MARBLE FINANCIAL INC.

Consolidated Financial Statements

For the Years ended December 31, 2022 and 2021
(Expressed in Canadian Dollars)

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Marble Financial Inc.

Opinion

We have audited the accompanying consolidated financial statements of Marble Financial Inc. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2022 and 2021, the consolidated statements of loss and comprehensive loss, consolidated statements of changes in shareholders' deficiency and consolidated statements of cash flows for the years ended December 31, 2022 and 2021, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years ended December 31, 2022 and 2021, in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the consolidated financial statements, which describes that, as at December 31, 2022, the Company had a working capital deficit of $8,417,276, a shareholders' deficiency of $5,642,922, and an accumulated deficit of $21,541,659 and therefore will need ongoing funding to continue operations. These events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2022, and not otherwise addressed in our report. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our auditor's report.

Evaluation of the impairment analysis for goodwill

Description of the matter

We draw attention to Notes 3 and 4 to the consolidated financial statements. The Company has recorded goodwill of $1.39 million on the consolidated statement of financial position as at December 31, 2022. The Company performs impairment testing for goodwill on an annual basis, or more frequently if there is an indication of impairment. An impairment is recognized when the carrying amount of the cash-generating unit to which goodwill has been allocated exceeds its estimated recoverable amount. The recoverable amount of a cash-generating unit is the higher of its fair value less costs to sell and its value in use. In determining the estimated recoverable amount using a discounted cash flow model, the Company's assumptions include future cash flows, long-term growth rates, and discount rates.

Why the matter is a key audit matter

We identified the evaluation of the impairment analysis for goodwill as a key audit matter because of the degree of subjectivity involved in determining the recoverable amount and the degree of sensitivity of the estimated recoverable amount to changes in assumptions. Significant auditor judgment was required in evaluating the results of our audit procedures.

How the matter was addressed in the audit

The primary procedures we performed to address this key audit matter included the following:

- We evaluated the appropriateness of future cash flows in the Company's discounted cash flow model by comparing prior year expected future cash flow to actual results and by assessing the inputs and assumptions used to project future cash flows against historical performance, available information, and business plans.
- We assessed the long-term growth rates by comparing them to available market information and historical performance.
- We involved valuation professionals with specialized skills and knowledge to assist in evaluating the appropriateness of estimates, assumptions, and discount rates.

Other Information

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis for the year ended December 31, 2022, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the

consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Essop Mia.

Hay + Watson

Chartered Professional Accountants
Vancouver, BC, Canada
May 30, 2023

MARBLE FINANCIAL INC.
Consolidated Statements of Financial Position
(Presented in Canadian Dollars)

AS AT		December 31, 2022		December 31, 2021
ASSETS				
Current assets				
Cash	$	44,005	$	1,106,678
Accounts receivable		109,995		90,128
Interest receivable (Note 6)		5,339		66,456
Loans receivable – current (Note 6)		241,519		461,565
Prepaid expenses		33,854		72,919
Investment in sublease (Note 13)		-		110,795
		434,712		1,908,541
Loans receivable (Note 6)		351,900		772,940
Furniture, equipment, and right-of-use assets (Note 7)		21,837		30,333
Intangible assets (Note 8)		1,328,089		1,919,842
Goodwill (Note 4)		1,399,824		1,399,824
Total assets	**$**	3,536,362	$	6,031,480
LIABILITIES AND SHAREHOLDERS' DEFICIENCY				
Current liabilities				
Accounts payable and accrued liabilities (Note 15)	$	1,364,061	$	812,728
Interest payable (Note 15)		462,374		198,878
Contingent earn-out provision (Note 4)		681,000		390,000
Convertible debentures (Notes 9 and 15)		803,000		1,203,446
Loans payable (Notes 10 and 15)		265,023		95,164
Unearned revenue		56,433		13,256
Bonds payable – current (Note 12)		5,220,097		3,380,475
Lease liabilities (Note 13)		-		125,230
		8,851,988		6,219,177
Contingent earn-out provision (Note 4)		-		592,000
Deferred income tax liability (Note 17)		320,416		386,432
Loans payable (Note 10)		6,880		20,375
Bonds payable (Note 12)		-		1,777,835
Total liabilities		9,179,284		8,995,819
Shareholders' deficiency				
Share capital (Note 14)		14,601,337		12,162,422
Shares issuable (Note 14)		67,800		67,800
Equity component of convertible debentures (Note 9)		71,079		115,338
Reserves (Note 14)		1,158,521		983,738
Accumulated deficit		(21,541,659)		(16,293,637)
Total shareholders' deficiency		(5,642,922)		(2,964,339)
Total liabilities and shareholders' deficiency	$	3,536,362	$	6,031,480

Nature of operations (Note 1); **Events after the reporting period** (Note 20)

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

Approved on behalf of the Board of Directors on May 30, 2023

"Karim Nanji" Director *"Farhan Abbas"* Director

MARBLE FINANCIAL INC.
Consolidated Statements of Loss and Comprehensive Loss
(Presented in Canadian Dollars)

For the years ended December 31,		2022		2021
Revenues				
Verification fees	$	728,503	$	417,639
Loan interest revenue (Note 6)		201,630		651,661
Subscription fees		94,300		250,326
Marketing service fees		53,630		-
Service fees and other		13,192		40,792
Total revenues		1,091,255		1,360,418
Operating expenses				
Administration costs		903,017		1,001,486
Amortization (Notes 7 and 8)		227,377		233,610
Bad debts expense and allowance for loan impairment (Note 6)		289,594		220,529
Consulting fees (Note 15)		749,456		797,310
Investor relations		139,899		329,722
Marketing		126,328		493,652
Salary and benefits (Note 15)		1,954,338		1,665,610
Share based payments (Notes 14 and 15)		288,033		481,820
Software and platform technology services		401,302		408,071
Transfer agent and filing fees		25,679		43,644
Total operating expenses		5,105,023		5,675,454
Finance costs				
Interest expense (Notes 9, 10 and 12)		653,635		633,594
Accretion expense (Notes 9 and 13)		96,360		91,352
Loss on settlement of convertible debentures (Note 9)		6,870		22,036
Total finance costs		756,865		746,982
Other income (expenses)				
Impairment loss on intangible assets (Note 8)		(503,814)		-
Loss on recognition of sublease (Note 13)		-		(1,884)
Increase in earn-out provision (Note 4)		(69,595)		-
Write-off of accounts (receivable) payable		(14,255)		8,229
Total other income (expenses)		(587,664)		6,345
Net loss before income taxes		(5,358,297)		(5,055,673)
Deferred income tax - reversal of temporary difference (Note 17)		66,016		-
Net loss and comprehensive loss	$	(5,292,281)	$	(5,055,673)
Basic and diluted loss per common share	$	(0.05)	$	(0.06)
Weighted average number of shares outstanding – basic and diluted		99,264,731		77,718,956

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

MARBLE FINANCIAL INC.
Consolidated Statements of Changes in Shareholders' Deficiency
(Presented in Canadian Dollars)

