Voxtur Analytics Corp.

Unaudited Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2022 and 2021

(In thousands of Canadian dollars, except per share amounts)

Voxtur Analytics Corp.
Unaudited Condensed Interim Consolidated Statements of Financial Position
(In thousands of Canadian dollars)

As at	Note		June 30, 2022		December 31, 2021
Assets					
Current Assets:					
Cash		$	11,845	$	18,683
Trade and other receivables, net	*20*		10,887		13,965
Trade receivables, due from related parties, net	*12*		14,207		8,879
Contract assets			226		288
Prepaid expenses and other current assets			2,464		1,134
Notes receivable, due from related parties	*12*		2,578		2,540
Convertible promissory note	*16*		1,329		-
			43,536		45,489
Non-current Assets:					
Other non-current assets			198		406
Contract assets			593		359
Investment	*21*		3,762		3,706
Interest in joint ventures			213		176
Right-of-use assets	*7*		890		1,268
Property and equipment			470		508
Deferred tax asset			3,651		421
Intangible assets	*5*		123,744		129,170
Goodwill	*6*		99,538		98,431
			233,059		234,445
Total Assets		$	276,595	$	279,934
Liabilities and Shareholders' Equity					
Current Liabilities:					
Accounts payable and accrued liabilities		$	14,021	$	12,211
Unearned revenue	*8*		4,415		4,854
Lease obligations	*9*		745		609
Current portion of long-term debt	*10*		6,500		6,500
			25,681		24,174
Non-current Liabilities:					
Unearned revenue	*8*		2,151		1,932
Lease obligations	*9*		161		678
Long-term debt	*10*		16,318		19,451
Convertible debentures			120		246
Contingent consideration	*4*		5,120		8,704
Deferred tax liability			21,679		21,948
			45,549		52,959
Shareholders' Equity			205,365		202,801
Going concern	*2(a)*				
Subsequent events	*22*				
Total Liabilities and Shareholders' Equity		$	276,595	$	279,934

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

Voxtur Analytics Corp.
Unaudited Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(In thousands of Canadian dollars, except per share amounts)

	Note	Three months ended June 30, 2022	Three months ended June 30, 2021	Six months ended June 30, 2022	Six months ended June 30, 2021
Revenue	*12,13,14*	$ 38,069	$ 18,037	$ 78,901	$ 32,506
Direct operating expenses		25,399	9,754	52,309	17,014
Gross profit		12,670	8,283	26,592	15,492
Other operating expenses:					
Technology and operations		5,412	3,164	9,912	5,486
Selling and business development		1,780	1,109	3,749	2,400
General and administration		17,474	9,913	35,934	19,500
		24,666	14,186	49,595	27,386
Loss from operations		(11,996)	(5,903)	(23,003)	(11,894)
Other income (expense)		-	509	(7)	531
Change in contingent consideration	*4*	2,341	-	3,584	-
Finance costs, net	*17*	(470)	(462)	(964)	(1,150)
Foreign exchange gain (loss)		2,767	(620)	1,398	(1,091)
Loss for the period before income tax		$ (7,359)	$ (6,476)	$ (18,992)	$ (13,604)
Income tax recovery		3,219	460	3,112	237
Net loss for the period		$ (4,140)	$ (6,016)	$ (15,880)	$ (13,367)
Other comprehensive income (loss):					
Items that will not be reclassified to loss for the period:					
Change in fair value of investment	*21*	113	(70)	56	314
Foreign exchange gain (loss) on the translation of foreign operations		3,569	(1,744)	1,718	(3,251)
		3,682	(1,814)	1,774	(2,937)
Comprehensive loss for the period		**$ (458)**	**$ (7,830)**	**$ (14,106)**	**$ (16,304)**
Weighted average number of common shares					
Basic and diluted	*18*	530,626,295	449,620,937	523,742,072	371,448,199
Loss per share					
Basic and diluted	*18*	$ (0.01)	$ (0.01)	$ (0.03)	$ (0.04)

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

Voxtur Analytics Corp.
Unaudited Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(In thousands of Canadian dollars)

Six months ended June 30, 2022

	Note	Common share capital	Non-voting share capital	Warrant capital	Contributed surplus	Other reserve	Deficit	AOCI[1]	Total Equity
Balance at December 31, 2021		$ 238,970	$ -	$ 1,166	$ 18,776	$ 36	$ (57,106)	$ 959	$ 202,801
Net loss for the period		-	-	-	-	-	(15,880)	-	(15,880)
Other comprehensive income:									-
Change in fair value of investment	*21*	-	-	-	-	-	-	56	56
Foreign exchange gain on the translation of foreign operations		-	-	-	-	-	-	1,718	1,718
Comprehensive income (loss) for the period		-	-	-	-	-	(15,880)	1,774	(14,106)
Issuance of common shares and warrants	*11(e)*	11,480	-	149	-	-	-	-	11,629
Conversion of debentures	*11(c)*	149	-	-	-	(20)	-	-	129
Debenture interest settled by share issuance	*11(c)*	6	-	-	-	-	-	-	6
Warrants exercised	*11(f)*	10	-	(2)	-	-	-	-	8
Options exercised	*11(a)*	6	-	-	(4)	-	-	-	2
Conversion of restricted share units	*11(d)*	1,811	-	-	(1,811)	-	-	-	-
Conversion of deferred share units	*11(b)*	982	-	-	(982)	-	-	-	-
Share-based compensation		-	-	-	4,896	-	-	-	4,896
Balance at June 30, 2022		$ 253,414	$ -	$ 1,313	$ 20,875	$ 16	$ (72,986)	$ 2,733	$ 205,365

Six months ended June 30, 2021

	Note	Common share capital	Non-voting share capital	Warrant capital	Contributed surplus	Other reserve	Deficit	AOCI[1]	Total Equity
Balance at December 31, 2020		$ 30,402	$ -	$ 2,455	$ 7,057	$ 1,291	$ (25,016)	$ 1,692	$ 17,881
Net loss for the period		-	-	-	-	-	(13,367)	-	(13,367)
Other comprehensive income (loss):									
Change in fair value of investment		-	-	-	-	-	-	314	314
Foreign exchange loss on the translation of foreign operations		-	-	-	-	-	-	(3,251)	(3,251)
Comprehensive loss for the period		-	-	-	-	-	(13,367)	(2,937)	(16,304)
Issuance of common shares, warrants and convertible debentures		118,172	27,656	-	-	-	-	-	145,828
Conversion of debentures		8,558	-	-	-	(1,233)	-	-	7,325
Conversion of non-voting shares		27,656	(27,656)	-	-	-	-	-	-
Warrants exercised		5,192	-	(795)	-	-	-	-	4,397
Warrants expired		-	-	(4)	4	-	-	-	-
Options exercised	*11(a)*	15	-	-	(5)	-	-	-	10
Conversion of restricted share units		1,623	-	-	(1,623)	-	-	-	-
Share-based compensation		-	-	-	6,186	-	-	-	6,186
Balance at June 30, 2021		$ 191,618	$ -	$ 1,656	$ 11,619	$ 58	$ (38,383)	$ (1,245)	$ 165,322

