

AnalytixInsight Inc.

Condensed Consolidated Interim Financial Statements
(Expressed in Canadian dollars)

For the three and nine months ended September 30, 2021 and 2020

AnalytixInsight Inc.

Condensed consolidated interim statements of financial position
(Expressed in Canadian dollars)
(unaudited)

	Notes	September 30, 2021	December 31, 2020
ASSETS			
Current			
Cash		\$ 6,950,475	\$ 1,669,621
Restricted deposits		57,627	57,586
Accounts and other receivables	3	276,749	349,788
Prepaid expenses		119,544	146,418
Total current assets		7,404,395	2,223,413
Equipment	4	99,204	188,307
Intangible assets	5	-	107,276
Goodwill	5	-	687,116
Investment in associate	6	4,317,799	2,315,666
Other investment	9	60,000	60,000
Total assets		\$ 11,881,398	\$ 5,581,778
LIABILITIES			
Current			
Accounts payable and accrued liabilities	10	\$ 316,883	\$ 337,530
Lease liability	13	84,797	106,716
Deferred revenue		87,451	64,967
Loan payable	14	201,814	-
Total current liabilities		690,945	509,213
Lease liability	13	22,809	80,457
Loan payable	14	40,000	40,000
Total liabilities		753,754	629,670
SHAREHOLDERS' EQUITY			
Share capital	7	28,550,960	21,444,232
Reserves	8	4,481,841	2,108,862
Deficit		(22,117,355)	(18,830,172)
Currency translation reserve		212,198	229,186
Total shareholders' equity		11,127,644	4,952,108
Total liabilities and shareholders' equity		\$ 11,881,398	\$ 5,581,778
Nature of operations and going concern	1		
Commitments and contingencies	11		

Approved by the Board of Directors on November 19, 2021.

"Prakash Hariharan"
Prakash Hariharan – Director

"Chaith Kondragunta"
Chaith Kondragunta – Director

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

AnalytixInsight Inc.

Condensed consolidated interim statements of loss and comprehensive loss
(Expressed in Canadian dollars)
(unaudited)

	Notes	Three months ended September 30,		Nine months ended September 30,	
		2021	2020	2021	2020
REVENUE					
Services	12	\$ 703,799	\$ 900,505	\$ 2,430,961	\$ 2,295,885
TOTAL REVENUE		703,799	900,505	2,430,961	2,295,885
Cost of sales		583,693	606,668	1,770,601	1,708,755
Amortization	5	(205)	123,542	106,673	376,752
Gross profit		120,311	170,295	553,687	210,378
EXPENSES					
Consulting and compensation	10	531,827	460,664	1,344,239	1,155,064
Professional fees		101,641	62,651	240,374	133,141
General and administration		77,557	117,697	242,447	260,179
Selling and marketing		126,720	94,024	236,265	196,862
Travel		82,044	52,802	156,284	197,269
Depreciation	4	28,795	19,469	88,953	83,662
Share-based compensation	8	688,176	190,969	797,890	190,969
TOTAL EXPENSES		1,636,760	998,276	3,106,452	2,217,146
Loss before other items		(1,516,449)	(827,981)	(2,552,765)	(2,006,768)
OTHER ITEMS					
Interest expense		(2,233)	(17,014)	(8,306)	(26,571)
Other income		2,483	-	2,493	-
Share of (loss) income from investment in associate	6	(27,600)	109,895	(110,047)	432,478
Foreign exchange gain		9,615	(1,150)	13,104	12,386
Other tax expense		-	(707)	-	(707)
Impairment of goodwill	5	(677,120)	-	(677,120)	-
Net loss before tax		(2,211,304)	(736,957)	(3,332,641)	(1,589,182)
Income and other tax expense		-	-	-	-
Net loss for the period		(2,211,304)	(736,957)	(3,332,641)	(1,589,182)
Other comprehensive (loss) gain					
Foreign currency translation		2,230	(113,977)	(16,988)	67,397
Loss and comprehensive loss for the period		\$ (2,209,074)	\$ (850,934)	\$ (3,349,629)	\$ (1,521,785)
Weighted average number of shares outstanding – basic and diluted					
		96,037,611	78,062,912	86,977,257	77,958,447
Basic and diluted loss per share		\$ (0.02)	\$ (0.01)	\$ (0.04)	\$ (0.02)

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

AnalytixInsight Inc.