	Share Capital						
	Number of shares	**Amount**	**Shares issuable**	**Stock option, warrant, and RSU reserves**	**Equity component of convertible debentures**	**Deficit**	**Total**
Balance, December 31, 2020	71,696,497	$ 8,480,151	$ -	$ 542,565	$ 27,347	$(11,237,964)	$(2,187,901)
Shares issued under RSU plan (Note 14)	325,000	58,125	-	(58,125)	-	-	-
Shares issued for private placement (Note 14)	19,717,950	3,200,000	-	-	-	-	3,200,000
Private placement costs – cash (Note 14)	-	(6,300)	-	-	-	-	(6,300)
Private placement costs – agents' warrants (Note 14)	-	(7,837)	-	7,837	-	-	-
Private placement costs – agents' units (Note 14)	306,530	-	-	-	-	-	-
Convertible debenture redeemed (Note 9)	1,533,333	521,333	-	-	(27,347)	-	493,986
Shares issued for marketing campaign (Note 14)	40,843	16,950	-	-	-	-	16,950
Shares issuable marketing campaign (Note 14)	-	-	67,800	-	-	-	67,800
Equity component of convertible debentures (Note 9)	-	-	-	-	115,338	-	115,338
Debt issuance costs – agents' warrants (Note 9)	-	-	-	9,641	-	-	9,641
Shares cancelled (Note 14)	(400,000)	(100,000)	-	-	-	-	(100,000)
Share-based payments	-	-	-	481,820	-	-	481,820
Net loss for the year	-	-	-	-	-	(5,055,673)	(5,055,673)
Balance, December 31, 2021	93,220,153	$12,162,422	$ 67,800	$ 983,738	$ 115,338	$(16,293,637)	$(2,964,339)
Shares issued under RSU plan (Note 14)	800,000	113,250	-	(113,250)	-	-	-
Shares issued for private placement (Note 14)	20,952,437	1,466,671	-	-	-	-	1,466,671
Shares issued for warrant exercises (Note 14)	4,883,988	488,399	-	-	-	-	488,399
Shares issued for earn-out provision (Note 14)	1,577,000	370,595	-	-	-	-	370,595
Private placement – agents' shares Note 14)	75,040	-	-	-	-	-	-
Convertible debentures redeemed (Note 9)	-	-	-	-	(44,259)	44,259	-
Share-based payments (Note 14)	-	-	-	288,033	-	-	288,033
Net loss for the year	-	-	-	-	-	(5,292,281)	(5,292,281)
Balance, December 31, 2022	121,508,618	$14,601,337	$ 67,800	$ 1,158,521	$ 71,079	$(21,541,659)	$(5,642,922)

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

MARBLE FINANCIAL INC.
Consolidated Statements of Cash Flows
(Presented in Canadian Dollars)

For the year ended December 31,		**2022**		**2021**
CASH FROM OPERATING ACTIVITIES				
Net loss for the year	$	(5,292,281)	$	(5,055,673)
Items not affecting cash:				
Amortization (Notes 7 and 8)		227,377		233,610
Accrued interest on bonds payable		81,787		74,669
Lease accretion (Note 13)		3,676		20,123
Share based payments (Note 14)		288,033		481,820
Shares issued and issuable for marketing campaign		-		84,750
Shares issued for earn-out (Note 4)		370,595		-
Accretion on convertible debentures (Note 9)		92,684		71,229
Impairment of intangible assets (Note 8)		503,814		
Interest on convertible debentures (Note 9)		-		7,292
Interest from sublease		(3,245)		(10,361)
Loss on settlement of convertible debentures (Note 9)		6,870		22,036
Loss on recognition of sublease		-		1,884
Write-off of accounts payable		-		(8,229)
Write-off of accounts receivable		(14,255)		-
Changes in non-cash working capital items:				
Accounts receivables		(5,612)		(59,993)
Interest receivable		61,117		(30,422)
Loans receivable		641,086		987,339
Prepaid expenses		39,065		2,833
Unearned revenue		43,177		(185,600)
Accounts payable and accrued liabilities		551,333		319,928
Interest payable		263,496		154,957
Contingent earn-out provision (Note 4)		(301,000)		-
Deferred income tax liability		(66,016)		-
Net cash used in operating activities		(2,508,299)		(2,887,808)
CASH FROM INVESTING ACTIVITIES				
Acquisition of property, equipment, and right-of-use assets (Note 7)		(5,942)		(51,535)
Acquisition of Accumulate.ai assets (Note 5)		(125,000)		-
Acquisition of Inverite (Note 4)		-		(1,441,864)
Net cash used in investing activities		(130,942)		(1,493,399)
CASH FROM FINANCING ACTIVITIES				
Common shares issued, net of share issuance costs (Note 14)		1,955,070		3,093,700
Convertible debentures issued, net of debt issuance costs (Note 9)		-		1,262,850
Proceeds from loans received (Note 9)		1,096,528		-
Sublease payments received		114,040		114,040
Payment of loans payable (Note 10)		(940,164)		(25,164)
Payment of lease liabilities (Note 13)		(128,906)		(195,336)
Payment of convertible debentures (Note 9)		-		(10,741)
Redemption of convertible debenture (Note 9 and 15)		(500,000)		-
Redemption of bonds (Note 12)		(20,000)		(77,717)
Net cash generated by financing activities		1,576,568		4,161,632
Change in cash during the year		(1,062,673)		(219,575)
Cash, beginning of the year		1,106,678		1,326,253
Cash, end of the year	$	44,005	$	1,106,678
Interest received	$	165,631	$	369,876
Interest paid (bonds, convertible debentures and loans)	$	191,762	$	628,972

Reconciliation of changes in liabilities arising from financing activities (Note 19)

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

1. NATURE OF OPERATIONS

Marble Financial Inc. ("Marble", collectively with its subsidiaries, the "Company") was incorporated under the Business Corporation Act (British Columbia) on July 7, 2015. The head office of the Company is located at Suite 404-999 Canada Place, Vancouver, British Columbia, V6C 3E2. Marble's common shares are listed for trading on the Canadian Securities Exchange ("CSE") under the symbol "MRBL," quoted on the OTC Pink market under the symbol "MRBLF" and on the Frankfurt Stock Exchange under the symbol "2V0".

The Company's primary business activities are focussed on assisting underbanked Canadians and alternative lenders better transact with each other based on artificial intelligence ("AI") and alternative data. As well as providing consumers a simple and easy to follow prescriptive path towards financial inclusion and a positive financial future through its MyMarble Platform, Inverite Verification Inc., the Company's wholly owned subsidiary, is a cloud-based SaaS platform and offers Open Banking and consumer-directed finance solutions, consisting of banking verification solutions to the financial services industry for income verification, credit decisioning, fraud reduction, and know-your client/anti-money laundering purposes, and Accumulate.ai Software Ltd., another wholly owned subsidiary, offers uniquely tailored lead generation and marketing services, combined with AI to find and collect high intent underbanked customers for our marketing clients. For the underbanked consumers that fall short on achieving their financial capacity and credit worthiness, the Company's cloud based proprietary MyMarble Platform offers an online personal finance platform that provides them with both a fremium and premium version offering the prescriptive ability to understand, build and maintain a positive credit report and credit score, gain specific and unique budgetary and credit insights with access to financial education and literacy, through a variety of product offerings on the platform, such as Boost and The Secured Future Credit Plan. The Company enters into licensing and non-exclusive referral agreements with third party financial services firms and alternative lenders to offer their platform-based solutions.

These consolidated financial statements have been prepared on the basis of a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at December 31, 2022, the Company had a working capital deficit of $8,417,276 (December 31, 2021 – $4,310,636), a shareholders' deficiency of $5,642,922 (December 31, 2021 – $2,964,339) and an accumulated deficit of $21,541,659 (December 31, 2021 – $16,293,637) and therefore will need ongoing funding to continue its operations. There is no assurance that additional funding will be available on a timely basis or on terms acceptable to the Company. If the Company is unable to obtain sufficient funding, the ability of the Company to meet its obligations as they come due and, accordingly, the appropriateness of the use of the going concern accounting principle will be in significant doubt. These consolidated financial statements do not reflect the adjustments or reclassification which would be necessary if the Company were unable to continue its operations in the normal course of business.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak continues to adversely affect workforces, economies, and financial markets globally, potentially leading to an economic downturn. Although the COVID-19 pandemic has largely abated, weak economic conditions may affect the financial condition and credit worthiness of some of the Company's consumer debtors. For the year ended December 31, 2022 the Company has increased its expected allowance for credit losses as compared to 2021.

2. BASIS OF PRESENTATION

Statement of compliance

The Company prepared these consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and by the IFRS interpretations Committee. These consolidated financial statements were approved by the Board of Directors and authorized for issue on May 30, 2023.

2. BASIS OF PRESENTATION *(continued)*

Basis of measurement

These consolidated financial statements are prepared on the historical cost basis, except for certain items recorded at fair value. These consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency.

