

**Givex Corp.**  
**Interim Condensed Consolidated Financial Statements**  
**(Unaudited)**  
**For the three months ended March 31, 2024 and 2023**  
(Expressed in thousands of Canadian dollars)

**Notice of No Auditor Review of the Interim Financial Statements**

The accompanying unaudited condensed interim financial statements of the Corporation have been prepared by and are the responsibility of the Corporation's management. The Corporation's independent auditor has not performed a review of these financial statements in accordance with standards established by the CPA Canada for a review of interim financial statements by an entity's auditor.

**Givex Corp.**  
**Interim Condensed Consolidated Statements of Financial Position**  
**(Unaudited)**  
**As at March 31, 2024 and December 31, 2023**  
**(Expressed in thousands of Canadian dollars)**

	March 31, 2024	December 31, 2023 (audited)
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 23,700	\$ 22,217
Restricted cash	4,265	9,233
Term deposits	217	221
Trade receivables	10,561	11,903
Inventory	2,972	3,461
Prepaid expenses and deposits	2,019	2,064
<b>Total current assets</b>	<b>43,734</b>	<b>49,099</b>
Non-current assets:		
Non-current prepaid expenses and deposits	900	862
Loans receivable (Note 13)	209	341
Property and equipment	2,385	2,496
Right-of-use assets	4,246	3,915
Goodwill (Note 4)	11,585	11,585
Intangible assets (Note 5)	5,547	5,967
Deferred income tax asset	1,869	1,841
<b>Total non-current assets</b>	<b>26,741</b>	<b>27,007</b>
<b>Total assets</b>	<b>\$ 70,475</b>	<b>\$ 76,106</b>
<b>Liabilities</b>		
Current liabilities:		
Current portion of bank loans (Note 6)	\$ 1,719	\$ 1,418
Trade and other payables	7,756	13,449
Government remittances payable	398	721
Income taxes payable	631	736
Current portion of contingent consideration payable	4	32
Current portion of promissory notes payable	422	415
Current portion of lease liabilities	2,181	2,038
Contract liabilities	5,527	5,753
<b>Total current liabilities</b>	<b>18,638</b>	<b>24,562</b>
Non-current liabilities:		
Bank loans (Note 6)	2,600	2,900
Contingent consideration payable	54	65
Lease liabilities	2,398	2,211
Deferred income tax liability	1,301	1,372
<b>Total non-current liabilities</b>	<b>6,353</b>	<b>6,548</b>
<b>Total liabilities</b>	<b>24,991</b>	<b>31,110</b>
<b>Shareholders' Equity</b>		
Share capital (Note 7)	34,696	34,724
Contributed surplus	6,513	6,489
Retained earnings	4,275	3,783
<b>Total shareholders' equity</b>	<b>45,484</b>	<b>44,996</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 70,475</b>	<b>\$ 76,106</b>

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

**Givex Corp.****Interim Condensed Consolidated Statements of Income (Loss) and Comprehensive Income****(Loss)****(Unaudited)****For the three months ended March 31, 2024 and 2023****(Expressed in thousands of Canadian dollars)**

	<b>Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
<b>Revenue from contracts with customers</b>		
Services and payments revenue	\$ 17,836	\$ 17,733
Hardware and other revenue	2,968	1,425
<b>Total revenue</b>	<b>20,804</b>	<b>19,158</b>
<b>Direct cost of revenues</b>		
Services and payments revenue	4,620	5,103
Hardware and other revenue	2,136	834
<b>Total direct cost of revenues</b>	<b>6,756</b>	<b>5,937</b>
<b>Gross profit</b>	<b>14,048</b>	<b>13,221</b>
<b>Expenses</b>		
General and administrative (Note 11 and Note 13)	11,599	11,200
Sales and marketing	1,116	1,051
Foreign exchange gain	(375)	(116)
Depreciation of property and equipment	243	293
Depreciation of right-of-use assets	530	591
Share-based compensation (Note 8)	13	1,037
Amortization of intangible assets (Note 5)	420	469
	<b>13,546</b>	<b>14,525</b>
Income (loss) before undernoted item and income taxes	502	(1,304)
Net finance costs	66	232
Income (loss) before income taxes	436	(1,536)
Income tax recovery (Note 9)	(56)	(302)
<b>Net income (loss) and comprehensive income (loss)</b>	<b>\$ 492</b>	<b>\$ (1,234)</b>
<b>Earnings (loss) per share (Note 10)</b>		
Basic and diluted	\$ 0.00	\$ (0.01)