[1] *AOCI is defined as Accumulated other comprehensive income.*

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

Voxtur Analytics Corp.
Unaudited Condensed Interim Consolidated Statements of Cash Flows
(In thousands of Canadian dollars)

Six months ended	Note	June 30, 2022	June 30, 2021
Cash flows from operating activities			
Net loss for the period		$ (15,880)	$ (13,367)
Adjustments to reconcile from net loss to cash flows from operating activities:			
Gain on disposal of equipment		(2)	-
Gain on lease modification		(20)	-
Amortization of equipment		102	74
Amortization of intangible assets	*5*	7,055	4,143
Amortization of right-of-use assets	*7*	319	177
Bad debt expense		8	2
Unrealized foreign exchange (gain) loss		(1,554)	1,119
Change in contingent consideration	*4*	(3,584)	-
Finance costs, net	*17*	964	1,150
Income tax recovery		(3,112)	(237)
Share-based compensation expense		4,896	6,186
		(10,808)	(753)
Changes in non-cash operating assets and liabilities	*19*	(1,955)	(3,172)
Interest paid		(746)	(690)
Interest received		17	26
Cash used in operating activities		(13,492)	(4,589)
Cash flows from financing activities			
Repayment of lease obligations		(330)	(201)
Repayment of long-term debt		(3,250)	(9,334)
Proceeds from term loan	*10*	-	27,000
Proceeds from issuance of common shares	*11(e)*	12,505	34,973
Proceeds from warrants exercised	*11(f)*	8	4,397
Proceeds from options exercised	*11(a)*	6	10
Debt and equity issuance costs		(1,021)	(2,129)
Cash provided by financing activities		7,918	54,716
Cash flows from investing activities			
Advances of notes receivable, due from related parties	*12*	-	(2,474)
Advance of convertible promissory note		(1,252)	-
Purchase of Voxtur, net of cash received	*4*	-	(16,182)
Purchase of Anow, net of cash received	*4*	-	(9,572)
Purchase of interest in joint ventures		-	(371)
Purchase of equipment		(65)	(132)
Proceeds on disposal of equipment and leasehold improvements		3	-
Purchase of intangible asset	*5*	-	(10)
Cash used in investing activities		(1,314)	(28,741)
Increase (decrease) in cash for the period		(6,888)	21,386
Effect of exchange rate fluctuations on cash		50	(21)
Cash - beginning of period		18,683	6,002
Cash - end of period		$ 11,845	$ 27,367

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

1. Corporate Information

Voxtur is a real estate technology company which specializes in the real estate finance lifecycle. The Company offers automated workflows and targeted data analytics to simplify property valuation, default solutions, tax solutions and title and settlement services for investors, lenders, government agencies and mortgage servicers. Voxtur's proprietary data hub and platforms value assets, service loans, securitize portfolios and evaluate tax assessments. The Company serves the property lending and property tax sectors, both public and private, in the United States ("US") and Canada.

The Company's registered office is located at 383 Richmond Street, Suite 408, London, Ontario, Canada.

The Company's shares are traded in Canada on the TSX Venture Exchange ("TSX-V") under the symbol VXTR and in the US on the OTCQB under the symbol VXTRF.

2. Basis of Presentation

(a) Going Concern Uncertainty

Throughout 2020 and 2021, the Company was impacted by the global COVID-19 pandemic and specifically the moratorium on foreclosures under the CAREs act. The moratorium was lifted for all foreclosures as of December 31, 2021. During the first six months of 2022, the Company has seen a gradual return to pre-pandemic levels for mortgage defaults and default related valuation, title, and settlement volumes. During this same time period, volumes related to purchase closings and refinance have decreased due to the increase in interest rates coupled with higher inflation, housing costs and limited housing supply. For the first half of 2022, the volume reduction from purchase closing and refinance work have exceeded the volume increase from the default ramp up. The Company anticipates that over the next six to twelve months this trend will change and the increase in volumes derived from defaults will exceed any volume reductions derived from purchase closings and/or refinances.

As a result of these events or conditions, there exists a material uncertainty that casts significant doubt about the Company's ability to continue as a going concern and, therefore, realize its assets and discharge its liabilities in the normal course of business for at least the next twelve months.

In order to continue as a going concern, the Company will be required to attain its projected cash flows through achievement of successful integration of its recent acquisitions, its planned growth initiatives that have been slowed due to COVID-19, to obtain continued support from its lender or to raise additional financing through the sale of its debt and equity securities.

The Condensed Interim Consolidated Financial Statements (the "Interim Financial Statements") have been prepared on a going concern basis, which assumes the Company will continue its operations in the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the ordinary course of business. The Consolidated Financial Statements do not include any adjustments to the carrying values and classification of assets and liabilities and reported expenses that may be necessary if the going concern basis was not appropriate for these Interim Financial Statements. These adjustments could be material.

(b) Statement of compliance

These Interim Financial Statements have been prepared in accordance with IAS 34, Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB"). The notes presented in these Interim Financial Statements include only significant changes and transactions occurring since the Company's last year end and are not fully inclusive of all disclosures required by International Financial Reporting Standards ("IFRS") for annual financial statements. These Interim Financial Statements should be read in conjunction with the Company's annual audited consolidated financial statements as at and for the year ended December 31, 2021, which are available on SEDAR.

(In thousands of Canadian dollars, except per share amounts)

These Interim Financial Statements for the three and six months ended June 30, 2022 and 2021 were authorized for issuance by the Board of Directors of the Company on August 24, 2022.

(c) Consolidation

The consolidated financial statements comprise the subsidiaries presented below.

Subsidiary[1]	Voting Securities	Jurisdiction of Incorporation	Year End
Voxtur Technologies U.S., Inc.	100%	Delaware	December 31
Voxtur Settlement Services, LLC	100%	Florida	December 31
Clarocity Inc.[2]	100%	Delaware	December 31
iLOOKABOUT Inc.	100%	Ontario	December 31
MTAG Paralegal Professional Corporation[3]	0%	Ontario	December 31
Voxtur Analytics US Corp[4]	100%	Delaware	December 31
Appraisers Now Ltd.	100%	Alberta	December 31
Voxtur Appraisal Services, LLC	100%	Texas	December 31
RealWealth Technologies, LLC	100%	Delaware	December 31
Voxtur Data Services, Inc.	100%	California	December 31

All intercompany balances and transactions are eliminated in preparing the consolidated financial statements.
Notes:

1. Subsidiaries are legal entities controlled by the Company. Control exists when the Company has power to direct the relevant activities of an entity and is exposed to or has rights to variable returns from its involvement with the entity. In certain circumstances, the Company may have control over an entity in which it does not own more than 50% voting interest. In making this determination, the Company considers all relevant facts and circumstances in assessing whether it has power over the entity including rights arising from contractual arrangements that allow the Company to direct the relevant activities and be exposed to variable returns of the entity, among other considerations.
2. Clarocity Inc. owns 100% of the voting securities of each of Voxtur Valuation, LLC (previously known as Clarocity Valuation Services, LLC), a Kansas limited liability company, and Valuation Vision Inc., a California corporation (together, "Clarocity Group"), and owns 100% of the voting securities of iLOOKABOUT (US) Inc, a Delaware corporation. Each of these subsidiaries have a December 31 year end.
3. As required under the Law Society Act (Ontario) and applicable regulations, MTAG Paralegal Professional Corporation is a separate professional corporation. While the Company does not have any voting rights in this entity, the Company controls the entity through contractual arrangements.
4. Voxtur Analytics US Corp owns 100% of the voting securities of RealWealth Technologies LLC, Voxtur Services LLC (previously known as Xome Services, LLC), Appraisers Now US LLC, Voxtur Settlement Services LLC (previously known as BrightLine Title LLC), Voxtur Technologies US Inc. and Voxtur Data Services, Inc. (previously known as Benutech Inc.).

