



Condensed Consolidated Interim Financial Statements

Killi Ltd. (formerly Freckle Ltd.)

June 30, 2021

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited interim condensed consolidated financial statements of Killi Ltd. (Formerly Freckle Ltd.) have been prepared by and are the responsibility of the Company's management.

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

Killi Ltd. (Formerly Freckle Ltd.)

Unaudited Condensed Consolidated Interim Statements of Financial Position

As at June 30, 2021, and December 31, 2020

(in Canadian Dollars)

	Note	June 30, 2021	December 31, 2020
Assets			
<i>Current Assets</i>			
Cash and cash equivalents	4	\$ 3,634,705	\$ 1,519,500
Trade and other receivables	5	220,565	382,399
Prepaid expenses		193,835	193,238
<i>Total current assets</i>		<u>4,049,105</u>	<u>2,095,137</u>
<i>Non Current Assets</i>			
Property and equipment, net	6	39,482	\$ 50,756
<i>Total assets</i>		<u>\$ 4,088,587</u>	<u>\$ 2,145,893</u>
Liabilities and Shareholders' Equity			
<i>Current Liabilities</i>			
Trade and other liabilities	7	1,033,089	\$ 848,544
Current portion of loan payable	8	7,042	26,409
<i>Total current liabilities</i>		<u>1,040,131</u>	<u>874,953</u>
Non-current portion of loan payable	8	27,179	\$ 30,702
<i>Total liabilities</i>		<u>\$ 1,067,310</u>	<u>\$ 905,655</u>
<i>Shareholders' equity</i>			
Share capital	10	27,743,438	\$ 24,227,148
Warrants	10	1,053,867	500,552
Contributed surplus		1,684,727	1,163,694
Cumulative translation adjustment		35,572	118,749
Deficit		(27,496,327)	(24,769,905)
<i>Total Shareholders' equity</i>		<u>\$ 3,021,277</u>	<u>\$ 1,240,238</u>
<i>Total Shareholders' equity and liabilities</i>		<u>\$ 4,088,587</u>	<u>\$ 2,145,893</u>
Related party and commitments	9, 12		

Approved on behalf of the Board of Directors:

Original signed by
Neil Sweeney, CEO & Founder

Original signed by
Robert Fericola, Chair of the Audit Committee

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

Killi Ltd. (Formerly Freckle Ltd.)

Unaudited Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

Three and six months ended June 30, 2021 and 2020

(in Canadian Dollars)

	Note	Three months ended June 30,		Six months ended June 30,	
		2021	2020	2021	2020
Revenue	13, 23	\$ 171,070	10,252	\$ 328,058	\$ 25,287
Cost of services	14	255,336	2,022	480,504	7,571
Gross profit (loss)		(84,266)	8,230	(152,446)	17,716
Expenses					
General and administrative	15	540,171	398,648	773,530	1,066,691
Research and development	16	244,518	417,354	451,896	1,134,908
Selling and business development	17	274,155	79,802	572,181	187,275
Marketing	18	432,760	66,786	891,296	160,450
		1,491,604	962,590	2,688,903	2,549,324
Other income (loss)					
Gain (loss) on sale of Freckle business unit	3 (d)	92,690	(21,643)	108,655	(21,643)
Interest income		3,273	5,401	6,272	3,355
		95,963	(16,242)	114,927	(18,288)
Net income (loss) from continuing operations		(1,479,907)	(970,602)	(2,726,422)	(2,549,896)
Loss from discontinued operations, net of tax	22	-	(441,894)	-	73,579
Net loss		(1,479,907)	(1,412,496)	(2,726,422)	(2,476,317)
Other comprehensive gain (loss)					
Foreign currency translation differences		(22,518)	136,445	(83,177)	(145,675)
Total comprehensive loss		\$ (1,502,425)	\$ (1,276,051)	\$ (2,809,599)	\$ (2,621,992)
Net loss per share from continuing operations:					
Basic and diluted	10	\$ (0.023)	\$ (0.021)	\$ (0.042)	\$ (0.055)
Net loss per share from discontinued operations:					
Basic and diluted	10	\$ -	\$ (0.009)	\$ -	\$ 0.002
Weighted average number of common shares outstanding					
Basic and diluted		64,628,833	46,704,395	64,628,833	46,704,395

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

Killi Ltd. (Formerly Freckle Ltd.)

Unaudited Condensed Consolidated Interim Statements of Changes in Equity
Six months ended June 30, 2021 and 2020
(in Canadian Dollars)

		Number of Common Shares (As restated - Note 10)	Share Capital	Warrants	Contributed Surplus	Cumulative translation adjustment	Accumulated Deficit	Total Equity (Deficiency)
Balance as at January 1, 2020		43,304,343	\$ 21,014,079	\$ 1,212,669	\$ 400,439	\$ 26,609	\$ (20,115,131)	\$ 2,538,665
Issuance of share capital related to the private placement		8,400,000	823,289	226,711	-	-	-	\$ 1,050,000
Share issuance costs		-	(18,035)	(4,967)	-	-	-	\$ (23,002)
Reclassing expired warrants		-	-	(481,250)	481,250	-	-	\$ -
Share-based compensation	11	-	-	-	76,490	-	-	\$ 76,490
Net loss and comprehensive loss		-	-	-	-	(145,675)	(2,476,318)	\$ (2,621,992)
Balance as at June 30, 2020		<u>51,704,343</u>	<u>21,819,333</u>	<u>953,163</u>	<u>958,179</u>	<u>(119,066)</u>	<u>(22,591,449)</u>	<u>1,020,161</u>
Balance as at January 1, 2021		60,204,343	24,227,148	500,552	1,163,694	118,749	(24,769,905)	1,240,238
Issuance of share capital related to the private placement	10	7,054,818	3,516,827	1,068,805	-	-	-	\$ 4,585,632
Share issuance costs	10	-	(49,154)	(14,938)	-	-	-	\$ (64,092)
Reclassing expired warrants	10	-	-	(500,552)	500,552	-	-	\$ -
Exercise of stock options	10	118,733	48,617	-	(18,934)	-	-	\$ 29,683
Share-based compensation	11	-	-	-	39,415	-	-	\$ 39,415
Net loss and comprehensive loss		-	-	-	-	(83,177)	(2,726,422)	\$ (2,809,599)
Balance as at June 30, 2021		<u>67,377,894</u>	<u>27,743,438</u>	<u>1,053,867</u>	<u>1,684,727</u>	<u>35,572</u>	<u>(27,496,327)</u>	<u>\$ 3,021,277</u>

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

Killi Ltd. (Formerly Freckle Ltd.)