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**Givex Corp.****Interim Consolidated Statements of Changes in Shareholders' Equity****Three months ended March 31, 2024 and 2023****(Expressed in thousands of Canadian dollars, except number of shares)**

	Number of common shares	Share capital	Retained earnings	Contributed surplus	Total equity
<b>Balance as at December 31, 2022</b>	124,555,094	\$ 31,616	\$ 7,197	\$ 8,235	\$ 47,048
Net loss	-	-	(1,234)	-	(1,234)
Shares repurchased and cancelled (Note 7)	(89,563)	(22)	-	11	(11)
Share-based compensation to employees (Note 8)	-	-	-	1,037	1,037
<b>As at March 31, 2023</b>	124,465,531	\$ 31,594	\$ 5,963	\$ 9,283	\$ 46,840
<b>Balance as at December 31, 2023</b>	128,059,569	\$ 34,724	\$ 3,783	\$ 6,489	\$ 44,996
Net income	-	-	492	-	492
Shares repurchased and cancelled (Note 7)	(47,500)	(28)	-	11	(17)
Share-based compensation to employees (Note 8)	-	-	-	13	13
<b>As at March 31, 2024</b>	128,012,069	\$ 34,696	\$ 4,275	\$ 6,513	\$ 45,484

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**Givex Corp.**  
**Interim Condensed Consolidated Statements of Cash Flows**  
**(Unaudited)**  
**For the three months ended March 31, 2024 and 2023**  
**(Expressed in thousands of Canadian dollars)**

	2024	2023
<b>Operating activities</b>		
Net income (loss)	\$ 492	\$ (1,234)
Items not affecting cash and cash equivalents:		
Depreciation of property and equipment	243	293
Depreciation of right-of-use assets	530	591
Finance costs	66	232
Amortization of intangible assets	420	469
Gain on termination of lease contract	-	-
Share-based compensation	13	1,037
Income tax recovery	(56)	(302)
Unrealized foreign exchange (gain) loss	93	(81)
	1,801	1,005
Net changes in non-cash working capital (Note 12)	489	1,215
Interest paid	(150)	(208)
Income taxes paid	(149)	(140)
<b>Cash flows provided by operating activities</b>	<b>1,991</b>	<b>1,872</b>
<b>Investing activities</b>		
Shares repurchased and cancelled	(17)	-
Purchase of property and equipment	(85)	(110)
Proceeds from repayment of loans receivable	132	-
Advances on loans receivable	-	30
<b>Cash flows provided by (used in) investing activities</b>	<b>30</b>	<b>(80)</b>
<b>Financing activities</b>		
Lease payments	(531)	(624)
Repayment of contingent consideration payable	(39)	-
Proceeds from bank loans	317	1,570
Repayment of bank loans	(316)	(395)
<b>Cash flows provided by (used in) financing activities</b>	<b>(569)</b>	<b>551</b>
Foreign exchange loss (gain) on cash and cash equivalents	31	(101)
Net change in cash and cash equivalents	1,483	2,242
Cash and cash equivalents - beginning of year	22,217	24,431
<b>Cash and cash equivalents - end of period</b>	<b>\$ 23,700</b>	<b>\$ 26,673</b>

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

**Givex Corp.**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**(Unaudited)**  
**For the three months ended March 31, 2024 and 2023**  
**(Expressed in thousands of Canadian dollars, except number of shares)**

**1. Nature of business**

Givex Corp. (formerly Givex Information Technology Group Limited and County Capital 2 Ltd. – "County") (the "Corporation" or "Givex") was incorporated pursuant to the Business Corporations Act (British Columbia) on October 15, 2019.