(d) Basis of measurement

These Interim Financial Statements are prepared mainly on the historical cost basis, except for the investment, derivative financial instruments and contingent consideration which are measured at fair value. Assets and liabilities acquired in a business combination are measured at fair value at the date of acquisition.

The Interim Consolidated Statements of Comprehensive Income and Loss are presented using the functional classification for expenses.

(e) Functional and presentation currency

These Interim Financial Statements are presented in Canadian dollars ("CAD"), which is the Company's presentation currency. Functional currency is also determined for each of the Company's subsidiaries, and items included in the financial statements of the subsidiary are measured using that functional currency.

3. Significant Accounting Policies

These Interim Financial Statements follow the same accounting policies and methods of application as the consolidated financial statements as at and for the year ended December 31, 2021 except for the following:

Amendments to IAS 37 – Provisions, contingent liabilities and contingent assets:
On May 14, 2020, the IASB issued "Onerous Contracts — Cost of Fulfilling a Contract (Amendments to IAS 37)" amending the standard regarding costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous. The amendments are effective for annual reporting periods beginning on or after January 1, 2022. There was no material impact on the Interim Financial Statements as a result of the application of these amendments.

Amendments to Effective date of IFRS 3 – Business Combinations:
On May 14, 2020, the IASB issued "Reference to the Conceptual Framework (Amendments to IFRS 3)" with amendments that update an outdated reference in IFRS 3 without significantly changing its requirements. The amendments are effective for annual reporting periods beginning on or after 1, January 2022. There was no material impact on the Interim Financial Statements as a result of the application of these amendments.

The accounting policies have been consistently applied by the Company's subsidiaries.

4. Acquisitions

Voxtur Technologies Inc.

On February 3, 2021, the Company acquired 100% of the issued and outstanding stock of Voxtur Technologies Inc. ("Voxtur Technologies"), 100% of the membership interests of Bright Line Title, LLC ("Bright Line"), and certain technology and non-legal assets of James E. Albertelli, P.A. and certain of its affiliates (collectively, "JEA") (the "Voxtur Acquisition"). Voxtur Technologies provides real estate technology and non-legal default services in the US. Bright Line provides full service title, escrow and closing services in the US. The Company acquired these businesses (the "Voxtur Group") to expand its operations and offerings in the United States, and to expand the Company's real property focused product and service offering.

(In thousands of Canadian dollars, except per share amounts)

The consideration transferred to acquire the Voxtur Group was comprised of the following:
i. $13,467 USD cash consideration;
ii. 108,455,631 common shares of the Company; and
iii. 54,227,816 non-voting common shares of the Company.

The purchase price allocation as at February 3, 2021, is presented below.

Consideration:		**USD**		**CAD**
Cash - paid on closing	$	13,467	$	17,259
Common shares		43,161		55,312
Non-voting common shares		21,580		27,656
Consideration transferred for the acquired business	**$**	**78,209**	**$**	**100,227**

Recognizable amounts of identiable assets acquired and liabilities assumed:		**USD**		**CAD**
Cash	$	840	$	1,076
Accounts receivable		765		981
Prepaid assets		173		222
Intangible assets		62,790		80,468
Right-of-use assets		898		1,150
Interest in joint ventures		128		164
Accounts payable and accrued liabilities		(719)		(921)
Long-term debt		(4,683)		(6,001)
Lease liability		(898)		(1,150)
Deferred tax liability		(14,117)		(18,092)
Total identifiable net assets of acquired business	**$**	**45,177**	**$**	**57,896**
Goodwill		33,032		42,332
Total identifiable net assets of acquired business and goodwill	**$**	**78,209**	**$**	**100,227**

Upon closing, the Company fully paid down the acquired long-term debt of $5,994 ($4,677 USD).

Goodwill arising from the acquisition is attributable to the Company assuming an experienced workforce and the estimated future value of expected synergies to result from the combination of the businesses. Approximately $1,947 of goodwill is expected to be deductible for tax purposes.

From the date of acquisition to December 31, 2021, the Company recognized revenue of $40,264, gross profit of $16,561, and comprehensive loss of $2,463. Had the Company acquired the business January 1, 2021, the Company estimates that it would have recognized the following unaudited amounts (i) revenue of approximately $43,574; (ii) gross margin of approximately $18,376, and; (iii) comprehensive loss of approximately $1,674.

Acquisition-related costs included in general and administration expense totaled $1,238. Of this total, $712 was incurred in the year ended December 31, 2021, and $526 was incurred in the year ended December 31, 2020.

Appraisers Now Ltd.

On April 8, 2021, the Company acquired 100% of the issued and outstanding stock of Appraisers Now Ltd. ("Anow"). Anow provides an automated appraisal workflow management system for the global appraisal market, serving clients in the U.S. and Canada. The Company acquired this business to expand its United States presence and to grow the Company's recurring software and data licenses revenue.

The consideration transferred to acquire Anow was comprised of the following:
i. $10,014 cash consideration; and
ii. 28,571,428 common shares of the Company.

(In thousands of Canadian dollars, except per share amounts)

The purchase price allocation as at April 8, 2021, is presented below.

Consideration		**Amount**
Cash - paid on closing	$	10,014
Common shares		29,429
Consideration transferred for the acquired business	**$**	**39,443**

Recognizable amounts of identifiable assets acquired and liabilities assumed:		**Amount**
Cash	$	442
Accounts receivable		42
Capital assets		2
Intangible assets		16,209
Accounts payable		(464)
Deferred revenue		(276)
Deferred tax liability		(2,279)
Total identifiable net assets of acquired business	**$**	**13,675**
Goodwill		25,767
Total identifiable net assets of acquired business and goodwill	**$**	**39,443**

Goodwill arising from the acquisition is attributable to the Company assuming an experienced workforce and the estimated future value of expected synergies to result from the combination of the businesses.

Amounts paid for goodwill and intangible assets will not be deductible for tax purposes.