Condensed consolidated interim statements of cash flows
(Expressed in Canadian dollars)
(unaudited)

	Notes	Nine months ended September 30,	
		2021	2020
Cash provided by (used in):			
Operations:			
Net loss for the period		\$ (3,332,641)	\$ (1,589,182)
Items not involving cash:			
Depreciation	4	88,953	93,052
Amortization of intangible assets	5	106,673	376,752
Loss (income) from investment in associate	6	110,047	(432,478)
Share-based compensation	8	797,890	190,969
Impairment of goodwill	5	677,120	-
Net cash from operating activities before changes in working capital		(1,551,958)	(1,360,887)
Change in non-cash operating working capital		118,727	401,894
Net cash flows from operating activities		(1,433,231)	(958,993)
Investing:			
Investment in Marketwall	6	(2,112,180)	-
Additions to equipment	4	-	(11,646)
Net cash flows from investing activities		(2,112,180)	(11,646)
Financing:			
Payment of principal portion of lease liability	13	(79,567)	(73,179)
Exercise of stock options	7, 8	480,150	-
Exercise of warrants	7, 8	15,113	62,225
Prospectus financing	7	9,257,500	-
Share issuance costs	7	(1,025,488)	-
Loan payable		201,814	216,651
Net cash flows from financing activities		8,849,522	205,697
Effect of exchange rate change on cash		(23,257)	15,098
Change in cash for the period		5,304,111	(764,942)
Cash, beginning of the period		1,669,621	1,354,612
Cash, end of the period		\$ 6,950,475	\$ 604,768
Supplementary information:			
Right-of-use asset	4	\$ -	\$ 314,253
Broker warrants	7, 8	442,482	-
Broker units	7, 8	123,649	-
Per BS:		6,950,475	1,669,621
Cash Flow Check:		\$ -	1,064,853.00

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

AnalytixInsight Inc.

Condensed consolidated interim statement of changes in shareholders' equity
(Expressed in Canadian dollars)
(unaudited)

	Number of shares	Share capital	Reserves	Deficit	Currency translation reserve	Shareholders' equity
Balance, December 31, 2019	77,751,787	\$ 19,993,820	\$ 1,687,466	\$ (16,890,938)	\$ 232,066	\$ 5,022,414
Warrant exercise	311,125	97,835	(35,610)	-	-	62,225
Other comprehensive gain for the period	-	-	-	-	181,374	181,374
Net loss for the period	-	-	-	(494,525)	-	(494,525)
Balance, September 30, 2020	78,062,912	\$ 20,091,655	\$ 1,651,856	\$ (17,385,463)	\$ 413,440	\$ 4,771,488
Balance, December 31, 2020	81,122,549	\$ 21,444,232	\$ 2,108,862	\$ (18,830,172)	\$ 229,186	\$ 4,952,108
Warrant exercise	22,550	18,423	(3,310)	-	-	15,113
Option expiry	-	-	(45,458)	45,458	-	-
Option exercise	1,680,000	820,972	(340,822)	-	-	480,150
Option grant	-	-	797,889	-	-	797,889
Prospectus financing	13,225,000	7,755,304	1,502,196	-	-	9,257,500
Cost of issue	-	(1,591,619)	-	-	-	(1,591,619)
Broker units	-	103,648	20,001	-	-	123,649
Broker warrants	-	-	442,483	-	-	442,483
Other comprehensive loss for the period	-	-	-	-	(16,988)	(16,988)
Net loss for the period	-	-	-	(3,332,641)	-	(3,332,641)
Balance, September 30, 2021	96,050,099	\$ 28,550,960	\$ 4,481,841	\$ (22,117,355)	\$ 212,198	\$ 11,127,644

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

AnalytixInsight Inc.

Notes to condensed consolidated interim financial statements

For the three and nine months ended September 30, 2021 and 2020

(Expressed in Canadian dollars)

1. Nature of operations and going concern

AnalytixInsight Inc. (the “Company”) was continued as a corporation under the *Ontario Business Corporations Act* on August 18, 2014. The Company’s registered and head office address is located at 100-2 Toronto Street, Toronto, ON, M5C 2B5, Canada. The Company’s shares are listed on the TSX Venture Exchange (“TSX.V”) under the symbol “ALY”. The Company has a wholly owned subsidiary in the United States named Euclides Technologies, Inc. (“Euclides”, formerly named CapitalCube Corp.) and a 49% interest in an Italian company named Marketwall SRL (“Marketwall”).

The Company provides financial research and content for investors, information providers, finance portals and media through its online portal www.capitalcube.com and through its institutional partner Connect platform (collectively referred to as the big data and artificial intelligence business segment). It also provides system integration services for the WorkForce Management (“WFM”) industry through its Euclides Technologies, Inc. subsidiary (referred to as the professional services business). Marketwall focuses on mobile opportunities especially in the business to business and business to business to consumer spaces.

The Company has a history of operating losses and expects to incur further losses in the development of its businesses. As at September 30, 2021, the Company has a working capital of \$6,713,450 (December 31, 2020 – \$1,714,200). If the Company is unable to achieve profitable operations, other sources of funding will be required, and if not available, it is possible that the Company will be unable to continue as a going concern.

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. These condensed consolidated interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. Significant accounting policies

a) Basis of preparation

The Company prepares its unaudited condensed consolidated interim financial statements in accordance with IFRS as issued by the IASB applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting (“IAS 34”). These statements are condensed and do not include all information required for full annual financial statements and should be read in conjunction with the annual consolidated financial statements as at and for the year ended December 31, 2020.

These condensed consolidated interim financial statements were approved by the Board of Directors on November 19, 2021.

