing costs	**75**	158	**152**	215
Interest on lease liabilities	**79**	173	**165**	264
Interest income on finance sub-lease	**(3)**	-	**(3)**	-
Interest on long-term debt	**877**	135	**1,373**	149
Interest income other	**(8)**	(343)	**(62)**	(510)
Other finance costs	**40**	131	**58**	131
	1,060	254	**1,683**	249

15 Capital management

The Corporation's capital management objective is to ensure it has sufficient liquidity to pursue its organic growth strategy, to make selective acquisitions, and to provide an appropriate return on investment to its shareholders. When necessary, the Corporation may borrow on its Revolving Facility or issue new shares to fund its additional cash requirements and business acquisitions.

To accomplish its stated objectives, the Corporation establishes long-term strategic and operating plans which includes financial forecasts. The Corporation's capital management strategy and liquidity adequacy is assessed by monitoring the expected cash inflows and outflows, which is achieved through a forecast of the Corporation's consolidated liquidity position. The sufficiency of capital resources is assessed in view of stress-tests, growth requirements, capital expenditures, and available credit facilities, working capital requirements, and compliance with financial covenants.

Based on financial forecasts, the Corporation has sufficient capital resources available to maintain its capacity to meet working capital requirements and financial commitments, to support the Corporation's planned growth, fund the activities of its business plan, maintain an appropriate level of capital spending, and comply with financial covenants required by the Credit Agreement.

Other than the financial ratios described in Note 9 and required by a financial institution, the Corporation's capital is not subject to any externally imposed capital requirements, and the Corporation does not currently use any quantitative measures to manage its capital.

16 Financial risk management

Foreign currency risk

The Corporation manages the foreign currency translation risk of its investments in U.S. dollar in part through the designation of its U.S. dollar foreign currency forward contracts as a hedge against net investments in foreign operations.

The Corporation designates the spot component of the U.S. dollar forward as the hedging instrument. As only the spot rate component of the forward contract is designated in the hedging relationship, no ineffectiveness is expected and no ineffectiveness was recognized in the Interim Condensed Consolidated Statement of Loss for the three-month and six-month periods ended September 30, 2022.

The hedged foreign currency risk component is the change in the carrying amount of the net assets of the foreign operations arising from spot U.S. dollar to Canadian dollar exchange rate movements. At September 30, 2022, a nominal of US$1,450,000 (CA$1,987,515) of foreign currency forward contracts was designated in a net investment hedge relationship.

In September 2022, the Corporation entered into foreign exchange forward contracts to manage the currency fluctuation risk associated with the consideration related to the sale of Intertrade (Notes 7 and 17) which was denominated in U.S. dollars. These contracts were designated as cash flow hedges and satisfied the requirements for hedge accounting. At September 30, 2022, foreign currency forward contracts with a total nominal of US$21,000,000 (CA$28,784,700) were designated as cash flow hedges.

Fair value of financial instruments

Financial instruments recognized at fair value are classified using a hierarchy that reflects the significance of the inputs used to measure the fair value.

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

An entity's own credit risk and the credit risk of the counterparty, in addition to the credit risk of the financial instrument, were factored into the fair value determination of the financial assets and financial liabilities, including derivative instruments. All financial instruments measured at fair value in the Interim Condensed Consolidated Statements of Financial Position were classified according to a three-level hierarchy:

- Level 1: valuation based on quoted prices (unadjusted) observed in active markets for identical assets or liabilities.

- Level 2: valuation techniques based on inputs that are quoted prices of similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; inputs other than quoted prices used in a valuation model that are observable for the instrument being valued; and inputs that are derived mainly from or corroborated by observable market data using correlation or other forms of relationship.
- Level 3: Valuation techniques based significantly on inputs that are not observable in the market.

The Corporation's policy is to recognize transfers made between different hierarchy levels at the date of the event or change in circumstances that caused the transfer. There were no transfers between levels during the three-month and six-month periods ended September 30, 2022 and 2021.