From the date of acquisition to December 31, 2021, the Company recognized revenue of $3,393, gross profit of $1,735, and comprehensive income of $135 with respect to Anow. The Company is unable to reliably determine the revenue, gross margin and comprehensive income that would have been generated by Anow had it been acquired as of January 1, 2021, as Anow previously recorded results using the cash basis of accounting.

Acquisition-related costs included in general and administration expense totaled $291 during the year ended December 31, 2021.

Xome Valuation

On September 1, 2021, the Company acquired 100% of the issued and outstanding membership interests of Xome Services, LLC and Xome Valuation Services, LLC (collectively, "Xome Valuations"). Xome Valuations is a nationally licensed appraisal management company providing services to institutional clients. The Company acquired this business to expand its United States presence and to grow the Company's recurring software and data licenses revenue.

The consideration transferred to acquire Xome Valuations was comprised of the following:

i. $11,344 ($9,000 USD) cash consideration; and
ii. 10,251,834 common shares of the Company.

Due to the timing of this acquisition, the purchase price allocation is provisional. The fair value assigned to the intangible assets, goodwill, accrued expenses, deferred taxes and net assets acquired is based on management's best estimate using the information currently available. The amounts recorded are subject to material change as additional information is received and independent valuations are completed by the Company.

(In thousands of Canadian dollars, except per share amounts)

The preliminary purchase price allocation as at September 1, 2021, is presented below.

Consideration		**USD**		**CAD**
Cash - paid on closing	$	9,000	$	11,344
Common shares		6,588		8,304
Consideration transferred for the acquired business	**$**	**15,588**	**$**	**19,648**

Recognizable amounts of identifiable assets acquired and liabilities assumed:		**USD**		**CAD**
Cash	$	1,966	$	2,478
Accounts receivable		5,485		6,913
Intangible assets		7,910		9,970
Prepaid assets		30		38
Accounts payable and accrued liabilities		(2,278)		(2,871)
Deferred revenue		(2,582)		(3,255)
Total identifiable net assets of acquired business	**$**	**10,531**	**$**	**13,274**
Goodwill		5,057		6,374
Total identifiable net assets of acquired business and goodwill	**$**	**15,588**	**$**	**19,648**

Goodwill arising from the acquisition is attributable to the Company assuming an experienced workforce and the estimated future value of expected synergies to result from the combination of the businesses. All of the goodwill is expected to be deductible for tax purposes.

From the date of acquisition to December 31, 2021, the Company recognized revenue of $28,399, gross profit of $7,888, and comprehensive income of $2,099. Had the Company acquired the business January 1, 2021, the Company estimates that it would have recognized the following unaudited amounts (i) revenue of approximately $90,964; (ii) gross margin of approximately $27,892, and; (iii) comprehensive income of approximately $6,506.

Acquisition-related costs included in general and administration expense totaled $128 during the year ended December 31, 2021.

RealWealth Technologies Inc.

On October 13, 2021, the Company acquired 100% of the assets of RealWealth Technologies, LLC (“RealWealth”). The Company acquired the assets of RealWealth to expand its United States presence and to grow the Company’s recurring software and data licenses revenue. Management has assessed that RealWealth does not represent a business under the IFRS 3 – Business Combinations, and as such will be accounted for as an asset acquisition for financial reporting purposes.

(In thousands of Canadian dollars, except per share amounts)

The consideration transferred to acquire RealWealth was comprised of the following:

i. $418 cash consideration; and
ii. 3,000,000 common shares of the Company.

Consideration		CAD
Cash	$	418
Common shares		2,880
Consideration transferred for the acquired intangible assets	**$**	**3,298**

An additional 2,000,000 common shares were issued to the seller of the assets ("Escrow Shares") and will be held in escrow until certain earnout provisions are achieved. Upon release of the Escrow Shares to the seller, share-based compensation expense will be recorded at an amount equal to the number of Escrow Shares released multiplied by the share value on the closing date of the acquisition, being $0.96 per common share. If such earnout provisions are not achieved by the fifth anniversary of the transaction date, the Escrow Shares will be returned to the Company for cancellation.

Total consideration of $3,298 has been allocated to intangible assets acquired.

Benutech Inc.

On December 30, 2021, the Company acquired 100% of the issued and outstanding stock of Benutech Inc. ("Benutech"). With one of the largest repositories of real-time property data in the US, Benutech enables real estate professionals to access data from multiple public and private data sources through a subscription-based model. The Company acquired Benutech to expand its United States presence and to grow the Company's recurring software and data licenses revenue.

The consideration transferred to acquire Benutech was comprised of the following:

i. $6,406 ($5,000 USD) cash consideration;
ii. 10,239,757 common shares of the Company; and
iii. 7,314,112 common shares, contingent upon the achievement of certain earnout provisions.

Due to the timing of this acquisition, the purchase price allocation is provisional. The fair value assigned to the intangible assets, goodwill, deferred taxes, and net assets acquired is based on management's best estimate using the information currently available. The amounts recorded are subject to material change as additional information is received and independent valuations are completed by the Company.

(In thousands of Canadian dollars, except per share amounts)

The preliminary purchase price allocation as at December 30, 2021, is presented below.

Consideration		**USD**		**CAD**
Cash - paid on closing	$	4,706	$	6,029
Common shares		9,671		12,390
Contingent consideration		6,908		8,850
Consideration transferred for the acquired business	**$**	**21,285**	**$**	**27,269**

Recognizable amounts of identifiable assets acquired and liabilities assumed:		**USD**		**CAD**
Cash	$	834	$	1,068
Accounts receivable		386		495
Capital assets		11		14
Intangible assets		11,536		14,779
Accounts payable and accrued liabilities		(977)		(1,252)
Deferred revenue		(332)		(425)
Deferred Tax Liability		(2,908)		(3,726)
Total identifiable net assets of acquired business	**$**	**8,550**	**$**	**10,954**
Goodwill		12,735		16,315
Total identifiable net assets of acquired business and goodwill	**$**	**21,285**	**$**	**27,269**

Goodwill arising from the acquisition is attributable to the Company assuming an experienced workforce and the estimated future value of expected synergies to result from the combination of the businesses.

Amounts paid for goodwill and intangible assets will not be deductible for tax purposes.

From the date of acquisition, being December 30, 2021 to December 31, 2021, the Company recognized nominal revenue, gross profit and comprehensive income with respect to Benutech. The Company is unable to reliably determine the revenue, gross margin and comprehensive income that would have been generated by Benutech had it been acquired as of January 1, 2021.

Acquisition-related costs included in general and administration expense totaled $44,000 during the year ended December 31, 2021.