Basis of consolidation

The Company's consolidated financial statements include Marble and its wholly owned subsidiaries as follows:

Company	Place of Incorporation	Effective Interest
Inverite Verification Inc. (**"Inverite"**)	British Columbia	100%
Accumulate.ai Software Ltd. (**"Accumulate.ai"**)	Canada	100%
Score-Up Inc. (**"Score-Up"**)	Ontario	100%
Credit Meds Corp. (**"Credit Meds"**)	Ontario	100%
1301771 B.C. Ltd. (**"1301771"**)	British Columbia	100%
TPFM The Phoenix Fund Management Ltd. (**"TPFM"**)	British Columbia	100%
TPF The Phoenix Fund Inc. (**"TPF"**)	British Columbia	100%

On April 23, 2021, 1301771 B.C. Ltd. was incorporated under the BCBCA as a special purpose vehicle whose business and undertaking is restricted to the origination, funding and financing of consumer loan assets, together with such other activities as may be reasonably required or advisable in connection therewith. 1301771 was created for the purposes of procuring financing for Fast-Track Loans originated by TPFM and thereafter receiving an assignment of the Fast-Track Loans and holding them as collateral for a security interest provided to the lenders.

On September 1, 2022, Accumulate.ai was incorporated under the Canada Business Corporations Act and extra-provincially registered under the Business Corporations Act (British Columbia) in British Columbia on September 2, 2022. Accumulate.ai was created for the purposes of acquiring certain assets related to a marketing service business (see Note 5).

Control is achieved where the Company has power over an entity, has exposure or rights to variable returns from its involvement with the entity and has the ability to use its power over the entity to affect the amount of the investor's returns. Subsidiaries are included in the consolidated financial statements from the date control commences until the date control ceases. All inter-company balances, transactions, revenues and expenses have been eliminated on consolidation.

Comparative Figures

The presentation of comparative figures on the consolidated statements of loss and comprehensive loss has been conformed to the presentation used in current year.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents comprise cash deposits and investments with less than three months maturity from the original date of acquisition which can be readily converted to a known amount of cash.

Financial Instruments

i) Recognition, classification, and measurement

The Company initially recognizes loans and receivables and all other financial assets and on the date the Company becomes a party to the contractual provisions of the financial instrument. Financial assets and liabilities are initially measured and recognized at fair value. Subsequent to initial recognition, the Company's financial assets are classified as at fair value through profit or loss ("FVTPL") or at amortized cost. Financial liabilities are classified and subsequently measured at amortized cost.

<u>Financial assets at FVTPL</u>

A financial asset is required to be classified as FVTPL unless it is measured at amortized cost or at fair value through other comprehensive income. Financial assets at FVTPL are initially measured at fair value with directly attributable transaction costs recognized in profit or loss. Subsequent to initial recognition, financial assets at FVTPL are measured at fair value and changes therein, including any interest or dividend income, are recognized in profit or loss.

The Company's designated FVTPL assets consist of cash.

<u>Amortized cost</u>

Financial assets are measured at amortized cost if the financial asset is held within a "hold to collect" business model, and if the contractual cash flows associated with the financial asset are solely payments of principal and interest on the principal amount of debt outstanding. Financial assets with a "hold to collect" business model exist when the Company's primary objective is to collect contractual cash flows on the assets rather than selling them. Financial assets classified as amortized cost are initially recognized at fair value, and subsequently measured at amortized cost using the effective interest method, less any allowance for losses.

The Company's financial assets measured at amortized cost consist of accounts receivable, interest receivable and loans receivable.

Financial liabilities are measured at amortized cost unless otherwise designated by the Company as FVTPL. The Company's financial liabilities measured at amortized cost consists of accounts payable and accrued liabilities, interest payable, convertible debentures, loans and bonds.

ii) Fair value of financial instruments

Financial instruments recognized in the consolidated statements of financial position at fair value include cash. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between unrelated participants at the measurement date. Fair values of accounts receivable, interest receivable, accounts payable and accrued liabilities, interest payable and convertible debentures approximate their carrying values due to their short-term nature.

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the following valuation techniques:

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial Instruments *(continued)*

- Level 1: inputs are unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data.

Cash is measured at fair value based on a Level 1 designation.

iii) Impairment of financial assets

The Company assesses impairment of financial assets at each reporting date. A financial asset is impaired if there is objective evidence that one or more loss events, occurring after the initial recognition of the asset, impacts the estimated future cash flows of the financial asset. Objective evidence that financial assets are impaired includes significant financial and other difficulty of the borrower or issuer, default or delinquency of a borrower, restructuring of amounts due on terms that the Company would not consider otherwise, other indications that a borrower or issuer will enter bankruptcy and adverse changes in the payment status of the borrower.

Loss allowances are estimated for expected credit losses resulting from default events that are possible within 12 months after the reporting date, and for lifetime expected losses for financial assets where the credit risk increased significantly since initial recognition and for accounts receivable.

For the purpose of an individual evaluation of impairment, the amount of impairment loss on a financial asset is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current effective interest rate determined under the contract.

For the purpose of a collective evaluation of impairment, financial assets are characterized on the basis of similar risk characteristics. Those characteristics are relevant to the estimation of future cash flows for such assets by being indicative of the counterparties' ability to pay all amounts due according to the contractual terms of the financial assets being evaluated. Future cash flows of financial assets that are collectively evaluated for impairment are estimated on the basis of historical loss experience for the assets with credit risk characteristics similar to those being evaluated.

The carrying amount of the financial assets are reduced through the use of an allowance account and the amount of the loss is recognized in profit or loss. If in a subsequent period, the amount of the impairment loss decreases and the decrease can be objectively linked to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognized in profit or loss.

iv) Derecognition of financial instruments

Financial assets are derecognized when the contractual rights to receive the cash flows from these assets have ceased to exist or the assets have been transferred and substantially all the risks and rewards of ownership of the assets are also transferred. If the Company has neither transferred nor retained substantially all the risks and rewards of the transferred financial asset, it assesses whether it has retained control over the transferred asset. If control has been retained, the Company recognizes the transferred asset to the extent of its continuing involvement. If control has not been retained, the Company derecognizes the transferred asset. Any difference between the carrying amount of the asset and the consideration which is determined to have been received is recognized in profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial Instruments *(continued)*

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. Any difference between the carrying amount of the liability extinguished and the consideration paid is recognized in profit or loss.

Interest revenue and interest expense

Interest revenue and interest expense are recognized in profit or loss using the effective interest method. The effective interest method uses the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or financial liability to the carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates future cash flows considering all contractual terms of the financial instrument but does not consider future credit losses.

The calculation of the effective interest method includes all fees and costs paid or received between parties to the contract that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or liability. Loan origination fees and fees that are considered to be adjustments to loan yield are recognized using the effective interest method. The effective interest method capitalizes fees and transaction costs on the consolidated statement of financial position and amortizes them to interest income over the expected life of the related financial asset or financial liability. Once a financial asset has been written down as a result of an impairment loss, interest revenue is recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Verification fees

The Company provides verification services for financial institutions and other businesses. The Company generates revenue through fees charged to their clients for their verification services. Verification fees are recorded as income at the point in time when the service is completed and when collectability is reasonably assured.

Marketing service fees

The Company offers marketing services to clients who use their software and/or services. The Company records marketing service fee income over the term of the underlying service contract as the marketing services are provided, or on a monthly basis if there is no underlying service contract, when collectability is reasonably assured.

Subscription fees

The Company offers web-based software solutions to its consumers and may either bill its consumers monthly or for a specified subscription term. The Company records subscription fee income over the term of the underlying service contract, or on a monthly basis if there is no underlying service contract, when collectability is reasonably assured.

Service fees

Service fees include loan fees, late payment fees and other fees related to administering loans to the Company's consumers. Services fees are recorded as income when collectability is reasonably assured and the service is completed.

(Presented in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Office furniture and equipment

Office furniture and equipment are recorded at cost less accumulated depreciation and accumulated impairment losses. Depreciation is recorded using either the declining balance or the straight-line method and is intended to depreciate the costs of assets over their estimated useful lives:

Office furniture	20% declining balance
Computer hardware	55% declining balance
Leasehold improvements	3 years straight line
Right-of-use assets	3 years straight line

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Intangible assets

Expenditure on research activities is recognized in profit or loss as incurred. Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortization and any accumulated impairment losses.