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for financial instruments classified as Fair Value Through Profit or Loss (“FVPL”), which are stated at their fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The condensed consolidated interim financial statements are presented in Canadian dollars and include the accounts of the Company, having a Canadian dollar functional currency, and its wholly-owned subsidiary, Euclides, having a US dollar functional currency. The functional currency was determined through an analysis of factors outlined in IAS 21. In the event that there are changes impacting the factors used to determine the functional currency, the Company re-evaluates its functional currency. No such evaluation was necessary during the reporting periods presented.

b) Basis of presentation

The condensed consolidated interim financial statements consolidate the accounts of AnalytixInsight Inc. and its subsidiary, Euclides Technologies Inc. All intercompany transactions, balances and unrealized gains and losses from intercompany transactions are eliminated on consolidation.

Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. The condensed consolidated interim financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiary after eliminating inter-entity balances and transactions.

AnalytixInsight Inc.

Notes to condensed consolidated interim financial statements

For the three and nine months ended September 30, 2021 and 2020

(Expressed in Canadian dollars)

2. Significant accounting policies (continued)

c) Accounting changes

The unaudited condensed consolidated interim financial statements were prepared using the same accounting policies and methods as those used in the Company's consolidated financial statements for the year ended December 31, 2020.

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2022. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2023.

IAS 37 – Provisions, Contingent Liabilities, and Contingent Assets ("IAS 37") was amended. The amendments clarify that when assessing if a contract is onerous, the cost of fulfilling the contract includes all costs that relate directly to the contract – i.e. a full-cost approach. Such costs include both the incremental costs of the contract (i.e. costs a company would avoid if it did not have the contract) and an allocation of other direct costs incurred on activities required to fulfill the contract – e.g. contract management and supervision, or depreciation of equipment used in fulfilling the contract. The amendments are effective for annual periods beginning on January 1, 2022.

IAS 16 – Property, Plant and Equipment ("IAS 16") was amended. The amendments introduce new guidance, such that the proceeds from selling items before the related property, plant and equipment is available for its intended use can no longer be deducted from the cost. Instead, such proceeds are to be recognized in profit or loss, together with the costs of producing those items. The amendments are effective for annual periods beginning on January 1, 2022.

IFRS 10 – Consolidated Financial Statements ("IFRS 10") and IAS 28 – Investments in Associates and Joint Ventures ("IAS 28") were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined, however early adoption is permitted.

3. Accounts and other receivables

	September 30, 2021	December 31, 2020
Trade receivables	\$ 195,281	\$ 313,494
Other receivables	81,468	36,294
	\$ 276,749	\$ 349,788

AnalytixInsight Inc.

Notes to condensed consolidated interim financial statements

For the three and nine months ended September 30, 2021 and 2020

(Expressed in Canadian dollars)

4. Equipment

	Right-of-use asset	Furniture & Fixtures	Computer hardware	Total
Cost:				
Balance, December 31, 2019	\$ 7,279	\$ -	\$ 54,732	\$ 62,011
Additions	278,100	11,646	-	289,746
Disposals	-	(11,646)	-	(11,646)
Effect of foreign currency exchange difference	-	-	(1,079)	(1,079)
Balance, December 31, 2020	\$ 285,379	\$ -	\$ 53,653	\$ 339,032
Effect of foreign currency exchange difference	-	-	38	38
Balance, September 30, 2021	\$ 285,379	\$ -	\$ 53,691	\$ 339,070
Depreciation:				
Balance, December 31, 2019	\$ -	\$ -	\$ 27,664	\$ 27,664
Depreciation charge for the period	107,199	3,639	12,887	123,725
Disposals	-	(3,639)	-	(3,639)
Effect of foreign currency exchange difference	-	-	2,975	2,975
Balance, December 31, 2020	\$ 107,199	\$ -	\$ 43,526	\$ 150,725
Depreciation charge for the period	80,035	-	8,918	88,953
Effect of foreign currency exchange difference	-	-	188	188
Balance, September 30, 2021	\$ 187,234	\$ -	\$ 52,632	\$ 239,866
Net book value, December 31, 2020	\$ 178,180	\$ -	\$ 10,127	\$ 188,307
Net book value, September 30, 2021	\$ 98,145	\$ -	\$ 1,059	\$ 99,204

AnalytixInsight Inc.