(In thousands of Canadian dollars, except per share amounts)

5. Intangible assets

Cost		Computer Software		Customer Relationships		Tradenames		Licenses		Xome Intangibles		RealWealth Intangibles		Benutech Intangibles		Total
At December 31, 2021	$	26,652	$	83,090	$	5,649	$	313	$	10,035	$	3,298	$	14,649	$	143,686
Effect of movement in exchange rates		147		1,260		74		(15)		149		50		226		1,890
At June 30, 2022	$	26,799	$	84,350	$	5,723	$	298	$	10,184	$	3,348	$	14,875	$	145,576

Amortization		Computer Software		Customer Relationships		Tradenames		Licenses		Xome Intangibles		RealWealth Intangibles		Benutech Intangibles		Total
At December 31, 2021	$	6,179	$	6,974	$	1,037	$	-	$	326	$	-	$	-	$	14,516
Amortization		1,894		3,559		376		-		504		-		725		7,058
Effect of movement in exchange rates		46		183		6		-		3		-		21		258
At June 30, 2022	$	8,119	$	10,715	$	1,419	$	-	$	833	$	-	$	746	$	21,832

Carrying amounts																
At June 30, 2022	$	18,680	$	73,634	$	4,304	$	298	$	9,351	$	3,348	$	14,129	$	123,744
At December 31, 2021	$	20,473	$	76,116	$	4,612	$	313	$	9,709	$	3,298	$	14,649	$	129,170

Licenses have an indefinite life and therefore are tested annually for impairment.

6. Goodwill

For the purposes of impairment testing, goodwill has been allocated to the following Cash Generating Units ("CGU"):

		Appraisal Services		Apex		Voxtur Technologies		Settlement Services		Anow		Benutech		Total
At December 31, 2021	$	13,670	$	875	$	14,636	$	27,311	$	25,767	$	16,172	$	98,431
Effect of movement in exchange rates	$	209	$	13	$	223	$	416	$	-	$	246	$	1,107
At June 30, 2022	$	13,879	$	888	$	14,859	$	27,727	$	25,767	$	16,418	$	99,538

(In thousands of Canadian dollars, except per share amounts)

7. Right-of-use assets

The following table presents the right-of-use assets for the Company:

		Offices		Vehicles		Total right-of-use assets
Balance, December 31, 2021	$	1,261	$	7	$	1,268
Additions		150		22		172
Disposals		(241)		-		(241)
Amortization		(314)		(5)		(319)
Effect of movement in exchange rates		10		-		10
Balance, June 30, 2022	$	866	$	24	$	890

8. Unearned revenue and remaining performance obligations

The following table presents changes in the unearned revenue balance:

Balance, December 31, 2021	$	6,786
Amounts invoiced and revenue unearned as at the end of the period		2,396
Recognition of unearned revenue that was included in the adjusted balance at the beginning of the period		(2,616)
Balance, June 30, 2022	$	6,566

Remaining Performance Obligations

Revenue allocated to remaining performance obligations represents contracted revenue that has not yet been recognized (“contracted unrecognized revenue”) and includes both unearned revenue, being amounts invoiced for which services have not yet been provided, and amounts that will be invoiced and recognized as revenue in future periods. As at June 30, 2022, contracted unrecognized revenue was approximately $10,351 of which the Company expects to recognize an estimated 43% over the next 12 months and the remainder thereafter.

9. Lease obligations

The Company’s leases are for office space and vehicles. Certain of these leases contain renewal options. The Company has included renewal options in the measurement of lease obligations when it is reasonably certain that the Company will exercise the renewal option.

		June 30, 2022		December 31, 2021
Lease obligations, beginning of period	$	1,287	$	1,419
Acquisition of Voxtur Technologies		-		1,150
Additions		172		178
Disposals		(260)		(719)
Interest on lease obligation		27		84
Lease payments		(330)		(802)
Effect of movement in exchange rates		9		(24)
Lease obligations, end of period	$	906	$	1,287

Current	$	745	$	609
Non-current		161		678
Total lease obligations	$	906	$	1,287

(In thousands of Canadian dollars, except per share amounts)

The following table presents the contractual undiscounted cash flows for lease obligations:

		June 30, 2022		December 31, 2021
Less than one year	$	693	$	654
One to five years		248		712
Total undiscounted lease obligations	$	942	$	1,365

The expense relating to variable lease payments not included in the measurement of lease obligations for the three and six months ended June 30, 2022 was $8 and $17 (three and six months ended June 30, 2021 - $23 and $47). This consists of variable lease payments for operating costs, property taxes and insurance.

10. Long-term debt

		June 30, 2022		December 31, 2021
(a) Term Loan B	$	1,589	$	1,833
(b) Term Loan C		21,229		24,118
	$	**22,818**	**$**	**25,951**
Due within 1 year	$	6,500	$	6,500
Due between 1 and 5 years		16,318		19,451
	$	**22,818**	**$**	**25,951**

(a) Term Loan B

Term Loan B was granted under the Business Credit Availability Program ("BCAP"). The BCAP is a standardized guarantee program offered by Export Development Canada in response to the COVID-19 pandemic. With respect to Term Loan B, the Company has drawn $2,000. Proceeds net of transaction costs were $1,970. The Company will pay interest only for the first twelve months of the term, and thereafter shall pay interest and monthly principal repayments of $42 based on amortization over four years. Pricing is set at Canadian Prime Rate plus 5.0% per annum. Effective interest of $37 and $73 was recognized during the three and six months ended June 30, 2022 (for the three and six months ended June 30, 2021 - $37 and $74). The maturity date of Term Loan B is October 1, 2025.

The Term Loan B contains customary financial and restrictive covenants and is secured by assets of the Company and its subsidiaries, which primarily consists of intellectual property and accounts receivable.

Balance, December 31, 2021	**$**	**1,833**
Amortization of financing costs		6
Repayment of financing		(250)
June 30, 2022	**$**	**1,589**
Due within 1 year	$	500
Due between 1 and 5 years		1,089
	$	**1,589**

(In thousands of Canadian dollars, except per share amounts)

(b) Term Loan C

With respect to Term Loan C, the Company has drawn $27,000. Proceeds net of transaction costs were $26,413. The Company will pay interest only for the first six months of the term, and thereafter interest and principal which shall amortize over 54 months. The Company may, at its discretion, repay the balance of Term Loan C in whole or in part at any time after eighteen (18) months following the closing date without penalty or obligation for future interest payments otherwise payable had Term Loan C not been repaid. Pricing is set at Bank of Montreal's Prime Rate plus 4.0% per annum. Effective interest of $432 and $839 was recognized during the three and six months ended June 30, 2022 (for the three and six months ended June 30, 2021 - $434 and 706).

Balance, December 31, 2021	$	24,118
Amortization of financing costs		111
Repayment of financing		(3,000)
June 30, 2022	**$**	**21,229**

Due within 1 year	$	6,000
Due between 1 and 5 years		15,229
	$	**21,229**

(c) Revolving credit facility

The Company has a revolving credit facility of $1,500 under which the availability of funds is subject to certain limitations based on accounts receivable and certain accounts payable. Interest is set at Bank of Montreal's Prime Rate plus 2.5% per annum. The Company had drawn $464, in the form of a letter of credit, on the Operating Facility as at June 30, 2022 (as at December 31, 2021 - $nil).

The Term Loan C and Revolving credit facility contain customary financial and restrictive covenants and are secured by assets of the Company and its subsidiaries, which primarily consists of intellectual property and accounts receivable. As at June 30, 2022 the Company was not in violation of any financial covenants.