Amortization is recorded annually using the straight-line method and is intended to amortize the costs of the intangible assets over their estimated useful lives:

Internally generated software	10 years straight line
Score-Up platform	10 years straight line
Credit Meds software	10 years straight line
Inverite platform	10 years straight line
Accumulate.ai assets	10 years straight line
Trademark	Indefinite

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Goodwill

Goodwill arises from a business combination as the excess of the consideration transferred over the identifiable net assets acquired. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill is allocated to the cash-generating unit (CGU) that is expected to benefit from the related business combination. The CGU is tested for impairment annually and whenever there is an indication that the CGU may be impaired. The impairment testing methodology is based on a comparison between the recoverable amount (higher of fair value less costs to sell and value-in-use of the CGU) and the net asset carrying value (including goodwill). If the recoverable amount of the CGU is less than the carrying amount of the CGU, the impairment loss is first allocated to reduce the carrying amount of any goodwill allocated to the CGU and then to the other assets of the CGU. An impairment loss is recognized immediately in profit or loss. Any impairment loss in respect of goodwill is not reversed.

Goodwill recorded as of December 31, 2022 and 2021 arose from the acquisition of Inverite and is allocated to the Company's Inverite subsidiary. The annual impairment test of goodwill was performed as at December 31, 2022 and did not result in an impairment loss

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of long-lived assets to determine whether there is an indication that those assets have suffered any impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment charge (if any).

The recoverable amount used for this purpose is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset is estimated to be less than its recorded amount, the recorded amount of the asset is reduced to its recoverable amount. An impairment charge is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to a maximum amount equal to the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years.

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company assesses whether the contract involves the use of an identified asset, whether the Company has the right to obtain substantially all of the economic benefits from use of the asset during the term of the arrangement and if the Company has the right to direct the use of the asset.

As a lessee, the Company recognizes a right-of-use asset and a lease liability at the commencement date of a lease. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received.

The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term or the end of the useful life of the asset. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain measurements of the lease liability.

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the interest rate implicit in the lease, or if that rate cannot be readily determined, the incremental borrowing rate. Lease payments included in the measurement of the lease liability are comprised of:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- exercise prices of purchase options if we are reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in the estimate or assessment of the expected amount payable under a residual value guarantee, purchase, extension, or termination option. Variable lease payments not included in the initial measurement of the lease liability are charged directly to profit.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Income taxes

Income tax expense is composed of current and deferred taxes. Current and deferred taxes are recognized in profit or loss except to the extent that it relates to items recognized directly in shareholders' deficiency or in other comprehensive income.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or receivable in respect of previous years.

Deferred tax

Deferred tax is recognized with respect to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the consolidated statement of financial position date, considering the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset when it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability. The Company's common shares are classified as equity instruments. Incremental costs directly attributed to the issuance of new shares are shown in equity as a reduction, net of tax, of the proceeds received on issue.

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognized as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Loss per share

The Company presents the basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares. As at December 31, 2022 and 2021, the Company's potential common shares from outstanding share purchase options and warrants have not been considered in calculating diluted earnings per share as their effect would be anti-dilutive.

Use of Estimated and Judgments

The preparation of these consolidated financial statements requires management to make estimates and judgments and to form assumptions that affect the reported amounts and other disclosures in these consolidated financial statements. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The results of these assumptions form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Changes to accounting estimates are recognized in the period in which the estimate is revised and all future periods which are affected by the change in estimate. The principal areas where critical estimates and judgments have been applied are described below:

<u>Impairment losses on loans receivable</u>
The Company regularly reviews its loans receivable for potential impairment. In determining whether an impairment loss should be recorded in profit or loss, the Company considers whether there is any observable data indicating that an increase in the credit risk or a decrease in the estimated future cash flows from a loan has occurred. This evidence may include observable data indicating that there has been an adverse change in the payment status of the borrower. Management uses estimates based on valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of estimation is required. The estimates include future market interest rates.

<u>Impairment of intangible assets and goodwill</u>
Intangible assets which are available for use and have a definite useful life are assessed for indicators of impairment at the end of each reporting period. If indicators of impairment exist, the Company will test those intangible assets for impairment. The Company tests intangible assets with an indefinite useful life, intangible assets which are not yet ready for use, and goodwill on an annual basis. Significant judgment is required in determining the useful lives and recoverable amounts of these assets, evaluating the appropriate allocation of assets to cash-generating units, and assessing whether certain events or circumstances constitute objective evidence of impairment. Estimates of the recoverable amounts of these assets rely on certain inputs and assumptions, including future cash flows and discount rates, and may be sensitive to changes in these inputs and assumptions. Future cash flows are based on revenue projections and allocated costs which are estimated based on historical and forecast results and business initiatives. Discount rates are based on an assessment of current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

<u>Income taxes</u>
Income tax expenses recorded in these consolidated financial statements are not final until tax returns are filed and accepted by taxation authorities. Therefore, results of operations in future reporting periods may be affected by the difference between the income tax expense estimates and the final tax assessments. Estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the ability to use the underlying future tax deductions against future taxable income. The assessment is based on enacted tax acts and estimates of future taxable income.

(Presented in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Use of Estimated and Judgments *(continued)*

Business combinations

Management determines whether assets acquired, and liabilities assumed constitute a business. A business consists of inputs and processes applied to those inputs that have the ability to create outputs. On April 12, 2021, Marble completed the acquisition of 100% of the shares of Inverite (Note 4) which was accounted for as a business combination at fair value in accordance with IFRS 3, “Business Combinations” as the operations of Inverite meet the definition of a business. The acquired assets and assumed liabilities were adjusted to their fair values assigned through completion of a purchase price allocation, as described in Note 4. On October 18, 2022, Accumulate.ai completed the acquisition of certain assets related to a marketing services business (Note 5) which was accounted for as a business combination at fair value in accordance with IFRS 3, “Business Combinations” as the operations of the assets met the definition of a business. The purchase price allocation process resulting from a business combination requires management to estimate the fair value of identifiable assets acquired including intangible assets and liabilities assumed. The valuations are closely linked to the assumptions used by management on the future performance of the related assets and the discount rates applied.

4. ACQUISITION OF INVERITE

On April 12, 2021, the Company acquired all of the issued and outstanding shares of Inverite for a purchase price of $1,460,000 plus an earn out provision of up to $2,500,000 which will be based on a multiple of annual incremental revenues (“AIR”) of Inverite over the two consecutive one-year periods following the closing date, payable in cash or common shares at the option of the Company. The effective price of any common shares issued in satisfaction of the payment of any portion of the earn-out amount will be the greater of (i) the volume weighted average price of the common shares of the Company for the 10 consecutive trading days preceding the last day of the applicable earn-out period, and (ii) closing share price on the last trading day prior to the closing date, which was $0.235 per share.

The transaction was accounted for as a business combination and, as the operations of Inverite meet the definition of a business, all transaction costs were expensed. The goodwill resulting from the allocation of the purchase price to the total fair value of net assets will represent the sales and growth potential of Inverite.

The fair value of the consideration transferred has been allocated to the assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition as follows:

Purchase price consideration		
Cash	$	1,460,000
Estimated fair value of earn-out provision		982,000
	$	2,442,000
Assets acquired and liabilities assumed		
Working capital	$	37,378
Loan payable		(40,000)
Deferred income tax liability		(386,432)
Intangible assets		1,431,230
Goodwill		1,399,824
	$	2,442,000

(Presented in Canadian Dollars)

4. ACQUISITION OF INVERITE *(continued)*

A reconciliation of the earn-out provision subsequent to the date of acquisition is as follows:

Earn-out provision, December 31, 2021	$	982,000
Settled through the issue of 1,577,000 shares (Note 14)		(370,595)
Increase in earn out provision		69,595
Earn-out provision, December 31, 2022		681,000

5. ACQUISITION OF ACCUMULATE.AI ASSETS

On October 18, 2022, Accumulate.ai, a subsidiary of the Company, completed the acquisition of certain assets related to a marketing services business for consideration of up to CDN$550,000. The purchase price payable is comprised of: (i) a cash payment of $125,000 paid on closing, of which $25,000 was paid into escrow, and (ii) an earn-out of up to $425,000 equal to 33-1/3% of the net income of the acquired business realized during the eight successive quarterly financial reporting periods following the closing date.