On November 10, 2022 the Corporation announced that it had filed for continuance to the Province of Ontario and concurrently changed its name to Givex Corp.(formerly Givex Information Technology Group Ltd) under the provisions of the Business Corporations Act (Ontario) following approval of the continuance and name change by shareholders at the annual general and special meeting of the shareholders of the Corporation held on May 26, 2022. The continuance and name change better reflects the Corporation's history and allows the Corporation to be governed by the laws of the jurisdiction in which its head office is located.

The Corporation develops, sells, installs and supports five key technology solutions for merchants of all sizes, including single store locations and Fortune 500 companies with thousands of locations. A Givex client can use one or all of the Corporation's services as they are all designed and built to work together on one single platform. These solutions are Customer Engagement (including gift and loyalty), Enterprise Point-of-Sale (POS), Payments, Integrations, and Analytics.

These unaudited condensed interim consolidated financial statements comprise Givex and its controlled subsidiaries. The Corporation's head office is located at 134 Peter Street, Suite 1400, Toronto, Ontario M5V 2H2.

The Corporation's shares are listed on the Toronto Stock Exchange (the "TSX") under the stock symbol "GIVX".

**2. Basis of presentation**

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standard (IAS) 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board (IASB). Certain information and disclosures have been omitted or condensed. The same accounting policies and methods of computation were followed in the preparation of these condensed interim consolidated financial statements as were followed in the preparation of the most recent annual audited consolidated financial statements. These unaudited condensed interim consolidated financial statements should be read together with the Corporation's annual audited consolidated financial statements and notes thereto for the fiscal year ended December 31, 2023.

These unaudited condensed interim consolidated financial statements were approved for issue by the Audit Committee of the Corporation on May 1, 2024.

**3. Significant accounting policies**

(a) Use of estimates and judgments

The preparation of the unaudited condensed interim consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and reported amounts of revenues and expenses during the period. These estimates and assumptions are based on historical experience, expectations of the future, and other relevant factors and are reviewed regularly. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future period affected. Actual results may differ from these estimates.

In preparing these unaudited condensed interim consolidated financial statements, the significant judgments made by management in applying the Corporation's accounting policies and the key sources of uncertainty are the same as those applied and described in the Corporation's annual audited consolidated financial statements for the year ended December 31, 2023.

**4. Goodwill**

The carrying amount of goodwill allocated to each of the cash-generating units (CGU) is as follows:

	ValuAccess Limited	Givex Canada Corp	Owen Business Systems Ltd.	Givex Mexico	Givex Europe S.à.r.l	Kalex Equipment Services	Loyalty Lane, Inc.	Counter Solutions Holdings Limited	Total
<b>Cost</b>									
Balance as at January 1, 2023	\$ 177	\$ 381	\$ 584	\$ 762	\$ 572	\$ 745	\$ 5,478	\$ 2,886	\$ 11,585
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-
As at December 31, 2023	177	381	584	762	572	745	5,478	2,886	11,585
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-
As at March 31, 2024	\$ 177	\$ 381	\$ 584	\$ 762	\$ 572	\$ 745	\$ 5,478	\$ 2,886	\$ 11,585

**5. Intangible assets**

	Customer list	Software	Total
<b>Cost</b>			
Balance as at January 1, 2023	\$ 8,701	\$ 2,919	\$ 11,620
Acquired through business combinations	-	-	-
As at December 31, 2023	8,701	2,919	11,620
Acquired through business combinations	-	-	-
As at March 31, 2024	\$ 8,701	\$ 2,919	\$ 11,620
<b>Accumulated amortization</b>			
Balance as at January 1, 2023	\$ 3,533	\$ 293	\$ 3,826
Additions	1,440	387	1,827
As at December 31, 2023	4,973	680	5,653
Additions	323	97	420
As at March 31, 2024	\$ 5,296	\$ 777	\$ 6,073
<b>Net book value</b>			
As at December 31, 2023	\$ 3,728	\$ 2,239	\$ 5,967
As at March 31, 2024	\$ 3,405	\$ 2,142	\$ 5,547