Unaudited Condensed Consolidated Interim Statements of Cash Flows
Six months ended June 30, 2021 and 2020
(in Canadian Dollars)

	Note	Six months ended June 30,	
		2021	2020
Operating activities			
Net loss from continuing operations		\$ (2,726,422)	\$ (2,549,896)
Net gain from discontinued operations	22	-	73,579
Adjustments to net loss:			
Amortization of property and equipment		11,153	12,907
(Gain) loss on sale of disposed business	3 (d)	(108,655)	21,643
Interest related to financing, net		4,556	1,262
Share based compensation	11	39,415	76,490
Net change in non-cash operating working capital	20	345,903	211,928
Net cash flows used in operating activities		<u>(2,434,050)</u>	<u>(2,152,087)</u>
Financing activities			
Issuance of related party demand loans		-	(754)
Issuance of units, net issuance costs		3,467,673	800,394
Issuance of warrants, net issuance costs		1,053,867	226,712
Proceeds on exercise of stock options		29,683	-
Repayment of debt		(22,890)	(3,222)
Interest paid		(4,556)	(1,262)
Cash flows from financing activities		<u>4,523,777</u>	<u>1,021,868</u>
Investing activities			
Proceeds on disposal of business		108,655	(21,643)
Purchase of property and equipment		-	(3,446)
Cash flows from (used in) investing activities		<u>108,655</u>	<u>(25,089)</u>
Effect of foreign exchange on cash and cash equivalents		(83,177)	(145,774)
Net increase/(decrease) in cash and cash equivalents		2,115,205	(1,301,082)
Cash and cash equivalents, beginning of year		1,519,500	2,364,127
Cash and cash equivalents, end of period		<u>\$ 3,634,705</u>	<u>\$ 1,063,045</u>

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

KILLI LTD. (Formerly Freckle Ltd.)

Notes to the Unaudited Condensed Consolidated Interim Financial Statements Three and six months ended June 30, 2021 and 2020 (in Canadian Dollars)

1. CORPORATE INFORMATION

Killi Ltd. (“Killi”, the “Company”) is a company driven by consumer data and privacy evolution. Offering compliant, first-party data to brands & agencies, platforms, and data companies, Killi allows consumers to visit the platform, confirm their identity and unveil data that has been collected and sold on them for years. Kill enables consumers to take back control of this data by setting up a Killi account where, should they choose to, consumers can be compensated for using their data.

The address of the Company’s corporate office is 1306-80 John Street, Toronto, ON, M5V 3X4.

Killi, formerly Freckle Ltd., was incorporated on January 14, 1997 pursuant to the ABCA as 723765 Alberta Ltd.

On June 14, 2019, the Company completed a reverse takeover transaction, pursuant to which Freckle I.O.T. Ltd. amalgamated with a wholly owned subsidiary of the Company and was subsequently renamed Freckle Ltd. and continued as a corporation under the Ontario Business Corporation Act.

On May 25, 2020, the Company changed its name from Freckle Ltd. to Killi Ltd. and the Company’s common shares commenced trading on the TSX Venture Exchange (the “TSXV”) under the symbol “MYID”.

On May 29, 2020, the Company finalized a definitive asset purchase agreement with PlaceIQ, Inc. (“PlaceIQ”) for the sale of certain assets of the Company’s offline attribution and data business (see Note 22).

On November 4, 2020, the Company completed its up-list and the Company’s common shares commenced trading on the OTCQB Venture Market under the symbol “MYIDF”.

On April 1, 2021, the Company consolidated all the issued and outstanding common shares on a five for one basis (the “Consolidation”). The Consolidation reduced the common shares issued and outstanding at April 1, 2021 from 336,296,001 pre-consolidated to 67,259,161 post-consolidated common shares.

KILLI LTD. (Formerly Freckle Ltd.)

Notes to the Unaudited Condensed Consolidated Interim Financial Statements Three and six months ended June 30, 2021 and 2020 (in Canadian Dollars)

2. GOING CONCERN UNCERTAINTY

These unaudited condensed consolidated interim financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards (“IFRS”) as issued by International Accounting Standards Board (IASB). The going concern basis of presentation assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. During the six months ended June 30, 2021, the Company incurred a comprehensive loss of \$2,809,599 (2020 - \$2,621,992) and negative cash flows from operations of \$2,434,050 (2020 – \$2,152,087). In addition, the Company has an accumulated deficit of \$27,496,327 (December 31, 2020 - \$24,769,905).

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company’s own resources and external market conditions.

The Company’s ability to continue as a going concern, realize its assets and discharge its liabilities in the normal course of business, meet its corporate administrative expenses, continue its research and development activities and support the operations of its subsidiaries, is dependent upon management’s ability to obtain additional financing, through various means including but not limited to equity financing. No assurance can be given that any such additional financing will be available, or that it can be obtained on terms favorable to the Company. The Company has also been affected by the outbreak of COVID-19. The full impact of the COVID-19 pandemic on our full year financial results will depend on future development, such as the ultimate duration and scope (see Note 3 (e)). The above factors indicate a material uncertainty that may cast significant doubt as to the Company’s ability to continue to operate as a going concern.