Subject to regulatory approval, the earn-out will be paid in the form of common shares of Marble issued from treasury, calculated based on the volume weighted average closing trading price ("VWAP") of Marble common shares on the Canadian Securities Exchange for the five prior trading days ending three trading days prior to the end of each financial quarter. The earn-out shall cease and be of no further effect if the net income of the business is negative for two successive fiscal quarters during the earn-out period. Subsequent to year end, the earn-out provision ceased as net income was negative for two successive fiscal quarters.

The transaction was accounted for as a business combination and, as the assets and operations acquired meet the definition of a business, all transaction costs were expensed.

The fair value of the consideration transferred has been allocated to the assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition as follows:

Purchase price consideration		
Cash	$	125,000
Assets acquired and liabilities assumed		
Intangible assets		125,000

6. LOANS RECEIVABLE

The Company provides loans to consumer debtors who meet the Company's evaluation criteria and who will use the borrowed funds to settle debts under formal or informal debt restructuring plans agreed upon by the creditors of the consumer debtors. Most of the loans issued to consumer debtors are unsecured. The loans receivable generally bear interest between 18.99% and 24.99% and mature between three and seven years from the date of issuance.

(Presented in Canadian Dollars)

6. LOANS RECEIVABLE *(continued)*

Loans receivable and interest receivable

		December 31, 2022		December 31, 2021
Unsecured personal loans	$	750,160	$	1,398,492
Mortgages		-		759
Less: allowance for loan impairment		(151,402)		(98,289)
Total loans and interest receivable, net of allowance for loan impairment		598,758		1,300,961
Interest receivable		(5,339)		(66,456)
Loans receivable, current portion		(241,519)		(461,565)
Loans receivable – non-current portion	$	351,900	$	772,940

Reconciliation of allowance for loan impairment

		December 31, 2022		December 31, 2021
Balance, beginning of the year	$	98,289	$	220,000
Change in provision for impairment losses		53,113		(121,711)
Balance, end of the year	$	151,402	$	98,289

The Company makes estimates of expected loan receivable impairment losses based on the probability of credit losses occurring and considering the delinquency of the loans outstanding, past experiences regarding losses, and an ongoing assessment of the market and of individual consumer debtors. The Company also categorizes its loans by the number of days the loan payments are past due and estimates the probability of credit losses within these categories. The allowance for credit losses is maintained at a level that the Company considers adequate to absorb credit-related losses over the next 12 months, where loan payments are current and credit risk has not significantly increased, and over the lifetime of the loan, where loan payments are past due or credit risk has significantly increased.

The allowance for credit losses of $151,402 represents 20.18% of the Company's outstanding loans receivable balance, inclusive of interest receivable, as at December 31, 2022 (2021 – 7.56%). The increase in allowance for credit losses as a percentage of the loan portfolio is due to an increase in the proportion of loans where payments are past due and a change in the expectation of loan repayments as a result of the impact of the COVID-19 pandemic, cost of living increases during the year, and other factors which impact the financial condition of the Company's consumer debtors.

A loan receivable is considered past due when a consumer debtor has not made a payment by the contractual due date and written off when the consumer debtor has declared bankruptcy or applied for a consumer protection, or the Company has sent the loan receivable to an external collection agency for collections. During the year, the Company wrote off $247,654 (2021 – $nil) in loans and interest receivable.

Loans receivable past due

The following tables present the carrying values of loans that are past due but which have not been written off because: (i) the Company is in continuous contact with the consumer debtor and the Company and the consumer debtor have established an appropriate repayment plan, or (ii) the loan receivable is secured and the fair value of the collateral is sufficient to cover the carrying value of the loan receivable.

(Presented in Canadian Dollars)

6. LOANS RECEIVABLE *(continued)*

Loans receivable past due *(continued)*

December 31, 2022		**30-60 days**		**61-90 days**		**Over 90 days**		**Total**
Personal loans	$	16,940	$	17,227	$	132,557	$	166,724
Mortgages		-		-		-		-
Total past due	$	16,940	$	17,227	$	132,557	$	166,724

December 31, 2021		**30-60 days**		**61-90 days**		**Over 90 days**		**Total**
Personal loans	$	29,264	$	21,859	$	261,695	$	312,818
Mortgages		-		-		759		759
Total past due	$	29,264	$	21,859	$	262,454	$	313,577

Contractual maturities

The contractual maturities of loans receivable as at December 31, 2022 are as follows:

	Under 1 year	**1-5 years**	**Over 5 years**	**Total**
Unsecured personal loans and interest receivable	$ 294,700	$ 437,661	$ 17,799	$ 750,160
Less: allowance for credit losses				(151,402)
Loans and interest receivable, net				$ 598,758

7. FURNITURE, EQUIPMENT, AND RIGHT-OF-USE ASSETS

		Leasehold Improvement		Right-of-use assets		Furniture		Computers		Total
Cost										
December 31, 2020	$	5,404	$	510,637	$	35,361	$	22,050	$	573,452
Additions		-		5,125		-		16,294		21,419
Disposals		-		(485,544)		-		-		(485,544)
December 31, 2021	$	5,404	$	30,218	$	35,361	$	38,344	$	109,327
Additions		-		292		-		5,650		5,942
December 31, 2022	$	5,404	$	30,510	$	35,361	$	43,994	$	115,269
Accumulated Amortization										
December 31, 2020	$	5,404	$	241,765	$	16,800	$	19,084	$	283,053
Amortization		-		57,639		3,712		3,776		65,127
Disposals		-		(269,186)		-		-		(269,186)
December 31, 2021	$	5,404	$	30,218	$	20,512	$	22,860	$	78,994
Amortization		-		292		2,970		11,176		14,438
December 31, 2022	$	5,404	$	30,510	$	23,482	$	34,036	$	93,432
Carrying values										
December 31, 2021	$	-	$	-	$	14,849	$	15,484	$	30,333
December 31, 2022	$	-	$	-	$	11,879	$	9,958	$	21,837

(Presented in Canadian Dollars)

8. INTANGIBLE ASSETS

	Internally developed software	Score-Up platform	Credit Meds software	Trademark	Inverite Platform	Accumulate. ai assets	Total
Cost							
December 31, 2020	$ 409,084	$ 246,893	$ 60,000	$ 17,567	$ -	$ -	$ 733,544
Internal development	30,116	-	-	-	-	-	30,116
Acquisition	-	-	-	-	1,431,230	-	1,431,230
December 31, 2021	$ 439,200	$ 246,893	$ 60,000	$ 17,567	$1,431,230	$ -	$2,194,890
Acquisition	-	-	-	-	-	125,000	125,000
December 31, 2022	$ 439,200	$ 246,893	$ 60,000	$ 17,567	$1,431,230	$ 125,000	$ 2,319,890
Accumulated Amortization and Impairment Losses							
December 31, 2020	$ 71,589	$ 34,976	$ -	$ -	$ -	$ -	$ 106,565
Amortization	42,414	24,690	-	-	101,379	-	168,483
December 31, 2021	$ 114,003	$ 59,666	$ -	$ -	$ 101,379	$ -	$ 275,048
Amortization	43,921	24,689	-	-	143,123	1,206	212,939
Impairment loss	281,276	162,538	60,000	-	-	-	503,814
December 31, 2022	$ 439,200	$ 246,893	$ 60,000	$ -	$ 244,502	$ 1,206	$ 991,801
Carrying values							
December 31, 2021	$ 325,197	$ 187,227	$ 60,000	$ 17,567	$1,329,851	$ -	$1,919,842
December 31, 2022	$ -	$ -	$ -	$ 17,567	$1,186,728	$ 123,794	$1,328,089

Due to the uncertainty in the timing and amount of future cash flows from operations and unobservable market values for comparable intellectual property, the Company wrote down the carrying values for each of its internally developed software, Score-Up platform and CreditMeds software to $nil and recorded an impairment loss in the aggregate amount of $503,814 during the year ended December 31, 2022 (2021 - $nil). The recoverable amount was determined on the basis of value in use using a discount rate of 22.9%. The Company intends to continue to develop these platforms and software and revisit the recoverable amount at each reporting period.

Trademarks are assessed as having an indefinite useful life because they do not expire and the Company expects to continue to benefit from their use.

The Inverite platform (Note 4) consists of acquired software and related technology processes and has an estimated remaining useful life of eight years.

Accumulate.ai assets consist of acquired software and related technology processes (Note 5) and have an estimated remaining useful life of ten years.