Notes to condensed consolidated interim financial statements

For the three and nine months ended September 30, 2021 and 2020

(Expressed in Canadian dollars)

5. Intangible assets and goodwill

	Software	Customer relationships	Total
Cost:			
Balance, December 31, 2019	\$ 1,575,077	\$ 1,058,308	\$ 2,633,385
Effect of foreign currency exchange difference	(31,046)	(20,862)	(51,908)
Balance, December 31, 2020	\$ 1,544,031	\$ 1,037,446	\$ 2,581,477
Effect of foreign currency exchange difference	1,091	734	1,825
Balance, September 30, 2021	\$ 1,545,122	\$ 1,038,180	\$ 2,583,302
Amortization:			
Balance, December 31, 2019	\$ 1,303,513	\$ 738,610	\$ 2,042,123
Charge for the period	224,361	273,234	497,595
Effect of foreign currency exchange difference	(37,085)	(28,432)	(65,517)
Balance, December 31, 2020	\$ 1,490,789	\$ 983,412	\$ 2,474,201
Charge for the period	52,943	53,730	106,673
Effect of foreign currency exchange difference	1,390	1,038	2,428
Balance, September 30, 2021	\$ 1,545,122	\$ 1,038,180	\$ 2,583,302
Net book value:			
As at December 31, 2020	\$ 53,242	\$ 54,034	\$ 107,276
As at September 30, 2021	\$ -	\$ -	\$ -

Goodwill

Balance, December 31, 2019	\$ 700,931
Effect of foreign currency exchange difference	(13,815)
Balance, December 31, 2020	687,116
Impairment	(677,120)
Effect of foreign currency exchange difference	(9,996)
Balance, September 30, 2021	\$ -

The Company will commence a strategic review of opportunities for its Workforce Management division, in light of the Company's increasing focus within the FinTech industry. At September 30, 2021, the Company recorded a one-time non-cash impairment charge of \$677,120 related to the carrying value of the goodwill associated with its Workforce Management division as part of this initiative and due to changes in market conditions.

AnalytixInsight Inc.

Notes to condensed consolidated interim financial statements

For the three and nine months ended September 30, 2021 and 2020

(Expressed in Canadian dollars)

6. Investment in associate

In January 2014, the Company registered a wholly owned subsidiary, Marketwall, which was based in Milan, Italy. Marketwall focused on mobile opportunities especially in the business to business and business to business to consumer spaces. On April 8, 2016, the Company and Grupo Intesa Sanpaolo (“Intesa Sanpaolo”) executed a definitive agreement pursuant to which Intesa Sanpaolo agreed to exercise their option to acquire a 33% share in the Company’s mobile subsidiary, Marketwall, for EUR 212,691 (\$315,230). The Company consolidated Marketwall from the date of incorporation to October 11, 2016, when the Company’s ownership was further diluted to 49%. The Company’s ownership of Marketwall during the nine months ended September 30, 2021 and year ended December 31, 2020 was 49%. Marketwall consolidated is comprised of Marketwall and InvestoPro, its wholly owned subsidiary.

A continuity of the investment in Marketwall as an associate is as follows:

Balance, December 31, 2019	\$	1,876,511
Share of income for the period		439,155
Balance, December 31, 2020	\$	2,315,666
Share of loss for the period		(110,047)
Investment in Marketwall		2,112,180
Balance, September 30, 2021	\$	4,317,799

Summarized financial information for Marketwall consolidated as at September 30, 2021 and December 31, 2020 and for the nine months ended September 30, 2021 and 2020 is as follows:

As at	September 30, 2021	December 31, 2020
Current and total assets	\$ 9,531,221	\$ 6,542,133
Current and total liabilities	2,268,664	2,337,851
Total shareholders' equity	7,262,557	4,204,282
Nine months ended	September 30, 2021	September 30, 2020
Revenue	\$ 3,717,988	\$ 4,399,134
Operating expenses	(3,942,483)	(3,516,525)
Net (loss) income and comprehensive (loss) income	(224,495)	882,609

Summarized financial information for Marketwall as at September 30, 2021 and December 31, 2020 and for the nine months ended September 30, 2021 and 2020 is as follows:

As at	September 30, 2021	December 31, 2020
Current and total assets	\$ 8,602,030	\$ 4,722,335
Current and total liabilities	2,033,454	2,079,052
Total shareholders' equity	6,568,576	2,643,283
Nine months ended	September 30, 2021	September 30, 2020
Revenue	\$ 3,717,988	\$ 4,399,134
Operating expenses	(3,127,769)	(3,512,209)
Net income and comprehensive income	590,219	886,925

AnalytixInsight Inc.

Notes to condensed consolidated interim financial statements

For the three and nine months ended September 30, 2021 and 2020

(Expressed in Canadian dollars)

6. Investment in associate (continued)

Summarized financial information for InvestoPro as at September 30, 2021 and December 31, 2020 and for the nine months ended September 30, 2021 and 2020 is as follows:

As at	September 30, 2021	December 31, 2020
Current and total assets	\$ 929,191	\$ 1,819,798
Current and total liabilities	235,210	258,799
Total shareholders' equity	693,981	1,560,999
Nine months ended	September 30, 2021	September 30, 2020
Revenue	\$ -	\$ -
Operating expenses	(814,714)	(4,316)
Net loss and comprehensive loss	(814,714)	(4,316)

Consolidated Marketwall recorded a net loss of \$224,495 (100% basis) in the nine months ended September 30, 2021 compared to net income of \$882,609 in the comparative period.