These unaudited condensed consolidated interim financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these financial statements, then adjustments would be necessary to the carrying amounts of assets and liabilities, the reported expenses and the classifications used in the statements of financial position.

3. SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been used throughout all periods presented in the unaudited condensed consolidated interim financial statements.

(a) Basis of preparation and statement of compliance with IFRS

These unaudited condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with IAS 34 and International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and the Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”) and in effect at the closing date of June 30, 2021.

KILLI LTD. (Formerly Freckle Ltd.)

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

Three and six months ended June 30, 2021 and 2020

(in Canadian Dollars)

On August 27, 2021, the Company's Board of Directors approved these unaudited condensed consolidated interim financial statements and authorize them for issue.

In accordance with IAS 34, the same accounting policies are followed in the unaudited condensed consolidated interim financial statements as were followed in the most recent annual consolidated financial statements for the year ended December 31, 2020.

(b) Basis of consolidation

The consolidated financial statements include the accounts of Killi Ltd. and its subsidiaries. The chart below summarizes the entities included in the unaudited condensed consolidated interim financial statements as at June 30, 2021 and December 31, 2020.

Entity Name	Place of Incorporation	Ownership	Functional Currency
Killi Ltd (formerly Freckle Ltd)	Ontario, Canada	Parent	Canadian dollars
Killi Inc (formerly Freckle I.O.T. Ltd)	Ontario, Canada	Wholly owned subsidiary of Killi Ltd	Canadian dollars
Killi Holdings Ltd (formerly Killi Inc)	Ontario, Canada	Wholly owned subsidiary of Killi Inc	Canadian dollars
Killi USA Inc (formerly Freckle I.O.T. USA Inc)	Delaware, USA	Wholly owned subsidiary of Killi Inc	United States dollars

(c) Critical accounting estimates and judgements

The Company's unaudited condensed consolidated interim financial statements are prepared in accordance with IFRS recognition and measurement principles that often require Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts presented and disclosed in the unaudited condensed consolidated interim financial statements.

Management reviews these estimates and assumptions on an ongoing basis based on historical experience, changes in business conditions and other relevant factors as it believes to be reasonable under the circumstances. Changes in facts and circumstances may result in revised estimates, and actual results could differ from those estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The estimates, judgments and assumptions applied in the interim condensed unaudited condensed consolidated interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Company's last annual audited consolidated financial statements for the year ended December 31, 2020.

KILLI LTD. (Formerly Freckle Ltd.)

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

Three and six months ended June 30, 2021 and 2020

(in Canadian Dollars)

(d) Discontinued operations and gain (loss) on sale

A disposal group qualifies as discontinued operation if it is a major component of an entity that either has been disposed of, or, is classified as held for sale, and represents a separate major line of business or geographical areas of operations, is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or, is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of loss and comprehensive loss.

The measurement of the consideration promised in the contract is variable depending on the results of the disposed business. The Company is entitled to a revenue share net of any directly attributed costs governed by the asset purchase agreement. In accordance with IFRS 15, the Company is to recognize an amount of variable consideration only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. At the end of each reporting period, the Company updates its estimated transaction price for assessment of variable consideration. Management believes that it is highly probable that a revenue reversal would occur, as such, management has made the judgment that no amount of variable consideration can be estimated reliably. The Company to date has recognized revenue on the sale based on the actual revenue share amount earned to the end of June 30, 2021.

(e) Impact of COVID-19 outbreak

In Q1 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, American, provincial, state and municipal governments regarding travel, business operations and isolation/quarantine orders.

In response the Company has qualified for the Canadian Emergency Wage Subsidy (“CEWS”) and the Canadian Emergency Rent Subsidy (“CERS”). The amounts received have been broken down as follows:

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
CEWS	\$ 166,662	\$ 166,845	\$ 320,770	\$ 166,845
CERS	12,504	-	24,225	-
	<u>\$ 179,166</u>	<u>\$ 166,845</u>	<u>\$ 344,995</u>	<u>\$ 166,845</u>

These amounts have been netted against departmental expenses in the unaudited condensed consolidated interim statement of loss and comprehensive loss. The Canadian government announced its intention to extend the wage subsidy though to September 2021. The Company will continue to monitor changes to CEWS, CERS and other COVID-19 related grants and subsidies that may be available.

The future effect of COVID-19 on the economy and businesses, in general, remains uncertain. The medium and long term impact to the Company from COVID-19 will depend on the financial solutions achieved with

KILLI LTD. (Formerly Freckle Ltd.)

Notes to the Unaudited Condensed Consolidated Interim Financial Statements Three and six months ended June 30, 2021 and 2020 (in Canadian Dollars)

government, lenders, post COVID-19 consumer behaviours, and the macro impact on the overall economy.

The Company continues to monitor and actively manage the developing impacts from COVID-19 and will continue to assess impacts to the Company's operations and the reported value of assets and liabilities reported in these unaudited condensed consolidated interim financial statements.

There are material uncertainties related to the full effects of COVID-19 on the Company's business and operations, particularly, on the timing and collections of accounts receivables.

4. CASH AND CASH EQUIVALENTS

On October 28, 2020, the Company purchased a \$1,000,000 redeemable guaranteed investment certificate ("GIC") with a maturity date of Oct 28, 2021 and an interest rate of 0.45%. As of June 30, 2021 the balance of the GIC was \$200,000 (December 31, 2020 - \$1,000,000).

On March 11, 2021, the Company purchased a \$3,300,000 redeemable guaranteed investment certificate ("GIC") with a maturity date of March 11, 2022 and an interest rate of 0.35%. As of June 30, 2021 the balance of the GIC was \$3,300,000 (December 31, 2020 - \$nil).

5. TRADE AND OTHER RECEIVABLES

The amounts recognized in the unaudited condensed consolidated interim statements of financial position relating to trade and other receivables are determined as follows:

Trade receivables and other receivables consists of billings for revenue earned.