(Presented in Canadian Dollars)

9. CONVERTIBLE DEBENTURES

In March 2020, Marble closed a private placement offering of unsecured convertible debentures (the "Debentures") with an aggregate principal amount of $400,000. In October 2020, the Company closed a second tranche and issued Debentures with an aggregate principal amount of $160,000. The Debentures had a one-year term from the dates of issuance and accrued simple interest at a rate of 12% per annum, payable quarterly. The principal amount of the Debentures and all accrued, but unpaid, interest were convertible at the option of the holder into common shares of Marble at a price of $0.30 per common share. The Company allocated $33,292 to the equity component of the Debentures. In December 2020, the Company redeemed Debentures with principal amounts of $100,000. During the year ended December 31, 2021, the remaining Debentures principal balance of $460,000 was converted into 1,533,333 common shares of Marble, which resulted in a loss on settlement of $22,036.

On April 7, 2021, the Company closed a non-brokered private placement of unsecured convertible debentures (the "New Debentures") with an aggregate principal amount of $1,303,000. The New Debentures had a 15-month term from the date of issuance and accrue simple interest at a rate of 10% per annum, payable semi-annually. The principal amount of the New Debentures and all accrued but unpaid interest are convertible, at the option of the holder, into units at a price of $0.30 per unit. Each unit is comprised of one common share and one-half of one share purchase warrant, with a whole warrant exercisable to purchase a common share at a price of $0.45 until 21 months after the closing date. The Company may force conversion of the principal amount into units at $0.30 per unit if at any time after four months and a day after the closing date, the common shares have traded or closed on the CSE at $0.60 or more for 10 consecutive trading days. In connection with the private placement, the Company paid an aggregate of $40,150 in finder fees and issued an aggregate of 133,832 finder warrants with an estimated fair value of $9,641 using the Black-Scholes pricing model using the following weighted average assumptions:

Risk-free rate	0.26%
Expected life of finder warrants	1.25 years
Annualized volatility	80%
Dividend rate	0%

Each finder warrant is exercisable into one common share at a price of $0.30 for a period of 15 months following closing. (See Note 14).

In August 2021, the Company entered into amending agreements with the New Debentures holders to extend the maturity date from July 7, 2022 to December 31, 2022, and in respect of the underlying warrants issuable on conversion to extend their expiry date from January 7, 2023 to June 30, 2023. On November 28, 2022, $500,000 New Debentures, plus outstanding accrued interest thereon, were used as payment to settle subscriptions in a non-brokered private placement. See Notes 14 and 15. A loss on settlement of $6,870 was recorded.

The following is a continuity of the liability component of the Debentures and New Debentures:

	December 31, 2022	December 31, 2021
Balance, beginning of year	$ 1,203,446	$ 422,495
Issue of New Debentures	-	1,303,000
Debt issuance costs	-	(49,791)
Equity component of New Debentures	-	(115,338)
Payments	-	(10,741)
Redemption	(493,130)	(424,700)
Interest on Debentures	-	7,292
Accretion of convertible debentures	92,684	71,229
Balance, end of year	$ 803,000	$ 1,203,446

(Presented in Canadian Dollars)

10. LOANS PAYABLE

	December 31, 2022	December 31, 2021
BDC Loans	$ 20,375	$ 45,539
Loans from related parties (Note 15)	50,000	-
Other loans	131,528	-
CEBA Loans	70,000	70,000
Total loans payable	271,903	115,539
Loans payable – current	(265,023)	(95,164)
Loans payable – non-current	$ 6,880	$ 20,375

The BDC Loans, acquired through the acquisition of Score-Up in 2019, bear interest at 8.05% per annum, require monthly payments inclusive of principal and interest, and mature on November 10, 2022, and October 10, 2024. During the year ended December 31, 2022, the Company made aggregate payments on the BDC Loans in the amount of $25,164 inclusive of interest and administration fees of $2,927.

As at December 31, 2022, the Company owed an aggregate of $50,000 principal amount of loans to related parties (2021 - $nil). The outstanding loans at December 31, 2022 bear interest at a rate of 12% per annum and have no fixed terms of repayment. As at December 31, 2022, the Company owed an aggregate of $131,528 (2021 - $nil) of loans to third parties which bear interest at a rate of 12% per annum and have no fixed terms of repayment.

During the year ended December 31, 2020, the Company received a $40,000 Canada Emergency Business Account loan (the "CEBA Loan"). The CEBA Loan remains interest free until December 31, 2023 and has no fixed repayment schedule. If $30,000 is repaid on or before December 31, 2023, the remaining $10,000 will be forgiven. If any amount remains unpaid at December 31, 2023, the Company will enter into an extension agreement whereby it will accrue interest at 5% per annum, with a repayment schedule to be determined at that time. As part of the acquisition of Inverite, the Company acquired an additional $30,000 of CEBA loans under the same repayment terms as the CEBA Loan.

11. CREDIT FACILITY AGREEMENT

On July 26, 2021 the Company secured funding for new Fast-Track loans through a definitive credit facility agreement (the "Credit Facility Agreement") amongst Marble, 1301771, TPFM, and CHP Agent Services Inc. ("CHP"), a subsidiary of Cypress Hills Partners Inc. The Credit Facility Agreement provides for a $10 million credit facility to Marble, through 1301771 as borrower, with TPFM as servicing agent for originations, adjudications, administration and monitoring of the new Fast-Track loans or other loans as approved by CHP and the lenders, and CHP acting as administrative and collateral agent on behalf of the lenders. The aggregate amount of the funding is determined as a selected percentage (the "Advance Rate") of the outstanding Eligible Customer Loans (as defined in the Credit Facility Agreement) in the loan portfolio, adjusted for customer loan payments received less accrued but unpaid amounts owing to CHP and the Lenders under the Credit Facility Agreement (the "Borrowing Base"), with an initial Advance Rate at 95% (the maximum) and a minimum threshold of 80%. The current amount of the credit facility is $10,000,000 (the "Facility Amount"), with an option to increase the amount to $20,000,000 upon mutual agreement. Interest is charged at Canadian Prime (subject to a ceiling of 5.0% and a floor of 3.5%) plus 13%, with a provisional discount if the Advance Rate is less than 95%. The maturity date for all funds advanced is three years after the date of the first funding advance, with an option to extend for a further two years upon mutual agreement. In connection with the Credit Facility Agreement, 1301171 has provided a general security agreement ("GSA") and each of Marble and TPFM has provided a limited guarantee and a "bad act" guarantee together with a GSA. Upon borrowing funds, the Company must also maintain $300,000 in unrestricted cash, and the Company has provided CHP with board of director observer rights and a right of first refusal on any additional debt or securitization financing beyond the Facility Amount.

As at December 31, 2022, $nil (2021 - $nil) has been borrowed pursuant to the Credit Facility Agreement.

(Presented in Canadian Dollars)

12. BONDS

	December 31, 2022	December 31, 2021
10% bonds – original offering (Note 12(a))	$ 672,696	$ 655,189
9% bonds – new offering (Note 12(b))	670,307	645,372
8% bonds – new offering (Note 12(b))	20,000	20,000
10% bonds – amended (Note 12(c))	3,607,095	3,587,749
10% bonds – new offering (Note 12(c))	250,000	250,000
Total bonds, net of associated transaction costs	5,220,097	5,158,310
Bonds payable – current	(5,220,097)	(3,380,475)
Bonds payable – non-current	$ -	$ 1,777,835

a) 10% bonds – original offering

During previous years, the Company had issued an offering memorandum (the "Original Offering") for unsecured bonds of up to a maximum of 15,000 bonds at a price of $1,000 per bond, for expected total gross proceeds of $15,000,000. The Original Offering was closed on July 15, 2016 when the New Offering commenced (Note 12(b)).

At the time of purchase, subscribers elected one of the following options with respect to the 10% interest payable on the bonds:

- a bond which entitled the holder to 10% simple interest per annum, payable quarterly at the equivalent quarterly rate of 2.5% within 15 business days of March 15, June 15, September 15 and December 15 of each year during the term of the bond; or
- a bond which entitled the holder to 10% compound interest calculated annually and payable on the date the bonds are redeemed by the Company in accordance with the terms of the Original Offering.