7. Share capital

	Number of shares	Stated value
Balance, December 31, 2019	77,751,787	\$ 19,993,820
Warrant exercise (Note 8)	311,125	97,835
Private placement	3,059,637	1,464,832
Cost of issue	-	(112,255)
Balance, December 31, 2020	81,122,549	\$ 21,444,232
Warrant exercise (Note 8)	22,550	18,423
Option exercise (Note 8)	1,680,000	820,972
Prospectus financing (Note 8)	13,225,000	9,257,500
Warrant allocation (Note 8)	-	(1,502,196)
Cost of issue (Note 8)	-	(1,591,619)
Broker units (Note 8)	176,642	123,649
Warrant allocation (Note 8)	-	(20,001)
Balance, September 30, 2021	96,226,741	\$ 28,550,960

On October 16, 2020, the Company closed a non-brokered private placement financing of 3,059,637 units at a price of \$0.55 per unit for gross proceeds of \$1,682,801. Each unit comprised one common share of the Company and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at a price of \$0.75 for a period of two years from the date of issue. The Company paid finder's fees of \$65,015 in relation to this private placement and issued 118,209 non-transferrable finder's warrants. Each finder's warrant entitles the holder to purchase one common share of the Company at a price of \$0.75 for a period of two years from the date of issue.

AnalytixInsight Inc.

Notes to condensed consolidated interim financial statements

For the three and nine months ended September 30, 2021 and 2020

(Expressed in Canadian dollars)

7. Share capital

On June 28, 2021, the Company closed a overnight marketed public offering of 13,225,000 units at a price of \$0.70 per unit for gross proceeds of \$9,257,500. Each unit comprised one common share of the Company and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at a price of \$0.90 for a period of three years from the date of issue. The Company paid of cash commission of \$648,025 and issued 925,750 compensation warrants, which entitles the holder of a whole warrant to acquire one common share for \$0.70 and one-half of one common share purchase warrant, which entitles the holder of the whole warrant to acquire an additional common share for \$0.90 for a period of three years from the date of issue. The Company also paid a finance fee payable through the issuance of 178,642 units, with each unit comprised of one common share and one-half of one common share purchase warrant, which entitles the holder of a whole warrant to acquire an additional common share for \$0.90 for a period of three years from the date of issue.

8. Reserves

	No. of options	Weighted average exercise price	Value of options vested	No. of warrants	Weighted average exercise price	Value of warrants vested	Total value
Balance, December 31, 2019	4,665,000	\$ 0.38	\$ 1,368,251	2,491,125	\$ 0.59	\$ 319,215	\$ 1,687,466
Expired	(200,000)	0.35	(40,963)	-	-	-	(40,963)
Granted	650,000	0.57	248,260	1,648,027	0.75	249,709	497,969
Exercised (Note 7)	-	-	-	(311,125)	0.20	(35,610)	(35,610)
Balance, December 31, 2020	5,115,000	\$ 0.40	\$ 1,575,548	3,828,027	\$ 0.59	\$ 533,314	\$ 2,108,862
Expired	(290,000)	0.19	(45,458)	-	-	-	(45,458)
Granted	1,955,000	0.68	797,889	8,089,446	0.90	1,964,680	2,762,569
Exercised (Note 7)	(1,680,000)	0.29	(340,822)	(22,550)	0.15	(3,310)	(344,132)
Balance, September 30, 2021	5,100,000	\$ 0.57	\$ 1,987,157	11,894,923	\$ 0.82	\$ 2,494,684	\$ 4,481,841

Stock option plan

The Company has an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company may from time to time, at its discretion, and in accordance with TSX.V requirements, grant to directors, officers, employees and consultants of the Company, non-transferable options to purchase common shares. Included in the Option Plan are provisions that provide that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company at the grant date. Vesting terms are determined at the time of grant by the Board of Directors.

AnalytixInsight Inc.

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8. Reserves (continued)**Stock options**

Number of options outstanding	Number of options exercisable	Grant date	Expiration date	Exercise price	Grant date					
					Estimated grant date fair value vested	Expected volatility	Expected life (years)	Expected dividend yield	Risk-free interest rate	Share price
640,000	640,000	20-Dec-13	20-Dec-23	\$ 0.75	\$ 456,580	121%	10.00	0.00%	2.67%	\$ 0.85
300,000	300,000	16-Mar-17	16-Mar-22	\$ 0.24	\$ 47,175	83%	5.00	0.00%	0.81%	\$ 0.24
555,000	555,000	14-Nov-17	14-Nov-22	\$ 0.47	\$ 161,321	99%	5.00	0.00%	1.67%	\$ 0.46
150,000	150,000	11-Dec-17	11-Dec-22	\$ 0.53	\$ 58,124	97%	5.00	0.00%	1.67%	\$ 0.54
75,000	75,000	6-Feb-18	6-Feb-23	\$ 0.49	\$ 32,622	140%	5.00	0.00%	2.04%	\$ 0.49
375,000	375,000	10-Oct-18	10-Oct-23	\$ 0.31	\$ 92,543	114%	5.00	0.00%	2.33%	\$ 0.31
540,000	540,000	31-Oct-19	31-Oct-24	\$ 0.36	\$ 146,114	103%	5.00	0.00%	1.56%	\$ 0.37
510,000	510,000	31-Aug-20	31-Aug-25	\$ 0.57	\$ 194,789	87%	5.00	0.00%	0.40%	\$ 0.57
400,000	300,000	16-Oct-20	16-Oct-23	\$ 0.68	\$ 145,360	85%	3.00	0.00%	0.34%	\$ 0.68
1,555,000	1,555,000	12-Jul-21	21-Jul-26	\$ 0.70	\$ 652,529	91%	5.00	0.00%	0.93%	\$ 0.62
5,100,000	5,000,000			\$ 0.57	\$ 1,987,157		5.47			

Expected volatility is based on the Company's historical volatility.