	As at June 30, 2021	As at December 31, 2020
Input tax receivable	\$ 43,919	\$ 23,661
Government receivables	3,000	62,632
Trade accounts receivable, gross ¹	187,740	305,647
Allowance for credit losses	(14,094)	(9,541)
	<u>\$ 220,565</u>	<u>\$ 382,399</u>

¹The trade amount receivable, gross includes the receivable due from PlaceIQ.

The changes in the expected credit loss are as follows:

	As at June 30, 2021	As at December 31, 2020
Opening allowance for expected credit losses	\$ 9,541	\$ 35,163
Provision for expected credit losses	4,553	128,833
Less: Trade receivables written off	-	(154,455)
Closing balance for expected credit losses	<u>\$ 14,094</u>	<u>\$ 9,541</u>

KILLI LTD. (Formerly Freckle Ltd.)

Notes to the Unaudited Condensed Consolidated Interim Financial Statements Three and six months ended June 30, 2021 and 2020 (in Canadian Dollars)

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

6. PROPERTY AND EQUIPMENT

	Computer Equipment	Furniture	Vehicle	Total
Cost:				
As December 31, 2019	\$ 77,080	\$ 9,592	\$ 40,053	\$ 126,725
Additions	6,666	-	-	6,666
Disposals	(1,446)	(9,592)	-	(11,038)
At December 31, 2020	\$ 82,300	\$ -	\$ 40,053	\$ 122,353
Additions	-	-	-	-
Disposals	(121)	-	-	(121)
At June 30, 2021	\$ 82,179	\$ -	\$ 40,053	\$ 122,232
Accumulated amortization:				
As December 31, 2019	\$ 46,672	\$ 5,184	\$ 1,112	\$ 52,968
Amortization	18,262	1,439	6,676	26,377
Disposals	(1,125)	(6,623)	-	(7,748)
As December 31, 2020	\$ 63,809	\$ -	\$ 7,788	\$ 71,597
Amortization	\$ 7,815	\$ -	\$ 3,338	\$ 11,153
Disposals	-	\$ -	-	-
At June 30, 2021	\$ 71,624	\$ -	\$ 11,126	\$ 82,750
Carrying amounts:				
At December 31, 2020	\$ 18,491	\$ -	\$ 32,265	\$ 50,756
At June 30, 2021	\$ 10,555	\$ -	\$ 28,927	\$ 39,482

7. TRADE AND OTHER LIABILITIES

	As at June 30, 2021	As at December 31, 2020
Trade payables	\$ 725,141	\$ 570,964
Accrued liabilities	307,948	277,580
Total trade and other liabilities	\$ 1,033,089	\$ 848,544

8. LOAN PAYABLE

On October 16, 2019, the Company entered into a credit agreement with a Canadian chartered bank for a vehicle in the amount of \$45,238 with payments due in equal installments until the maturity date of October 27, 2025 at which time the loan will be paid in full. The credit agreement bears an interest rate of 5.89% and the term of the loan is 72 months. The loan is secured by the vehicle which has a net book

KILLI LTD. (Formerly Freckle Ltd.)

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

Three and six months ended June 30, 2021 and 2020

(in Canadian Dollars)

value of \$28,927 as of June 30, 2021. (December 31, 2020 - \$32,625). Total interest of \$1,061 was paid for the period ended June 30, 2021 (December 31, 2020 - \$2,428). The total loan payable outstanding at June 30, 2021 is \$34,221 of which \$7,042 (December 31, 2020 - \$6,942) is included in current liabilities.

On July 7, 2020, and November 17, 2020 the Company entered into a credit agreement with an insurance company in the amount of \$27,778 and \$16,418 respectively with payments due in equal installments until the maturity date of April 7, 2021 at which time the loan will be paid in full. The credit agreement bears an interest rate of 3.00% and the term is 10 months. Total interest of \$621 was paid for the period ended June 30, 2021 (December 31, 2020 - \$571). The total loan payable outstanding at June 30, 2021 is \$nil (December 31, 2020 - \$19,467).

9. RELATED PARTY & KEY MANAGEMENT COMPENSATION

Included in salaries, benefits and recruiting within general and administrative expenses on the statement of loss and comprehensive loss for the six months ended June 30, 2021 are the amounts of \$nil (six months ended June 30, 2020 - \$2,242) for a vehicle provided to an officer of the Company and \$6,600 (six months ended June 30, 2020 - \$6,600) earned by an individual related to the same officer of the Company.

Compensation for key management personnel, including the Company's officers and directors, was as follows for the period:

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Salaries, benefits and contractors	\$ 68,500	\$ 175,192	\$ 171,511	\$ 463,604
Stock based compensation	2,542	7,991	11,380	18,106
Board fees and related stock based compensation	7,009	-	13,941	817
Total key management compensation	\$ 78,051	\$ 183,183	\$ 196,832	\$ 482,527

10. SHARE CAPITAL

On April 1, 2021, the Company consolidated all the issued and outstanding common shares on a five for one basis. No fractional shares were issued, therefore each fractional share then remaining after the consolidation was cancelled. All shares, warrants, options, per share figures and references in the financial statements have been retroactively adjusted to reflect the share consolidation (Note 1).

Authorized:

Unlimited number of common shares, no par value. There are no rights, preferences or restrictions attached to that class.

KILLI LTD. (Formerly Freckle Ltd.)