In the absence of written notice from the bondholder on or before August 31, 2018, the bonds shall mature on November 30, 2023 (the "Second 10% Maturity Date").

Subject to (i) an annual maximum redemption limit of 10% of the bonds outstanding as of the last day of the previous calendar year, and (ii) cash flow of the Company, any individual bondholder may request an early redemption by providing 90 days prior written notice (the "Early Redemption Notice"). Bondholders who redeem some or all of their bonds prior to the First and/or Second 10% Maturity Dates are subject to the following redemption fees:

- Early Redemption Notice received between December 1, 2018 and November 30, 2019 - a redemption fee equal to 5% of the principal amount of the bonds being redeemed by the Company.
- Early Redemption Notice received between December 1, 2019 and November 30, 2020 - a redemption fee equal to 4% of the principal amount of the bonds being redeemed by the Company.
- Early Redemption Notice received between December 1, 2020 and November 30, 2021 - a redemption fee equal to 3% of the principal amount of the bonds being redeemed by the Company.
- Early Redemption Notice received between December 1, 2021 and November 30, 2022 - a redemption fee equal to 2% of the principal amount of the bonds being redeemed by the Company.
- Early Redemption Notice received between December 1, 2022 and November 29, 2023 - a redemption fee equal to 1% of the principal amount of the bonds being redeemed by the Company.

Redemption fees are deducted by the Company from the redemption amount to be paid to the bondholder.

During the period ended December 31, 2022, $20,000 bonds under the Original Offering were redeemed.

12. BONDS *(continued)*

b) 8% and 9% bonds – new offering

On July 15, 2016, the Company issued a new offering memorandum (the "New Offering") for a maximum of 50,000 unsecured bonds, at a price of $1,000 per bond, for expected total gross proceeds of $50,000,000 and comprising of one year 8% bonds and three year 9% bonds. The 8% bonds can be redeemed on the first anniversary of the date of issue to the bondholder (the "First 8% Maturity Date") and the 9% bonds can be redeemed on the third anniversary of the date of issue to the bondholder (the "First 9% Maturity Date").

At the time of purchase, the subscribers elected one of the following two options with respect to the 8% or 9% interest payable on the bonds:

- the bond entitled the holder to 8% or 9% simple interest per annum, payable monthly at the equivalent monthly rate of 0.67% or 0.75%, respectively, within 15 business days of the end of each month, during the term of the bond; or

- the bond entitled the holder to 8% or 9% compound interest calculated annually and payable on the date the bond is redeemed by the Company in accordance with the terms of the New Offering.

In the absence of written notice from the bondholder at least 90 days prior to the First 8% Maturity Date or the First 9% Maturity Date, the bonds shall mature on the following dates:

- in the case of the 8% bonds, on the next occurring anniversary of the First 8% Maturity Date if at least 90 days prior to such anniversary a redemption notice has been delivered (the "Subsequent 8% Maturity Date"); and
- in the case of the 9% bonds, on the third anniversary of the First 9% Maturity Date (the "Second 9% Maturity Date").

On each Subsequent 8% Maturity Date and the Second 9% Maturity Date, the Company can redeem all 8% bonds that have not been reinvested (that is, where the maturity date has not been extended) and all 9% bonds, respectively, outstanding on that date by payment of the principal amount of the bonds and all accrued and unpaid interest thereon. Subject to (i) an annual maximum redemption limit of 10% of the bonds outstanding as of the last day of the previous calendar year, and (ii) cash flow of the Company, any individual bondholder may request redemption of some or all of their bonds by providing 90 days prior written notice (the "Early Redemption Notice").

8% bondholders who redeem some or all of their bonds prior to the First and/or Subsequent 8% Maturity Date are subject to a redemption fee equal to 2.5% of the principal amount of the bonds being redeemed by the Company.

9% bondholders who redeem some or all of their bonds prior to the First and/or Second 9% Maturity Date are subject to the following redemption fees:

- Early Redemption Notice received on or after the second anniversary, but prior to the third anniversary, of the date the bond was issued – a redemption fee equal to 2% of the principal amount of the bonds being redeemed by the Company, except where a bondholder's request is in accordance with the First 9% Redemption Notice.
- Early Redemption Notice received on or after the third anniversary, but prior to the fourth anniversary, of the date the bond was issued – a redemption fee equal to 6% of the principal amount of the bonds being redeemed by the Company.

(Presented in Canadian Dollars)

12. BONDS *(continued)*

- Early Redemption Notice received on or after the fourth anniversary, but prior to the fifth anniversary, of the date the bond was issued – a redemption fee equal to 4% of the principal amount of the bonds being redeemed by the Company.
- Early Redemption Notice received on or after the fifth anniversary, but prior to the sixth anniversary, of the date the bond was issued – a redemption fee equal to 2% of the principal amount of the bonds being redeemed by the Company.

Redemption fees are deducted by the Company from the redemption amount to be paid to the bondholder.

During the year ended December 31, 2022, no 8% bonds and no 9% bonds were redeemed.

c) Amended 10% bonds

On November 15, 2018, the Company amended the terms of 10% bonds (Note 12(a)) with a total principal value of $3.08 million and 8% bonds (Note 12(b)) with a total principal value of $415,000. The maturity date of the bonds has been extended from November 30, 2018 to November 30, 2023, with principal repayments to be made in 16 equal instalments, payable on the 15th day of March, June, September and December of each year beginning on March 15, 2020. Interest on the outstanding principal of the 10% bonds accrue at 10% simple interest per annum and is due on a quarterly basis, beginning on December 15, 2018. On November 15, 2018, the Company further amended the repayment of interest to commence on March 15, 2019. Interest on the outstanding principal of the 8% bonds is payable on a monthly basis. The Company has deferred the principal repayments until the Company is in a position to make the cash payments.

The amendments of the bond terms became effective on March 21, 2019 when the initial public offering was completed and the Company became a reporting issuer.

On June 26, 2018, the Company issued additional bonds with a principal amount of $250,000 with the same terms as the amended bonds.

13. LEASE LIABILITIES

On January 21, 2021, the Company entered into a sublease agreement of its head office, commencing May 1, 2021 and expiring August 30, 2022. The sublease is for the amount of $214,474 per annum and will reduce the Company's minimum lease payments by $114,040 over the sublease term. During the year ended December 31, 2021, the Company recorded a loss of $1,884 on recognition of the sublease and derecognized the corresponding right-of-use asset.

As at December 31, 2022, the remaining balance of lease liabilities was $nil.

The following is a reconciliation of the changes in the lease liabilities:

	December 31, 2022	December 31, 2021
Opening balance	$ 125,230	$ 300,443
Lease accretion	3,676	20,123
Payments	(128,906)	(195,336)
Lease liabilities	$ -	$ 125,230

14. SHARE CAPITAL

Authorized share capital

- An unlimited number of common shares without par value.
- An unlimited number of non-voting shares without par value.
- An unlimited number of special shares without par value.

Escrow shares

As of December 31, 2022, no common shares are held in escrow (December 31, 2021 – 1,041,522) pursuant to an Escrow Agreement entered into in conjunction with Marble's initial public offering and listing on the CSE. Common shares were released from escrow as to 10% on the listing date and the balance in equal 15% tranches to be released every six months from the listing date.

Issued share capital

As at December 31, 2022, Marble had 121,508,618 (December 31, 2021 – 93,220,153) common shares issued and outstanding. No non-voting shares and no special shares are issued and outstanding.