The weighted average remaining life of the outstanding options at September 30, 2021 is 2.98 years (December 31, 2020 – 2.34 years).

The weighted average market price of the shares on the date of exercise was \$0.87 (no exercises in 2020).

Warrants

Number of warrants outstanding	Number of warrants exercisable	Grant date	Expiration date	Exercise price	Grant date					
					Estimated grant date fair value vested	Expected volatility	Expected life (years)	Expected dividend yield	Risk-free interest rate	Share price
2,000,000	2,000,000	25-Jun-19	25-Jun-22	\$ 0.65	\$ 257,155	83%	3.00	0.00%	1.42%	\$ 0.35
162,000	162,000	25-Jun-19	25-Jun-22	\$ 0.65	\$ 23,810	83%	3.00	0.00%	1.42%	\$ 0.35
1,529,818	1,529,818	16-Oct-20	15-Oct-22	\$ 0.75	\$ 217,970	79%	2.00	0.00%	0.23%	\$ 0.68
113,659	113,659	16-Oct-20	15-Oct-22	\$ 0.75	\$ 31,070	79%	2.00	0.00%	0.23%	\$ 0.68
7,163,696	7,163,696	28-Jun-21	28-Jun-24	\$ 0.90	\$ 1,656,727	78%	3.00	0.00%	0.63%	\$ 0.59
925,750	925,750	28-Jun-21	28-Jun-24	\$ 0.70	\$ 307,952	78%	3.00	0.00%	0.63%	\$ 0.59
11,894,923	11,894,923			\$ 0.82	\$ 2,494,684		2.86			

Expected volatility is based on the Company's historical volatility.

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9. Financial instruments**Fair value of financial instruments**

The Company's financial assets and financial liabilities as at September 30, 2021 and December 31, 2020 were as follows:

	Amortized cost	FVPL	Total
December 31, 2020			
Cash	\$ 1,669,621	\$ -	\$ 1,669,621
Restricted deposits	57,586	-	57,586
Accounts and other receivables	349,788	-	349,788
Other investment	-	60,000	60,000
Accounts payable and accrued liabilities	(337,530)	-	(337,530)
Loan payable	(40,000)	-	(40,000)
September 30, 2021			
Cash	\$ 6,950,475	\$ -	\$ 6,950,475
Restricted deposits	57,627	-	57,627
Accounts and other receivables	276,749	-	276,749
Other investment	-	60,000	60,000
Accounts payable and accrued liabilities	(316,883)	-	(316,883)
Loan payable	(241,814)	-	(241,814)

The risk associated with any significant concentration of credit risk at September 30, 2021 and December 31, 2020 is mitigated by the quality of the receivables and customers. All receivables owing from these customers as at September 30, 2021 were received subsequent to the end of the reporting period. The carrying amount reflected above represents the Company's maximum exposure to credit risk for such receivables.

The fair values of these financial instruments approximate their carrying values because of their short-term nature and/or the existence of market related interest rate on the instruments.

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9. Financial instruments (continued)

Level 3 hierarchy

Other investment relates to shares received as debt settlement in the amount of \$60,000 during the year ended December 31, 2016. The other investment is classified as a Level 3 financial instrument within the hierarchy of the Company's financial instruments, measured at FVPL in the consolidated statements of financial position as at September 30, 2021 and December 31, 2020.

Within Level 3, the Company includes private company investments which were not quoted on an exchange. The key assumptions used in the valuation of these instruments included (but were not limited to) the value at which a recent financing was done by the investee, company-specific information, trends in general market conditions and the share performance of comparable publicly traded companies. Information from a recent financing was used to determine the value of the assets at \$60,000 as at September 30, 2021 (December 31, 2020 - \$60,000).

The unrealized gain (loss) recognized for these assets for the nine months ended September 30, 2021 was \$nil (2020 - \$nil).

Valuations of investments for which market quotations are not readily available, are inherently uncertain, may fluctuate within short periods of time and are based on estimates, and determination of fair value may differ materially from the values that would have resulted if a ready market existed for the investments. Given the size of the private investment portfolio, such changes may have a significant impact on the Company's financial condition or operating results.