Notes to the Unaudited Condensed Consolidated Interim Financial Statements Three and six months ended June 30, 2021 and 2020 (in Canadian Dollars)

Issued and outstanding:

	Number of Shares	Balance
Balance as of January 1, 2020	43,304,343	\$ 21,014,079
Issuance pursuant to private placement May 18, 2020 ¹	8,400,000	805,254
Issuance pursuant to the exercise of stock options	100,000	92,804
Issuance pursuant to the exercise of warrants	8,400,000	2,315,011
Balance as of December 31, 2020	60,204,343	\$ 24,227,148
Issuance pursuant to private placement March 10, 2021²	7,054,818	3,467,673
Issuance pursuant to the exercise of stock options	118,733	48,617
Balance as of June 30, 2021	67,377,894	\$ 27,743,438

¹ Transaction costs include legal expenses of \$29,738, all of which was allocated to share capital.

² Transaction costs include allocated legal expenses of \$49,154.

Warrants issued and outstanding:

	<u>June 30, 2021</u>		
	<u>Number of Share Warrants</u>	<u>Weighted average exercise price</u>	<u>Expiry date</u>
Balance as of January 1, 2021	1,896,620	\$1.40	
Issuance pursuant to private placement March 10, 2021 ¹	7,054,818	\$1.05	March 10, 2023
Expiry of issuance pursuant to private placement March 28, 2019 ²	(1,500,000)	\$1.50	March 28, 2021
Expiry of compensation warrants issuance pursuant to the conversion of subscription receipts and private placement June 14, 2018	(396,620)	\$1.00	June 14, 2021
Balance as of June 30, 2021	7,054,818	\$1.05	
	<u>December 31, 2020</u>		
	<u>Number of Share Warrants</u>	<u>Weighted average exercise price</u>	<u>Expiry date</u>
Balance as of January 1, 2020	4,838,295	\$1.46	
Expiry of issuance pursuant to private placement April 17, 2018 ³	(1,925,000)	\$1.50	April 17, 2020
Expiry of commission warrants issuance pursuant to the private placement April 17, 2018 ³	(15,750)	\$1.50	April 17, 2020
Issuance pursuant to private placement May 18, 2020	8,400,000	\$0.25	November 16, 2021
Expiry of issuance pursuant to private placement September 28, 2018 ⁴	(935,925)	\$1.50	September 28, 2020
Expiry of issuance pursuant of private placement December 31, 2018 ⁵	(65,000)	\$1.50	December 31, 2020
Exercise of warrants	(8,400,000)	\$0.25	
Balance as of December 31, 2020	1,896,620	\$1.40	

KILLI LTD. (Formerly Freckle Ltd.)

Notes to the Unaudited Condensed Consolidated Interim Financial Statements Three and six months ended June 30, 2021 and 2020 (in Canadian Dollars)

¹Transaction costs include allocated legal costs of \$14,938. The warrants expire after two years, however, the Company has the right to accelerate exercise if the share has traded at a price greater than or equal to \$1.50 for 20 consecutive days on any Canadian market, following which the warrants will expire if not exercised within 30 days.

²Transaction costs include 3.5% cash commission of \$52,500, of which \$13,125 was allocated to warrants, advisory fee of \$125,000, of which \$7,500 was allocated to warrants, compensation warrants fair value costs of \$222,672, of which \$12,789 was allocated to warrants and legal costs of \$466,856 of which \$63,708 was allocated to warrants. The warrants expire after two years.

³Transaction costs include 7% cash commission on certain investments totalling \$15,750 of which \$3,937 was allocated to warrants, 7% warrant commission on certain investments equating to 78,750 warrants valued at \$3,938 of which \$984 was allocated to warrants and legal costs totalling \$32,747 of which \$8,188 was allocated to warrants.

⁴Transaction costs include allocated legal costs of \$9,561.

⁵Transaction costs include allocated legal costs of \$632.

The below inputs and assumptions were used in the fair value determination of the warrants:

	<u>March 10, 2021</u>	<u>May 18, 2020</u>
Weighted average share price	\$0.130	\$0.025
Volatility	100%	100%
Risk free interest rate	0.22%	0.32%
Dividend yield	-	-
Barrier	\$0.300	\$0.080
Rebate	\$0.090	\$0.030

Loss per share:

	<u>Three months ended June 30,</u>		<u>Six months ended June 30,</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Weighted average number of common shares outstanding	67,376,629	46,704,395	64,628,833	46,704,395
Additions to reflect the dilutive effect of employee stock options and warrants	-	-	-	-
Adjusted denominator for diluted loss per share	67,376,629	46,704,395	64,628,833	46,704,395

All convertible items are anti-dilutive and were not included in the compilation of diluted common shares.

11. STOCK OPTION PLAN

The stock option plan is applicable to employees and directors of the Company. The options are granted at the Company's current fair market value of the common shares under terms and conditions determined by the Board. Under the terms of the plan, the options generally vest proportionately over a three-year period and expire five years from the date of the grant. There were 551,000 options issued in the period ended June 30, 2021 (six months ended June 30, 2020 – 116,704) to employees and contractors. The fair value of compensation expense related to options issued to employees and contractors for the period ended June 30, 2021 is \$39,415 (six months ended June 30, 2020 - \$76,490). On May 25, 2020, the Company repriced a total of 701,954 options to a new exercise price of \$0.25. On August 27, 2020, the Company repriced a total of 70,000 options to a new exercise price of \$0.35. On November 6, 2020, the Company repriced a total of 50,000 options to a new exercise price of \$0.25. The impact of the repricing in 2020 increased the fair value of previously granted stock options by \$34,284. An additional increase in

KILLI LTD. (Formerly Freckle Ltd.)

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

Three and six months ended June 30, 2021 and 2020

(in Canadian Dollars)

fair value of \$6,858 for previously granted stock options will be recognized over the remaining vesting term. The Company may issue up to 10% of common shares outstanding as options under its stock option plan.