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**6. Bank loans**

A continuity schedule of the Corporation's bank loans is as follows:

	Bank loan #1 (a)	Bank loan #2 (b)	Bank loan #3	Bank loan #4 (c)	Total
Balance as at January 1, 2023	\$ 782	\$ 5,654	\$ 9	\$ 28	\$ 6,473
Additions	-	-	-	-	-
Repayment of principal	(580)	(1,539)	(8)	(28)	(2,155)
As at December 31, 2023	202	4,115	1	-	4,318
Additions	317	-	-	-	317
Repayment of principal	-	(315)	(1)	-	(316)
As at March 31, 2024	519	3,800	-	-	4,319
Less: current portion	(519)	(1,200)	-	-	(1,719)
	\$ -	\$ 2,600	\$ -	\$ -	\$ 2,600

- (a) The Corporation has an operating line of credit with maximum borrowings of \$3,000. The facility is due on demand and bears interest at the bank's prime rate plus 0.5% per annum with interest payable monthly.
- (b) The Corporation has a revolving term facility with maximum borrowings of \$10,000 with a Canadian chartered bank. The facility is only made available to fund acquisitions that meet the conditions required by the bank. This facility bears interest at the bank's prime rate plus 1.75% per annum, payable in 60 equal monthly instalments of principal and interest. Prepayment is permitted without penalty at any time in whole or part. The bank loans have maturity dates between February 2027 and August 2027.
- (c) The Corporation had a term loan payable in blended monthly payments of \$4 including interest accrued at 2.80% per annum which was fully repaid in 2023.

Bank loan #1 and #2 are secured by a general security agreement constituting a first ranking security interest in all the assets of Givex Canada Corporation, general postponement and subordination of payments to shareholder and intercompany loans. In addition, all entities under the definition of the consolidated group in the agreement terms have provided a guarantee for an unlimited amount on the facilities. The Corporation cannot exceed the advances under the operating line of credit of \$3,000. In addition, the Corporation shall maintain a ratio of Consolidated current assets to Consolidated current liabilities of not less than 1.25:1, a Consolidated Fixed Coverage Ratio of not less than 1.20 to 1.00, a minimum Equity to Capitalization Ratio of not less than 20% and a Consolidated Total Funded Debt to Consolidated EBITDA ratio equal to or less than 3.00:1. During the three months ended March 31, 2024, the Corporation was in compliance with these covenants. Bank loan #3 and bank loan #4 do not have covenants.

In addition to the above loans, the Corporation has a non-revolving lease facility with maximum borrowings of \$305. The facility bears interest at the bank's prime rate plus 1.00% per annum. As at March 31, 2024, the balance outstanding for the lease facility was \$Nil (December 31, 2023 - \$Nil).

**7. Share capital**

The Corporation's authorized share capital consists of (i) an unlimited number of common shares, issuable in series and (ii) an unlimited number of preferred shares, issuable in a series. The Corporation has only issued common shares at March 31, 2024 and December 31, 2023.

The Corporation began a share repurchase program on November 9, 2022 permitting the Corporation to repurchase for cancellation up to 6,101,326 common shares. The normal course issuer bid expired on November 8, 2023. The Corporation began another share repurchase program on December 14, 2023 permitting the Corporation to repurchase for cancellation up to 6,390,694 common shares. The normal course issuer bid will expire on December 13, 2024 however may expire earlier if the maximum number of allowable shares are repurchased. Purchases under the normal course issuer bids were made through open market purchases at market prices. During the three months ended March 31, 2024, the Corporation repurchased and cancelled 28,500 shares (2023 - 22,329). An additional 19,000 shares (2023 - 67,234) were cancelled during the three months ended March 31, 2024 which were repurchased during the year ended December 31, 2023.