The following table presents the financial instruments measured at fair value on a recurring basis, classified using the hierarchy described above:

				As at September 30, 2022
	Level 1	**Level 2**	**Level 3**	**Total**
In thousands of Canadian dollars	**$**	**$**	**$**	**$**
Financial assets				
Derivative financial instruments	**-**	**-**	**-**	**-**
Financial liabilities				
Derivative financial instruments	**-**	**1,480**	**-**	**1,480**
Purchase price contingent consideration	**-**	**-**	**1,388**	**1,388**

				As at March 31, 2022
	Level 1	**Level 2**	**Level 3**	**Total**
In thousands of Canadian dollars	**$**	**$**	**$**	**$**
Financial assets				
Derivative financial instruments	-	22	-	22
Financial liabilities				
Derivative financial instruments	-	-	-	-
Purchase price contingent consideration	-	-	729	729

The fair value of the derivative financial instruments is a liability of $1,479,894 (US$1,079,663) and reflects the estimated amounts that the Corporation would pay if the contracts had been settled as at September 30, 2022, using relevant market rates. As at March 31, 2022, the fair value of derivative financial instruments was an asset of $22,237 (US$17,795).

Level 3

The fair value of purchase price contingent consideration is determined using a discounted cash flow analysis which makes use of unobservable inputs such as expected cash flows and risk adjusted discount rates.

Expected cash flows are estimated based on the terms of the contractual arrangements and the Corporation's knowledge of the business and how the current economic environment is likely to impact it.

The fair value of the purchase price contingent consideration is determined based on a discounted cash flow model. The main Level 3 inputs used by the Corporation to value the purchase price contingent consideration is the discount rate. A 1% change in the discount rate would not have a significant change in the fair value.

The reconciliation of Level 3 fair value purchase price contingent consideration measurements is as follows:

In thousands of Canadian dollars	**$**
Fair value as at March 31, 2022	**729**
Change in fair value of purchase price contingent consideration	**647**
Settlement of purchase price contingent consideration	**(72)**
Foreign exchange difference	**84**
Fair value as at September 30, 2022	**1,388**

The fair value of cash and cash equivalents, trade and other receivables, finance sub-lease receivable, accounts payable and accrued liabilities and other accounts payable approximates their carrying amounts due to their short-term maturities.

The fair value of long-term debt is not significantly different from its carrying amount as the contractual interest rate is close to the interest rate that the Corporation could have had on a similar financial instrument.

17 Subsequent events

Sale of InterTrade and repayment of long-term debt

On October 4, 2022, the Corporation entered into a Share Purchase Agreement with SPS Commerce, Inc. ("SPS") and concurrently closed the transaction for the sale of all the issued and outstanding shares of InterTrade, for a total cash consideration of $65,833,900 (US$48,500,000), subject to certain post-closing adjustments. Pursuant to this agreement, the Corporation received cash consideration of $62,700,505 (US$46,191,620) at the closing date of the transaction, which is the agreed upon purchase price, and amounts subject to customary closing adjustments including net working capital and amounts in escrow for customary indemnification purposes and transition services escrow. The transition services escrow is subject to the completion of certain transition services within 21 months following the closing of the transaction, which the Corporation expects to have completed by December 31, 2022. Upon the completion of these transition services between the closing date of the transaction and July 2024, an escrow amount of up to $2,741,400 (US$2,000,000) will be payable to the Corporation. If these transition services are completed later than July 2024, the escrow amount payable to the Corporation would be nil. The estimated gain on sale of the subsidiary is $25,418,000 (US$18,544,000). The final gain on sale of the subsidiary will be determined when the closing adjustments described above are finalized.

Transaction costs related to the sale of InterTrade were $705,778 and $1,340,605 respectively for the three and six-month periods ended September 30, 2022 and are included in General and Administrative expenses in the Interim Condensed Consolidated Statements of Loss.

On October 4, 2022, the Corporation repaid the Term Facility of $21,718,400 (US$16,000,000) plus accrued interest. As the Term Facility was available by way of a single use borrowing, it is no longer available to the Corporation.

On October 5, 2022, the Corporation used the balance of the net cash consideration received at closing to make a payment of $6,820,500 (US$5,000,000) on the Revolving Facility drawn in US dollars and $32,000,000 on the Revolving Facility drawn in Canadian dollars.