11. Common share and warrant capital

			June 30, 2022			December 31, 2021		
	Expiry date	**Exercise price**	**Issued**		**Amount**	**Issued**		**Amount**
Issued and outstanding:								
Common shares			536,821,803	$	253,414	517,091,697	$	238,970
Share purchase warrants:								
Series N warrants	July 17, 2022	0.30	3,873,319		178	3,883,294		178
Series O warrants	July 17, 2022	0.20	9,710,728		664	9,735,665		666
Broker warrants 2021-12	December 21, 2023	0.90	651,657		322	651,657		322
Broker warrants 2022-05	May 13, 2024	1.02	367,800		149	-		-
			14,603,504		1,313	14,270,616		1,166
Share capital and warrant capital			551,425,307	$	254,727	531,362,313	$	240,135

The authorized capital consists of an unlimited number of Common Shares, an unlimited number of Non-Voting Shares and an unlimited number of Preference Shares, issuable in series. The Common Shares have no par value and are each entitled to one vote. The Non-Voting Shares have no par value and are not entitled to vote. Each

(In thousands of Canadian dollars, except per share amounts)

Non-Voting Share can be converted to one Common Share at the option of the shareholder at any time for no consideration. All issued Common Shares and Non-Voting Shares are fully paid.

The following table presents changes in common shares:

		Number of shares		Amount
Balance, December 31, 2021		**517,091,697**	**$**	**238,970**
Shares issued	*(e)*	12,260,000		11,480
Shares issued, options exercised	*(a)*	10,865		6
Shares issued, warrants exercised	*(f)*	34,912		10
Shares issued, deferred share units converted	*(b)*	4,219,126		982
Shares issued, debentures exercised	*(c)*	441,146		149
Shares issued, debenture interest settled	*(c)*	6,057		6
Shares issued, restricted share units converted	*(d)*	2,758,000		1,811
Balance, June 30, 2022		**536,821,803**	**$**	**253,414**

(a) ***Stock options exercised and expired***

Between January and June 2022, the Company issued 10,865 common shares upon exercise of stock options for proceeds of $6.

Between January and June 2022, 100,000 stock options expired, unexercised.

(b) ***Deferred Share Units converted***

Between January and June 2022, the Company converted 4,219,126 deferred share units to 4,219,126 common shares of the Company upon receipt of conversion directions from deferred share unit holders.

(c) ***Convertible debentures exercised***

Between January and June 2022, the Company issued 441,146 common shares upon receipt of conversion directions from convertible debenture holders to exercise $149 of convertible debentures.

Between January and June 2022, the Company issued 6,057 common shares upon settlement of interest obligations on convertible debentures of $6.

(d) ***Restricted Share Units converted***

Between January and June 2022, the Company converted 2,758,000 restricted share units to 2,758,000 common shares of the Company upon vesting of such restricted share units.

(e) ***Common Shares and Warrants issued***

Private Placement:

In May 2022, the Company completed a non-brokered private placement for gross proceeds of $12,505, or $11,676 net of finder's fees and issuance costs. The Company issued a total of 12,260,000 common shares at $1.02 per common share. In connection with this private placement, the Company issued 367,800 broker warrants, which have been classified as equity instruments in accordance with IAS 32. Each full broker warrant entitles the holder to acquire one Common Share of the Company at a price of $1.02 per common share for a period of 24 months following the closing of the private placement.

(f) ***Warrants exercised***

In May 2022, the Company issued 34,912 common shares upon receipt of conversion directions from convertible debenture holders to exercise $10 of warrants.

12. Related party transactions

Consulting Services:

To provide for ongoing support and development of certain software purchased from Yeoman & Company Paralegal Professional Corporation ("YCP"), in December 2014 the Company entered into a consulting agreement with YCP ("Consulting Agreement") that expires in December 2034. The Consulting Agreement provides for an annual base fee of $265, with annual increases in line with any increases in the Consumer Price Index, plus 15% of consideration received by the Company from end customers (the "YCP Fees") for use of this software. For the three and six months ended June 30, 2022, the Company incurred YCP Fees of $97 and $211 (three and six months ended June 30, 2021 – $144 and $282) under the Consulting Agreement, which was included in direct operating expense and technology expense. Two of the principals of YCP are the sons of the Executive Chairman of the Company.

Service Agreements:

Effective in February 2021, the Company has entered into various service agreements with James E. Albertelli PA and affiliates, (collectively, "the JEA Group") to provide real estate technology development and support, and non-legal default services for an initial term of twenty-five years, with an automatic extension for an additional twenty-five years. One of the principals of the JEA Group, the Chief Executive Officer and a Director of the Company, owns 70% of the JEA Group.

Certain of these fees are on a cost-plus markup pricing structure and some are billed on a fixed fee basis. For the three and six months ended June 30, 2022, with respect to these agreements, the Company recorded revenue of $3,679 and $7,330 (three and six months ended June 30, 2021 - $5,277 and $8,879).

The Company has also entered into agreements with the JEA Group for (i) space sharing, for the use by the Company of a portion of JEA Group's premises, equipment, furniture and improvements; and (ii) sublicensing of software by the Company from the JEA Group. With respect to these agreements, the Company incurred expenses of $355 and $766 for the three and six months ended June 30, 2022 (three and six months ended June 30, 2021 - $366 and $660).

As at June 30, 2022, amounts outstanding related to these agreements totaled $14,207 (December 31, 2021 - $8,879). Management expects that the amounts outstanding as at June 30, 2022 are fully collectible. This receivable has been secured by a pledge of sufficient assets of the JEA Group to cover amounts outstanding. Subsequent to June 30, 2022, the Company has collected $3,880 of this amount.

Notes Receivable from Related Parties:

As at June 30, 2022, notes receivable from Directors and/or Officers of the Company were $2,578 CAD ($2,000 USD) (December 31, 2021 - $2,000 USD). These notes receivable are non-interest bearing and mature on December 10, 2022.

Consolidated Entity:

As required under the Law Society Act (Ontario) and applicable regulations, MTAG Paralegal Professional Corporation is a separate professional corporation. The Executive Chairman of the Company, a paralegal licensed in the Province of Ontario, is the sole shareholder of this professional corporation; however, the Company controls the entity through contractual arrangements, which also provide that all economic benefit or loss resulting from the entity will be received by the Company.

All of these transactions, with the exception of the notes receivable, are in the normal course of operations. Each of these transactions have been measured at the transaction amounts, being the amount of consideration established and agreed to by the related parties. The above noted transactions were approved by the Board of Directors of the Company.

(In thousands of Canadian dollars, except per share amounts)

13. Non-monetary transactions

The Company licenses real property related data from a third party for use in one of the Company's applications. Compensation to the licensor for this data is made by the Company through a combination of cash payments, access to one of the Company's applications and the provision of custom development services. The data licensing expense is recognized evenly over the period of access to the data, and the revenue related to the provision of services by the Company is recognized as those services are delivered. As the timing of access to the data and delivery of services by the Company may not align, the related revenue and expense may not match in a reporting period. For the three and six months ended June 30, 2022, visual and data services revenue of $5 and $9 (for the three and six months ended June 30, 2021 - $10 and $22) and direct operating expense of $65 and $162 (for the three and six months ended June 30, 2021 - $97 and $194) related to this transaction were recognized.