**8. Share-based compensation**

The following reconciles the share-based compensation for the three months ended March 31, 2024 and 2023:

	2024	2023
Restricted share unit plan	\$ 7	\$ 497
Employee stock options	6	331
Counter Solutions compensation (i)	-	209
Total share-based compensation	\$ 13	\$ 1,037

The following is a summary of the total unrecognized share-based compensation as at March 31, 2024 and 2023:

	2024	2023
Restricted share unit plan	\$ 28	\$ 1,271
Employee stock options	21	384
Counter Solutions compensation (i)	-	492
Total unrecognized share-based compensation	\$ 49	\$ 2,147

- (i) In connection with the Counter Solutions Holdings Limited (CS) business combination completed in 2022, the Corporation had issued 2,000,000 common shares to retain a key employee which were retractable based on CS meeting agreed targets and the continued employment of the key employee until fully vested. The estimated fair value of the shares upon acquisition was \$1,160 which was to vest in 3 equal tranches as agreed targets were met. During the year-ended December 31, 2023, the agreed targets were not met therefore the shares were retracted and are in the process of being cancelled.

**9. Income taxes**

As disclosed in prior financial statements, Givex Canada Corp. has been subject to an ongoing tax audit by the Canada Revenue Agency pertaining to transfer fees between Givex Corporation and Givex Canada Corp. On June 17, 2022, Givex Canada Corp received notices of reassessment from the Canada Revenue Agency for \$0.6 million plus interest as the result of this audit. The Corporation has paid the assessment amount however intends to dispute the assessment and has worked with legal counsel to file Notices of Objections. The payment has been recorded in prepaid expenses.

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**10. Earnings (loss) per share**

The following table summarizes the calculation of the weighted average number of basic and diluted common shares for the three months ended March 31, 2024 and 2023.

	2024	2023
Issued common shares	128,012,069	124,465,531
Weighted average shares outstanding - basic	128,019,963	124,480,477
Weighted average shares outstanding - diluted	129,098,072	124,480,477
<b>Earnings (loss) per share - basic</b>	<b>\$ 0.00</b>	<b>\$ (0.01)</b>
<b>Earnings (loss) per share - diluted</b>	<b>\$ 0.00</b>	<b>\$ (0.01)</b>

During the three months ended March 31, 2024, there were 19,423,852 (2023 - 24,468,850) weighted average share options and warrants outstanding excluded from the computation of diluted earnings (loss) per share as they were anti-dilutive.

**11. Employee compensation**

The total employee compensation comprising of salaries and benefits, excluding government assistance, for the three months ended March 31, 2024 was \$7,840 (2023 - \$7,191). The total stock compensation expense to employees for the three months ended March 31, 2024 was \$13 (2023 - \$1,037).

**12. Net changes in non-cash working capital**

	Three months ended March 31	
	2024	2023
Decrease in trade receivables	\$ 1,456	\$ 2,148
Decrease (increase) in inventory	495	(125)
Decrease (increase) in prepaid expenses and deposits	23	(278)
Decrease in restricted cash	4,968	3,866
Decrease in trade and other payables	(5,875)	(5,102)
Decrease in government remittances payable	(321)	(114)
Increase (decrease) in contract liabilities	(257)	820
	<b>\$ 489</b>	<b>\$ 1,215</b>

**13. Related party transactions**

The Corporation transacts with key individuals from management who have authority and responsibility to plan, direct, and control the activities of the Corporation. Key management personnel are defined as the executive officers of the Corporation (CEO, CFO, President, COO, CCO and EVP, HR).

Remuneration to key management was as follows:

	Three months ended March 31	
	2024	2023
Salaries and benefits	\$405	\$406
Stock-based compensation	-	220

During the three months ended March 31, 2024, companies controlled by a member of the key management personnel of the Corporation charged license fees of \$30 (2023 - \$30) and consulting fees of \$30 (2023 - \$30) to the Corporation, which are included in general and administrative expenses.

As at March 31, 2024, loans receivable of \$209 (December 31, 2023 - \$341) are due from companies controlled by a member of the key management personnel of the Corporation. The loans are non-interest bearing, unsecured and have no fixed terms of repayment.