	<u>June 30, 2021</u>	Number of Options	Weighted average exercise price
Outstanding, January 1, 2021		1,806,952	\$0.35
Granted		551,000	0.55
Exercised		(118,733)	0.46
Forfeited		(733,333)	0.27
Outstanding, June 30, 2021		1,505,886	\$0.40

	<u>December 31, 2020</u>	Number of Options	Weighted average exercise price
Outstanding, January 1, 2020		1,563,970	\$0.65
Granted		937,800	0.40
Exercised		(100,000)	0.25
Forfeited		(594,818)	0.65
Outstanding, December 31, 2020		1,806,952	\$0.35

The Company uses the Black-Scholes method to calculate option values, the below assumptions were used for all options issue:

	<u>2021</u>	<u>2020</u>
Weighted average share price	\$0.55	\$0.08
Expected life, in years	1-5	1-5
Volatility	100%	100%
Risk free interest rate	0.22% - 0.45%	0.2% - 1.44%
Anticipated forfeiture	55% - 63%	0%-48%
Dividend yield	-	-

The maximum term of the options is 5 years. The share price is the fair value of the shares based on the market share price the day of the grant. The volatility is based on comparable public companies within comparable industries.

KILLI LTD. (Formerly Freckle Ltd.)

Notes to the Unaudited Condensed Consolidated Interim Financial Statements
Three and six months ended June 30, 2021 and 2020
(in Canadian Dollars)

The following table summarizes information about stock options as at June 30, 2021:

<u>Options Outstanding</u>			<u>Options Exercisable</u>
<u>Exercise prices</u>	<u>Number outstanding</u>	<u>Weighted average remaining contractual life (years)</u>	<u>Number exercisable</u>
\$0.25	542,886	1.91	496,886
0.35	532,000	4.08	106,668
0.41	233,000	4.90	-
0.625	40,000	4.43	-
0.65	148,000	4.63	16,667
1.00	10,000	3.68	10,000
<u>\$0.25-\$1.00</u>	<u>1,505,886</u>	<u>3.49</u>	<u>630,221</u>

The following table summarizes information about stock options as at December 31, 2020

<u>Options Outstanding</u>			<u>Options Exercisable</u>
<u>Exercise prices</u>	<u>Number outstanding</u>	<u>Weighted average remaining contractual life (years)</u>	<u>Number exercisable</u>
\$0.25	957,552	2.48	760,354
0.35	639,400	4.59	102,667
0.625	40,000	4.92	-
0.65	50,000	4.92	16,667
0.775	100,000	4.92	33,333
1.00	20,000	3.91	20,000
<u>\$0.25-\$1.00</u>	<u>1,806,952</u>	<u>3.50</u>	<u>933,021</u>

12. COMMITMENTS

The Company has non-cancellable contracts for rent and cost of services, the commitments are as follows:

	<u>As at June 30, 2021</u>
Less than one year	\$ 341,058
Between one and five years	-

During the period ended June 30, 2021, \$155,926 was expensed to general and administration and cost of services.

KILLI LTD. (Formerly Freckle Ltd.)

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

Three and six months ended June 30, 2021 and 2020

(in Canadian Dollars)

13. REVENUE

The Company currently generates revenue through two revenue streams: identity and platform. Identity revenue is generated by selling derivative data products and mobile device data. Platform revenue is generated by selling audience segments to data platforms. The following chart shows the breakdown of revenue earned in the various channels for the three and six months ended June 30, 2021 and 2020. (see Note 3(e)).

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Revenue from continued operations:				
Identity	\$ 66,859	\$ 10,252	\$ 127,537	\$ 25,287
Platform	104,211	-	200,521	-
Total revenue from continued operations:	171,070	10,252	328,058	25,287
Revenue from discontinued operations:				
Data & Segments	-	-	-	617,179
Digital	-	-	-	80,729
Search	-	-	-	443,089
Social	-	-	-	93,639
Total revenue from discontinued operations:	\$ -	\$ -	\$ -	\$ 1,234,636
Total revenue	\$ 171,070	\$ 10,252	\$ 328,058	\$ 1,259,923

By geographical location, the Company currently generates all its revenue from the US.

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Revenue from continued operations:				
US	\$ 171,070	\$ 10,252	\$ 328,058	\$ 25,287
Revenue from discontinued operations:				
US	-	-	-	1,200,941
Canada	-	-	-	33,695
Total Revenue from discontinued operations:	-	-	-	1,234,636
Total revenue	\$ 171,070	\$ 10,252	\$ 328,058	\$ 1,259,923

Major trade receivables

Trade receivables with specific customers, each with 10% or more of total Company trade receivables are summarized as follows:

	June 30, 2021	December 31, 2020
Customer 1	\$ 69,756	\$ 62,748
Customer 2	-	39,062
Total revenue from major customers	\$ 69,756	\$ 101,810

KILLI LTD. (Formerly Freckle Ltd.)

Notes to the Unaudited Condensed Consolidated Interim Financial Statements Three and six months ended June 30, 2021 and 2020 (in Canadian Dollars)

14. COST OF SERVICES

Cost of services for continuing operations are broken down as follows:

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Data Engineering				
Salaries	\$ 78,814	\$ -	\$ 145,374	\$ -
Hosting fees	127,101	-	236,299	-
Total data engineering costs	\$ 205,915	\$ -	\$ 381,673	\$ -
Management Platforms	49,421	2,022	98,831	7,571
	\$ 255,336	\$ 2,022	\$ 480,504	\$ 7,571

15. GENERAL AND ADMINISTRATIVE

General and administrative expenses for continuing operations are broken down as follows:

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Salaries, benefits and recruiting	\$ 177,007	\$ 171,667	\$ 324,081	\$ 421,548
Professional fees	283,256	146,460	403,833	332,347
Office and personnel	61,828	56,372	98,896	233,765
Other	42,726	7,411	40,009	(50,440)
Establishments	8,502	39,630	16,620	97,284
Foreign exchange gains/losses	(33,148)	(22,892)	(109,909)	32,187
	\$ 540,171	\$ 398,648	\$ 773,530	\$ 1,066,691

16. RESEARCH AND DEVELOPMENT

Research and Development expenses for continuing operations are broken down as follows:

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Salaries, benefits, contractors and recruiting	\$ 192,979	\$ 368,102	\$ 350,886	\$ 1,041,836
Licenses, dues and subscriptions	29,919	11,619	57,491	24,549
Cloud hosting, data processing and storage	17,505	25,630	37,049	48,615
Other	4,115	12,003	6,470	19,908
	\$ 244,518	\$ 417,354	\$ 451,896	\$ 1,134,908

17. SELLING AND BUSINESS DEVELOPMENT

Selling and business development expenses for continuing operations are broken down as follows:

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Salaries, commissions, benefits and contractors	\$ 241,306	\$ 78,187	\$ 515,582	\$ 180,810
Travel, meals and entertainment	8,718	306	20,951	5,156
Other	24,131	1,309	35,648	1,309
	\$ 274,155	\$ 79,802	\$ 572,181	\$ 187,275

KILLI LTD. (Formerly Freckle Ltd.)

Notes to the Unaudited Condensed Consolidated Interim Financial Statements Three and six months ended June 30, 2021 and 2020 (in Canadian Dollars)

18. MARKETING

Marketing expenses for the company are broken down as follows:

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
User retention	\$ 203,795	\$ 22,095	\$ 439,146	\$ 67,020
Salaries, benefits and contractors	99,145	17,001	197,458	33,734
Advertising and promotion	57,315	9,367	179,377	26,684
User acquisition	67,197	18,234	69,335	32,620
Other	5,308	89	5,980	392
	<u>\$ 432,760</u>	<u>\$ 66,786</u>	<u>\$ 891,296</u>	<u>\$ 160,450</u>

19. PERSONNEL EXPENSES SUMMARY

Personnel expenses for the company are summarized as follows:

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Salaries	\$ 522,365	\$ 518,142	\$ 1,045,656	\$ 1,469,241
Benefits	99,641	26,185	171,952	53,728
Commissions	9,426	(4,619)	24,909	135,624
Share-based payments	30,259	55,651	39,415	76,490
	<u>\$ 661,691</u>	<u>\$ 595,359</u>	<u>\$ 1,281,932</u>	<u>\$ 1,735,083</u>

In personnel expense, salaries reported is netted against the CEWS amounts received in Note 3(e).

20. CASH FLOW INFORMATION

Net change in non-cash working capital items are comprised of:

	Six months ended June 30,	
	2021	2020
Trade and other receivables	\$ 161,955	\$ 164,054
Prepaid expenses	(597)	12,661
Investment tax credit recoverable	-	98,714
Trade and other liabilities	184,545	(45,473)
Contract liabilities	-	(18,028)
	<u>\$ 345,903</u>	<u>\$ 211,928</u>

Non-cash investing activities are as follows:

Consideration for disposal of business included in trade and other receivables of \$108,655 (June 30, 2020 – \$136,734).

21. FINANCIAL INSTRUMENTS, RISKS AND CAPITAL MANAGEMENT

The Company has exposure to counterparty credit risk, liquidity risk and market risk associated with its financial assets and liabilities. The Company's risk management program seeks to minimize potential adverse effects on the Company's financial performance and ultimately shareholder value. The Company

KILLI LTD. (Formerly Freckle Ltd.)

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

Three and six months ended June 30, 2021 and 2020

(in Canadian Dollars)

manages its risks and risk exposures through a combination of insurance, a system of internal controls and sound business practices.

The Company's financial instruments and the nature of the risks which they may be subject to are set out in the following table.

	Risks			
	Credit	Liquidity	Market	
			Foreign Exchange	Interest Rate
Cash and cash equivalents	Yes		Yes	
Trade receivables	Yes		Yes	
Other receivables	Yes		Yes	
Trade and other liabilities		Yes	Yes	
Loan Payable		Yes		Yes

The carrying values of cash and cash equivalents, trade receivables, other receivables, trade and other liabilities and loan payable approximate their fair values due to their relatively short periods to maturity.

Credit risk

Credit risk arises from cash held with banks and trade receivables and these financial assets are subject to the expected credit loss model. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses on financial assets. The Company minimizes the credit risk of cash by depositing with only reputable financial institutions and minimizes the credit risk of trade receivables by monitoring the counterparty's creditworthiness and setting exposure limits.

Trade accounts receivables

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past the transaction date. The expected loss rates are based on the payment profiles of sale over a period of 24 months before June 30, 2021. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the credit worthiness for current and future customers and the GDP and unemployment rate of the countries in which the Company sells goods into to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade receivables (Note 5) are the result of billings of services performed. The Company's credit risk arises from the possibility that a counterparty which owes the Company money is unable or unwilling to meet its obligations in accordance with the terms and conditions in the contracts with the Company, which would result in a financial loss for the Company.

The carrying amount of trade receivables are reduced through the use of an allowance for credit loss and the amount is recognized in the unaudited condensed consolidated interim statement of loss and

KILLI LTD. (Formerly Freckle Ltd.)

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

Three and six months ended June 30, 2021 and 2020

(in Canadian Dollars)

comprehensive loss in general and administrative expenses. The Company closely monitors all receivable balances, when a balance is over 180 days past the transaction date the Company evaluates whether this balance is uncollectible. It is determined to be uncollectible when the customer has ceased communications for greater than 90 days or has communicated non-payment due to liquidity issues and the Company does not believe other recourses would be financially beneficial and there is no reasonable expectation of recovery. When a receivable balance is considered uncollectible, it is written off against the allowance for credit loss. Subsequent recoveries of amounts previously written off reduce general and administrative expenses in the consolidated statements of loss and comprehensive loss. As of June 30, 2021, it was determined that an allowance for credit loss of \$14,094 (2020 – \$9,541) was required and wrote off uncollectible balances of \$nil (2020 – \$154,455).