14. Revenue

Nature of services and geographic information:

The Company generates revenue from the provision of software and data licensing, technology managed services and settlement services. Geographically, the Company operates in the United States and Canada. Information regarding revenue by geographic area and by nature of service is presented below.

	Three months ended June 30, 2022			Three months ended June 30, 2021		
	United States	Canada	Total	United States	Canada	Total
Software and data licenses	$ 4,928	$ 1,195	$ 6,123	$ 1,950	$ 1,538	$ 3,488
Technology managed services	28,493	331	28,824	8,299	470	8,769
Settlement services	3,122	-	3,122	5,780	-	5,780
Total	$ 36,543	$ 1,526	$ 38,069	$ 16,029	$ 2,008	$ 18,037

	Six months ended June 30, 2022			Six months ended June 30, 2021		
	United States	Canada	Total	United States	Canada	Total
Software and data licenses	$ 10,264	$ 2,453	$ 12,717	$ 3,347	$ 3,020	$ 6,367
Technology managed services	$ 58,608	165	58,773	14,663	883	15,546
Settlement services	7,411	-	7,411	10,593	-	10,593
Total	$ 76,283	$ 2,618	$ 78,901	$ 28,603	$ 3,903	$ 32,506

Significant customers:

Customers representing more than 10% of revenue are classified as significant customers.

For the three months ended June 30, 2022, the Company had two significant customers, one represented 25% of total revenue and the other, a related party, represented 10% of total revenue. For the three months ended June 30, 2021, the Company had one significant customer, a related party, which represented 31% of total revenue.

(In thousands of Canadian dollars, except per share amounts)

For the six months ended June 30, 2022, the Company had one significant customer, which represented 30% of total revenue. For the six months ended June 30, 2021, the Company had one significant customer, a related party, which represented 2% of total revenue.

At June 30, 2022, one customer accounted for more than 10% of trade accounts receivable, net. This customer, a related party, accounted for approximately 59% of trade accounts receivable at that time, of which 26% was collected subsequent to June 30, 2022.

At December 31, 2021, two customers, one of which is a related party, accounted for more than 10% of trade accounts receivable, net. These customers accounted for approximately 55% of trade accounts receivable at that time, of which 67% was collected subsequent to December 31, 2021.

Operating Segments:

To date, the Company has operated and reported its results as one operating segment. The Chief Operating Decision Makers make resource allocation decisions based on the organization as a whole.

15. Share-based compensation

Stock Options

The number and weighted average exercise prices of outstanding stock options are as follows:

	Number of Options		Weighted Average Exercise Price	Weighted Average Remaining Contractual Life in Years
Outstanding December 31, 2021	24,767,766	$	0.56	3.6
Exercised	(10,865)	$	0.59	
Expired	(100,000)	$	1.00	
Outstanding June 30, 2022	24,656,901	$	0.56	3.1

At June 30, 2022, 10,989,270 of the outstanding stock options have vested. For the three and six months ended June 30, 2022, the Company recorded share-based compensation expense of $328 and $951 (for the three and six months ended June 30, 2021 – $1,146 and $3,518) related to stock options granted to employees and consultants, which is included in general and administration, selling and business development and technology expenses. Share-based compensation to be recognized until March 2024 is expected to be $699.

Deferred Share Units:

A summary of the DSUs outstanding under the share-based incentive plan is presented below:

	Number of Units		Amount
Outstanding December 31, 2021	5,657,104	$	1,377
Exercised	(4,219,126)	$	(982)
Outstanding June 30, 2022	1,437,978	$	395

At June 30, 2022, all of the outstanding DSUs have vested. For the three and six months ended June 30, 2022, the Company recorded share-based compensation expense of $nil and $nil (for the three and six months ended June 30, 2021 – $115 and $115) related to DSUs granted to directors, which is included in general and administration expense.

(In thousands of Canadian dollars, except per share amounts)

Restricted Share Units:

A summary of the Restricted Share Units ("RSUs") outstanding under is presented below:

	Number of Units		Amount
Outstanding December 31, 2021	11,713,042	**$**	9,431
Granted	558,000		580
Converted to common shares	(2,758,000)		(1,811)
Outstanding June 30, 2022	9,513,042	**$**	8,201

At June 30, 2022, all of the outstanding RSUs are restricted. For the three and six months ended June 30, 2022, the Company recorded share-based compensation expense of $1,519 and $3,946 (for the three and six months ended June 30, 2021 – $710 and $2,553) related to RSUs granted to employees and consultants, which is included in general and administration, selling and business development and technology expenses. Share-based compensation to be recognized until March 2024 is expected to be $443. The value of the RSUs granted was determined based on the closing share price on the date prior to the grant of the RSUs.

16. Convertible promissory note

In March 2022, the company issued a convertible promissory note. This convertible promissory note bears interest at 12% and matures on March 28, 2023. At any time on or after the maturity date, or upon the expiration of a defined period, the Company can elect to convert the outstanding principal balance and accrued and unpaid interest into membership units of the borrower at a conversion price of $2.38 USD per unit. As at June 30, 2022, the convertible promissory note receivable was $1,329 CAD ($1,031 USD) (December 31, 2021 - $nil USD).

At each reporting period, the Company assesses the expected credit loss with respect to the convertible promissory note. Credit risk for the convertible promissory note has not changed since initial recognition. The Company has not recorded an impairment allowance with respect to the convertible promissory note at June 30, 2022.

17. Finance costs

		Three months ended			Six months ended	
		June 30, 2022		June 30, 2021		June 30, 2022		June 30, 2021
Finance income	$	50	$	18	$	56	$	27
Finance costs:								
Amortization of debt issuance costs		(30)		(59)	$	(62)		(298)
Long-term debt - interest costs		(445)		(471)	$	(866)		(815)
Lease obligations - interest costs		(13)		(14)	$	(26)		(30)
Convertible debenture - accretion of equity discount and interest		(32)		64		(66)		(34)
Net finance costs	**$**	**(470)**	**$**	**(462)**	**$**	**(964)**	**$**	**(1,150)**

(In thousands of Canadian dollars, except per share amounts)

18. Loss per share

Basic earnings per share ("EPS") is calculated using the weighted average number of common shares outstanding during the period.