For those investments valued based on a recent financing or transaction price, management has determined that there are no reasonably possible alternative assumptions that would change the fair value significantly as at September 30, 2021. A +/- 25% change in the fair value of these Level 3 investments as at September 30, 2021 will result in a corresponding +/- \$15,000 (2020 - \$15,000). The sensitivity analysis is intended to reflect the significant uncertainty inherent in the valuation of private investments under current market conditions, and that results cannot be extrapolated due to non-linear effects that changes in valuation assumptions may have on the estimated fair value of these investments. The analysis does not indicate a probability of changes occurring and it does not necessarily represent the Company's view of expected future changes in the fair value of these investments. Any management actions that may be taken to mitigate inherent risks are not reflected in this analysis.

Financial risk factors

The Company is exposed to a variety of financial instrument related risks:

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. At September 30, 2021, 93% (December 31, 2020 – 88% due from two customers) of the accounts receivable were due from two customers with strong credit ratings. All receivables owing from these customers as at September 30, 2021 and December 31, 2020 were received subsequent to period end.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting its financial liability obligations. The Company manages its liquidity risk through cash and debt management. The Company's objective in managing liquidity risk is to increase revenue, minimize operational costs and to maintain sufficient liquidity in order to meet these operational requirements at any point in time. As at September 30, 2021, the Company has a cash balance of \$6,950,475 (December 31, 2020 – \$1,669,621) current liabilities of \$690,945 (December 31, 2020 - \$509,213) and a working capital of \$6,713,450 (December 31, 2020 - \$1,714,200). The Company's ability to meet its financial liability obligations and continue to operate as a going concern may include raising capital through a share issuance to obtain sufficient funding. There is no certainty of the Company's ability to raise additional financing through this method.

Interest rate risk

The Company has cash balances and all amounts are held with accredited banks. As of September 30, 2021, the Company had short term deposit certificates of \$5,000,000 held with an accredited Canadian bank (December 31, 2020 - \$nil). A change in interest rate of +/- 1% would result in a change in interest income of \$50,000 (2020 - \$nil).

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9. Financial instruments (continued)Currency risk

The Company generates revenue and incurs expenses and expenditures in Canada and the United States. As a result, fluctuations in the rate of exchange between U.S. dollars, Canadian dollars and other currencies can have an effect on the Company's reported results. The Company has not utilized any financial instruments or cash management policies to mitigate the risks arising from changes in foreign currency rates. The net Canadian dollar equivalent of the total of its cost of sales, selling and administrative, and sales denominated in US dollars was approximately \$501,108 for the nine months ended September 30, 2021. Accordingly, a 10% increase or decrease in the exchange rate between U.S. and Canadian dollars would result in an increase or decrease of approximately \$52,211 in net loss for the period.

The Canadian dollar equivalent of net assets denominated in US dollars as at September 30, 2021 was approximately \$679,684. Accordingly, a 10% increase or decrease in the exchange rate between U.S. and Canadian dollars would impact net loss by approximately \$67,968.

Capital management

The Company defines capital that it manages as being composed of share capital, reserves, deficit and cash. Its objective when managing capital is to ensure that the Company will continue as a going concern, so that it can provide products and services to its customers and returns to its shareholders.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents and investments. The Company requires capital to maintain its operating businesses, sustain corporate operations and repay existing obligations. The Company may seek additional financing by means of issuing share capital, the sale of assets or debt financing. There can be no certainty of the Company's ability to raise any additional financing from any of these sources.

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Board of Directors. The Company is currently not subject to externally imposed capital requirements.

The Company's capital management objectives, policies and processes have not changed during the nine months ended September 30, 2021.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX.V which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of September 30, 2021, the Company believes it is compliant with the policies of the TSX.V.

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10. Related party transactions

Unless otherwise specified, the period end balances of receivables/payables referred to are non-interest bearing, unsecured, receivable or payable on demand, and have arisen from the provision of services and expense reimbursements. There were no amounts owed to key management personnel not disclosed elsewhere in these condensed consolidated interim financial statements.

Compensation of key management personnel

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of directors and other members of key management personnel (officers) during the periods presented were as follows:

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2021	2020	2021	2020
Short-term benefits	\$ 199,125	\$ 89,250	\$ 469,125	\$ 267,750
Share-based payments	220,307	114,581	220,307	114,581
	\$ 419,432	\$ 203,831	\$ 689,432	\$ 382,331

At September 30, 2021, the Company had \$nil (December 31, 2020 – \$nil) in accounts payables owing to related parties. These amounts are unsecured, non-interest bearing and due on demand.

See also Note 11.

11. Commitments and contingencies

The Company is party to certain management contracts. These contracts require payments of \$1,041,700 upon the occurrence of a change in control of the Company, as defined by each officer's respective consulting agreement. The Company is also committed to payments upon termination of \$53,250 pursuant to the terms of these contracts. As a triggering event has not taken place, the contingent payments have not been reflected in these financial statements.

The Company is subject to various claims, lawsuits and other complaints arising in the ordinary course of business. The Company records provisions for losses when claims become probable and the amounts are estimable. Although the outcome of such matters cannot be determined, it is the opinion of management that the final resolution of these matters will not have a material adverse effect on the Company's financial condition, operations or liquidity.