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by continuously monitoring forecasts and actual cash flows and taking the necessary actions to maintain enough liquidity for operations and for growth objectives.

The Company has considered the future impact of COVID-19 on the timing and collections of trade receivables. The Company will continually reassess the scope, duration, and impact on our customers to determine COVID-19's impact on liquidity and credit risk.

The following table details the Company's contractual maturities (including interest payments where applicable) for its financial liabilities as at June 30, 2021 and December 31, 2020:

	Not later than one month	Later than one month and not later than three months	Later than three months and not later than one year	Later than one year and not later than five years	Total
As at June 30, 2021					
Trade and other liabilities	\$ 1,033,089	-	-	-	\$1,033,089
Loan Payable	747	1,495	6,726	29,895	38,863
	<u>\$ 1,033,836</u>	<u>\$ 1,495</u>	<u>\$ 6,726</u>	<u>\$ 29,895</u>	<u>\$1,071,952</u>
As at December 31, 2020					
Trade and other liabilities	\$ 848,544	-	-	-	\$ 848,544
Loan Payable	5,769	11,539	11,748	34,379	63,435
	<u>\$ 854,313</u>	<u>\$ 11,539</u>	<u>\$ 11,748</u>	<u>\$ 34,379</u>	<u>\$ 911,979</u>

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates will affect the fair value of a financial instrument or its future cash flows.

The Company operates internationally with a subsidiary in the United States. The Company is, therefore, subject to foreign currency risk. The Company reports its financial results in Canadian dollars. Most of the Company's revenues are transacted in U.S. currency. The Company incurs expenses in both Canadian and

KILLI LTD. (Formerly Freckle Ltd.)

Notes to the Unaudited Condensed Consolidated Interim Financial Statements Three and six months ended June 30, 2021 and 2020 (in Canadian Dollars)

U.S. dollars. To date, the Company has not used foreign currency forward contracts or other hedging strategies to manage its foreign currency exposure.

As at June 30, 2021, the Canadian entities US-dollar net monetary assets totaled approximately US - \$222,503 (CAD -\$271,877) (December 31, 2020, net monetary assets – US \$254,593 (CAD \$326,083)) and the Company's United States subsidiaries US-dollar monetary net liabilities totaled approximately US - \$10,698 (CAD \$13,072) (2020 – US \$11,384 (CAD \$14,581)). A 10% strengthening in the Canadian dollar against the United States dollar as at June 30, 2021 would have increased comprehensive loss and decreased shareholder's equity by \$28,495 (2020 - \$32,608). A 10% weakening would have had the equal but opposite effect. This analysis assumes that all other variables remain constant.

Capital management

The Company's objective in managing capital is to ensure sufficient liquidity to develop technology, engage in sales and marketing activities, while at the same time taking a conservative approach toward financial leverage and management of financial risk. Prior to 2020, the Company's capital was composed of debt financing from the CEO and Founder's related company and external financings completed privately or utilizing the public capital markets. The loan was converted to common shares and going forward, the Company utilized the public capital markets to help manage working capital requirements. In upcoming years, the Company will continue to utilize public capital markets until the Company reaches a maturity point whereby other capital such as debt financings may become available to manage its capital obligations.

The Company's objectives when managing capital are to ensure that the Company will continue to have enough liquidity to fund operations and proceed with rapid product development that will support the evolving data driven industries. Management reviews its capital management practices on an ongoing basis and believes that their approach, given the relative size of the Company, is reasonable.

22. DISCONTINUED OPERATIONS

On May 29, 2020, the Company finalized a definitive asset purchase agreement with PlacelQ, Inc. ("PlacelQ") for the sale of certain assets of the Company's offline attribution and data business for cash consideration of up to \$4,000,000. The total potential consideration of up to \$4,000,000 is the sum of the potential revenue share and revenue milestone amounts disclosed below.

The Company is entitled to a revenue share amount, calculated each calendar quarter, terminating April 1, 2022 based on revenue earned by the purchaser from the purchased business. The Company is further entitled to revenue milestone amounts if certain aggregate revenue amounts are earned.

The Company has determined that no amount of variable consideration can be made reliably as management does not believe that it is highly probable that a revenue reversal would not occur. As such, the Company has recognized revenue on the sale based on actual revenue share amount earned, net of transaction costs of \$165,486, to date the company has recognized \$342,122, to the end of June 30, 2021 can be broken out as follows:

KILLI LTD. (Formerly Freckle Ltd.)

Notes to the Unaudited Condensed Consolidated Interim Financial Statements Three and six months ended June 30, 2021 and 2020 (in Canadian Dollars)

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Gain/(loss) on sale	\$ 92,690	\$ (21,643)	\$ 180,655	\$ (21,643)

The comparative results of the discontinued operations included in net loss for the year were as follows:

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Revenue	\$ -	\$ -	\$ -	\$ 1,234,636
Cost of services	-	159,455	-	513,924
Gross margin	-	(159,455)	-	720,712
Expenses				
General and administrative	-	168,972	-	(193,189)
Research and development	-	81,796	-	205,259
Selling and business development	-	31,671	-	635,063
	-	282,439	-	647,133
(Loss) income from discontinued operations	\$ -	\$ (441,894)	\$ -	\$ 73,579

The following table presents the effect of the discontinued operations on the consolidated statement of cashflows:

	Six months ended June 30,	
	2021	2020
Cash (used in) provided by operating activities	\$ -	\$ 401,942
Cash provided by financing activities	-	-
Cash provided by investing activities	-	-
Net cash outflow	\$ -	\$ 401,942

There is no current tax expense with respect to the discontinued operations for the period ended June 30, 2021 (2020 - \$Nil)

23. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the presentation adopted in the current period. Revenue and Cost of Services have both increased in the amount of \$33,520 for six months ended June 30, 2021 (\$nil – for the six months ended June 30, 2020), previously certain platform charges were netted against revenue rather than reflected in the Cost of Services.