For the three and six months ended June 30, 2022, diluted loss per share does not take into account any outstanding warrants, options, deferred share units, restricted share units or convertible debentures as their effect would be anti-dilutive for the period. As at June 30, 2022, there were a total of:

- 14,603,502 warrants outstanding (June 30, 2021 30,473,180);
- 24,656,901 options outstanding (June 30, 2021 –22,617,766);
- 1,437,978 deferred share units outstanding (June 30, 2021 –5,657,104);
- 9,513,042 restricted share units outstanding (June 30, 2021 – 11,913,042);
- $120 debentures outstanding convertible to 348,580 common shares (June 30, 2021 – $376 convertible to 1,252,570 common shares)

19. Supplementary cash flow information

		June 30, 2022		June 30, 2021
Changes in non-cash operating assets and liabilities:				
Trade and other receivables, net	$	3,078	$	(7,387)
Trade receivables, due from related parties, net		(5,328)		-
Contract assets		(172)		(104)
Prepaid expenses and other assets		(1,122)		(14)
Accounts payable and accrued liabilities		1,809		3,525
Unearned revenue		(220)		808
	$	**(1,955)**	**$**	**(3,172)**

20. Financial risk management

The Company is exposed to credit risk, liquidity risk, foreign exchange risk, and interest rate risk from its financial assets and liabilities. Financial risk management strategies are designed to ensure the Company's risks and related exposures are consistent with its business objectives and risk tolerance. There have been no significant changes to the Company's key financial risks or risk management strategies since December 31, 2021.

The aging of trade and other receivables at the reporting date was:

As at		**June 30, 2022**				**December 31, 2021**		
		Gross Amount		**Amount, net**		**Gross Amount**		**Amount, net**
Current	$	7,199	$	7,199	$	8,916	$	8,661
Past due 1-90 days	$	3,922		3,632		5,294		5,290
Past due over 90 days	$	408		56		289		14
	$	11,529	$	10,887	$	14,499	$	13,965

Specific provisions are made against trade receivables for any customer that is known to be impaired due to poor financial condition or for any other reason it is considered doubtful that the customer's balance outstanding will be settled in full. As a percentage of revenue, the Company's actual credit loss experience to date has not been material. The Company has recorded a cumulative impairment allowance of $642 with respect to trade and other receivables as at June 30, 2022 (December 31, 2021 - $534).

(In thousands of Canadian dollars, except per share amounts)

The following table presents the reconciliation of the loss allowance:

Balance, December 31, 2021	$	534
Bad debt expense		500
Recoveries		(8)
Amounts written off		(317)
Effect of movement in exchange rates		(67)
Balance, June 30, 2022	$	642

21. Financial instruments

Financial instruments carried at amortized cost:

The fair value of cash, trade and other receivables, notes receivable and accounts payable and accrued liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Convertible debentures were recorded at fair value on initial recognition. Factors impacting fair value, such as discount rate, have not changed materially as at December 31, 2021, therefore amortized cost of convertible debentures approximates fair value.

Long-term debt is subject to variable market rates of interest, therefore amortized cost approximates fair value.

The Company's title and closing services requires it to hold cash in escrow accounts that it does not own. Accordingly, cash held in escrow, including escrow receivables and escrow liabilities, are not recorded as assets or liabilities on the Company's consolidated statements of financial position. All cash held in escrow is deposited in non-interest-bearing bank accounts. Voxtur is the escrow agent and as such bears full risk of loss. As of June 30, 2022, the balance of escrow accounts was $2,133 USD (December 31, 2021 - $2,683 USD).

Financial instruments carried at fair value:

Fair value hierarchy

Financial instruments recorded at fair value are classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements.

Classification of inputs for purposes of valuation:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 inputs are inputs other than quoted prices in level 1 that are observable for the assets or liability either directly (i.e., prices) or indirectly (i.e., derived from prices); and
- Level 3 inputs are inputs for assets or liabilities that are not based on observable market data (i.e., unobservable inputs).

<u>Private equity investment:</u>

In October 2018, the Company made an equity investment of $1,000,000 USD in a private New York based software company. The Company's investment currently represents approximately 8% of the total equity issued by the software company. On initial recognition, the financial asset was recorded at fair value. An election was made to classify the equity instrument as FVOCI. Under this classification, any changes in fair value are recorded in other comprehensive income with no subsequent reclassification to profit or loss. The Company made this election because the investment is not held with the intent of short-term trading.

(In thousands of Canadian dollars, except per share amounts)

The fair value of the equity investment at June 30, 2022 was estimated using a market-based approach. Key unobservable inputs of the market value included progress towards operational milestones and growth of the client and market base. Due to the significant measurement uncertainty inherent in the valuation of this investment, the fair value could materially differ from that recognized in the statement of financial position.

The following table shows a reconciliation, in both USD and CAD for fair value measurements in Level 3 of the fair value hierarchy for the period ended June 30, 2022:

		USD	CAD
Balance at December 31, 2021	$	2,918	3,706
Foreign exchange and other movements		-	56
Balance at June 30, 2022	$	2,918	3,762

The Company held no investments classified as level 1 and 2 of the fair value hierarchy in the three and six months ended June 30, 2022 (December 31, 2021 - $nil).

22. Subsequent events

(a) Acquisition of Municipal Tax Equity Consultants and MTE Paralegal Professional Corporation

In July 2022, the Company acquired Municipal Tax Equity Consultants Inc. ("MTEC") and the Company's associated entity, MTAG Paralegal Professional Corp., acquired MTE Paralegal Professional Corporation ("MTEP", and together with MTEC, "MTE").

The purchase price for the acquisition of MTEP is $900 payable in cash and the aggregate purchase price for the acquisition of MTEC by Voxtur is $3,500, subject to customary adjustments, paid in a combination of cash, totaling $2,200 and common shares of the Company, with $800 of the MTEC Purchase Price satisfied by the issuance of 808,080 Common Shares at closing, priced at $0.99 per Common Share, and $500 of the MTEC Purchase Price satisfied by the issuance of up to 505,050 Common Shares, subject to an escrow hold period of 18 months, priced at $0.99 per share. The number of escrowed shares to be issued following the escrow hold period are subject to a downward adjustment. In addition, $500 of the cash portion of the MTEC Purchase Price will be subject to an escrow hold period of 18 months.

(b) Acquisition of Blue Water Financial Technologies Holding Company, LLC

In August 2022, the Company executed a purchase agreement for the acquisition of all of the issued and outstanding membership interests of Blue Water Financial Technologies Holding Company, LLC ("Blue Water").

The total purchase price for the arms-length Acquisition is approximately USD$101M, subject to adjustment prior to closing, which will be satisfied by the following: USD$30,000 cash to be paid at closing; issuance of approximately 101,000,000 Common Shares of Voxtur, to be issued in equal installments each quarter for the 16 quarters following the closing; and issuance of approximately 69,000,000 Common Shares, to be issued in three equal installments, the first within 30 days of the closing and the second and third on the first and second anniversaries of the closing, respectively, in satisfaction of certain obligations of Blue Water under Long-Term Incentive Plans adopted by Blue Water in 2019 and 2022. The issuance of Common Shares in connection with the Acquisition will not result in the creation of a new Control Person (as that term is defined in the policies of the TSXV) of the Company. Voxtur has received a commitment from the Bank of

Montreal to increase the total size of its credit facility by USD$30,000 to fund the cash consideration of the purchase price and certain transaction expenses ("Financing"). The closing of the Acquisition is subject to the satisfaction of certain conditions, including receipt of required regulatory approvals.