Novel Coronavirus

The Company's operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company's operations and ability to finance its operations. To date the Company has experienced limited contract delays with proposed new contracts with new customers resulting from the global pandemic. Despite these delays, the Company's operations have been relatively stable. The Company has ongoing, long-term contracts with several quality customers that have not been impacted by the pandemic and has allowed the Company to continue operations with little impact.

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12. Segmented information

IFRS 8 requires operating segments to be determined based on the Company's internal reporting to the Chief Operating Decision Maker ("CODM"). The CODM has been determined to be the Company's Chief Executive Officer as he is primarily responsible for the allocation of resources and the assessment of performance. The CODM uses net income, as reviewed at periodic business review meetings, as the key measure of the Company's results as it reflects the Company's underlying performance for the period under evaluation.

The CODM's primary focus for review and resource allocation is the Company as a whole and not any component part of the business. Having considered these factors, management has judged that the Company's operations comprise two operating segments under IFRS 8 – Big Data and WorkForce Management.

Information about the Company's revenues based on the type of services provided is as follows:

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2021	2020	2021	2020
Big data	\$ 49,401	\$ 33,527	\$ 117,212	\$ 101,888
WorkForce Management	654,398	866,978	2,313,749	2,193,997
	\$ 703,799	\$ 900,505	\$ 2,430,961	\$ 2,295,885

Information about the Company's expenses based on the type of services provided is as follows:

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2021	2020	2021	2020
Big data	\$ 1,259,638	\$ 515,695	\$ 2,083,381	\$ 1,031,318
WorkForce Management	377,122	482,581	1,023,071	1,185,828
	\$ 1,636,760	\$ 998,276	\$ 3,106,452	\$ 2,217,146

The Company's revenues are substantially derived from customers in the United States during the nine months ended September 30, 2021 and 2020. All of the Company's revenues recognized as services are rendered throughout the term of the contract for the nine months ended September 30, 2021 and 2020.

Assets of the Company are segmented based on the type of services provided and were as follows:

	Current assets	Property and equipment	Intangible assets and goodwill	Other non-current assets	Total assets
Balance, December 31, 2020					
Big data	\$ 1,337,158	\$ 178,180	\$ 53,241	\$ 2,375,666	\$ 3,944,245
WorkForce Management	886,255	10,127	741,151	-	1,637,533
	\$ 2,223,413	\$ 188,307	\$ 794,392	\$ 2,375,666	\$ 5,581,778
Balance, September 30, 2021					
Big data	\$ 6,432,888	\$ 98,145	\$ -	\$ 4,377,799	\$ 10,908,832
WorkForce Management	971,507	1,059	-	-	972,566
	\$ 7,404,395	\$ 99,204	\$ -	\$ 4,377,799	\$ 11,881,398

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12. Segmented information (continued)**Significant customers**

In each respective year, revenues from customers that amounted to more than 10% of the Company's revenues accounted for the following percentage of the Company's total revenues and accounts receivable, as follows:

	% of revenues for the nine months ended September 30, 2021	% of accounts receivable at September 30, 2021	% of revenues for the nine months ended September 30, 2020	% of accounts receivable at December 31, 2020
Customer 1	63%	54%	54%	78%
Customer 2	30%	13%	38%	10%

13. Lease liability

In December 2019, the Company entered into a lease for office equipment. The monthly lease payment is \$388 a quarter for a fixed term of five years, commencing on December 20, 2019. In January 2020, the Company entered into a lease for office space with a monthly payment of \$18,852 until August 1, 2022. The Company used a discount rate of 7.5% in determining the present value of the lease payments.

Lease liability, December 31, 2019	\$	7,279
Lease addition		278,100
Interest expense		17,234
Lease payments		(115,440)
Lease liability, December 31, 2020	\$	187,173
Interest expense		8,129
Lease payments		(87,696)
Lease liability, September 30, 2021	\$	107,606

	September 30, 2021
Current lease liability	\$ 84,797
Non-current lease liability	22,809
	\$ 107,606

Future undiscounted minimum lease payments for these lease agreements are as follows:

Within one year	\$	108,850
After one year but not more than five years		1,550
More than five years		-
	\$	110,400

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14. Loan payable

In January 2021, the Company received a Paycheck Protection Program (“PPP”) loan in the amount of \$199,445 (US\$142,700). In October 2021, the Company received notification that the required employee retention criteria had been met and that the loan had been forgiven.

In 2020, the Company received a \$40,000 Canadian Emergency Business Account (“CEBA”) loan. In January 2021, the Company received an additional \$20,000 on its CEBA loan. The CEBA loan is from the Government of Canada and is interest free through December 31, 2022, after which any unpaid balance is converted to a five-year interest-bearing term loan. Repaying the loan balance in full on or before December 31, 2022 will result in loan forgiveness of up to CAD\$20,000. The Company repaid the unforgivable \$40,000 balance of the loan in October 2021.