During the year ended December 31, 2022, Marble completed the following share issuances:

a) During the year ended December 31, 2022, Marble issued an aggregate of 800,000 common shares pursuant to the vesting of restricted share units. An aggregate of $113,250 was transferred from reserves to share capital as a result.

b) On May 17, 2022, Marble issued 1,577,000 common shares at a fair value of $0.235 per share pursuant to the first year earn-out provision in connection with the Inverite acquisition.

c) On May 24, 2022, Marble announced that it would temporarily reduce the exercise price of its warrants (other than warrants issued as compensation to agents and finders) (the "Eligible Warrants") to $0.10 for a period of 30 days ending on June 24, 2022. If an Eligible Warrant was exercised at the reduced exercise price within the 30-day period, each common share issued on exercise will be accompanied by an additional common share purchase warrant entitling the holder to purchase one common share of the Company at a price of $0.20 until December 24, 2023. Upon the expiry of the 30-day period, any unexercised Eligible Warrants reverted to their original exercise price and expiry date. Between May 31, 2022 and June 24, 2022, Marble issued an aggregate of 4,883,988 common shares pursuant to the exercise of Eligible Warrants at a price of $0.10 per share for proceeds of $488,399 and issued an aggregate of 4,883,988 warrants exercisable at $0.20 per share until December 24, 2023.

d) On November 28, 2022, Marble completed the first tranche of a non-brokered private placement and issued 19,586,437 units at a price of $0.07 per unit for an aggregate subscription amount of $1,371,051. Each unit is comprised of one common share and one-half of a common share purchase warrant, with each whole warrant entitling the holder to purchase an additional common share at a price of $0.11 for a period of 24 months following the closing date. An aggregate of $542,167 was settled through the exchange of currently outstanding convertible debentures and interest thereon, of which an aggregate of $325,300 was with related parties. The Company entered into agreements in November 2022 with certain loan holders, including related parties, whereby the original loan agreements were terminated and the principal amount of loans and outstanding interest to October 31, 2022 totaling an aggregate of $728,884 (of which $435,021 was with related parties), were agreed to be treated as subscription advances towards subscriptions in the above-noted first tranche closing. See Notes 9 and 15.

14. SHARE CAPITAL *(continued)*

Issued share capital *(continued)*

e) On December 15, 2022, Marble completed a second tranche of its non-brokered private placement and issued 1,366,000 units at a price of $0.07 per unit for proceeds of $95,620. In connection with the private placement, the Company issued 75,040 common shares to an agent with a fair value of $5,253 as a finders fee.

During the year ended December 31, 2021, Marble completed the following share issuances:

a) On January 22, 2021, Marble launched a 12-month online marketing campaign through AGORACOM Internet Relations Corp. The total cost of the campaign is $75,000 plus applicable taxes, payable through the issuance of common shares with the first 20% of the fee payable on the commencement date and 20% at the end of each of the third, sixth, ninth and twelfth months thereafter. Marble issued 40,843 common shares on January 27, 2021 from treasury, for the first installment of the fee plus applicable taxes. The fair value of the 40,843 common shares was determined to be $15,000 plus tax. As at December 31, 2021, Marble had not issued shares representing the fees payable for the second, third, fourth and fifth installments. As a result, Marble has recorded $67,800 of shares issuable.

b) On February 2, 2021, Marble closed a non-brokered private placement and issued 2,000,000 units at a price of $0.25 per unit for gross proceeds of $500,000. Each unit is comprised of one common share and one-half of one common share purchase warrant, with each whole warrant entitling the holder to purchase an additional common share at a price of $0.35 for a period of 12 months following the closing date, subject to accelerated expiry if the common shares trade or close at a price of $0.45 or more for 10 consecutive trading days on the CSE. In connection with the private placement, the Company paid cash finders' fees of $6,300.

   During the review of the second quarter financial statements it was discovered that 400,000 units were subscribed for but not paid for. The Company was in possession of the 400,000 units and returned the 400,000 shares to treasury and cancelled the 200,000 warrants issued.

c) On February 22, 2021, Marble issued an aggregate of 1,533,333 common shares pursuant to the conversion of $460,000 principal amount of Debentures at a price of $0.30 per common share (see Note 9).

d) On March 25, 2021, Marble closed a non-brokered private placement and issued 2,333,334 units at a price of $0.30 per unit for gross proceeds of $700,000. Each unit is comprised of one common share and one-half of one common share purchase warrant, with each whole warrant entitling the holder to purchase an additional common share at a price of $0.45 for a period of 12 months following the closing date, subject to accelerated expiry if the common shares trade or close at a price of $0.55 or more for 10 consecutive trading days on the CSE.

e) During the year ended December 31, 2021, Marble issued an aggregate of 325,000 common shares pursuant to the vesting of restricted share units. An aggregate of $58,125 was transferred from reserves to share capital as a result.

f) On November 29, 2021 and December 17, 2021 Marble completed the two tranches of a non-brokered private placement and issued an aggregate of 15,384,616 units at a price of $0.13 per unit for aggregate gross proceeds of $2,000,000. Each unit is comprised of one common share and one-half of a common share purchase warrant, with each whole warrant entitling the holder to purchase an additional common share at a price of $0.15 for a period of 12 months following the closing date. In connection with the private placement, Marble issued an aggregate of 306,530 finders' units with the same terms as the units.

(Presented in Canadian Dollars)

14. SHARE CAPITAL *(continued)*

Share purchase options

The Company has a share purchase option plan (the "Share Purchase Option Plan") under which it is authorized to grant options for the acquisition of its common shares to directors, employees and consultants up to a maximum of 10% of the issued and outstanding common shares of Marble at the time the plan was adopted. The exercise price shall not be less than the market price of Marble's common shares as at the grant date and in accordance with CSE policies. The options may be granted for a maximum term of five years. Options granted to directors, employees and consultants, other than consultants engaged in investor relations activities, will generally be subject to standard vesting provisions as to 25% on the date of grant and 25% on each anniversary date, such that all share purchase options fully vest over three years from the date of grant, unless otherwise determined by Marble's Board of Directors. Share purchase options granted to consultants engaged in investor relations activities will vest in stages over a minimum period of twelve months, pursuant to the Share Purchase Option Plan and as determined by Marble's Board of Directors.

During the year ended December 31, 2022, Marble granted 6,925,000 share purchase options (2021 – 3,910,000). The weighted average fair value of the options granted during the year ended December 31, 2022, was approximately $0.04 per option (2021 - $0.14). The fair value was estimated using the Black-Scholes option pricing model using the following weighted average inputs:

		2022		2021
Risk-free interest rate		3.0%		0.71%
Expected volatility		81%		80%
Expected dividends		0%		0%
Expected life		2.5 years		2.5 years
Grant date share price	$	0.09	$	0.30
Exercise price	$	0.12	$	0.31

Expected volatility was determined based on the historical volatility of Marble's common shares over a period commensurate with the expected option life. The expected option life incorporates an estimate of early exercise.

For the year ended December 31, 2022, Marble recognized $189,942 (2021 - $383,539) as share-based payments for options vesting during the period.

A summary of share purchase option activity is as follows:

	Number of share purchase options		Weighted Average Exercise Price
Balance, December 31, 2020	4,550,000	$	0.20
Granted	3,910,000		0.31
Expired / Cancelled / Forfeited	(2,110,000)		0.14
Balance, December 31, 2021	6,350,000	$	0.27
Granted	6,925,000		0.12
Expired / Cancelled / Forfeited	(4,350,000)		0.28
Balance, December 31, 2022	8,925,000	$	0.15
Exercisable, December 31, 2022	5,093,750	$	0.17

(Presented in Canadian Dollars)

14. SHARE CAPITAL *(continued)*

Share purchase options *(continued)*

The weighted average remaining contractual life of the options outstanding as at December 31, 2022 is 3.44 years. Details of share purchase options as at December 31, 2022 outstanding are as follows:

Expiry Date	Exercise Price	Number Outstanding	Number Exercisable
March 20, 2024	$ 0.20	1,325,000	1,325,000
September 23, 2024	$ 0.25	500,000	500,000
November 1, 2024	$ 0.21	175,000	175,000
December 3, 2024	$ 0.21	250,000	250,000
December 30, 2024	$ 0.20	100,000	100,000
January 23, 2025	$ 0.20	100,000	75,000
March 2, 2025	$ 0.19	100,000	75,000
November 30, 2025	$ 0.16	100,000	75,000
December 30, 2025	$ 0.23	150,000	112,500
November 30, 2026	$ 0.165	250,000	125,000
January 31, 2027	$ 0.135	100,000	25,000
April 28, 2027	$ 0.13	1,875,000	781,250
May 16, 2027	$ 0.13	1,000,000	1,000,000
July 29, 2027	$ 0.09	50,000	12,500
October 18, 2027	$ 0.10	2,000,000	250,000
October 31, 2027	$ 0.10	850,000	212,500
		8,925,000	5,093,750

Warrants

As at December 31, 2022, an aggregate of 15,360,205 common share purchase warrants are outstanding. A summary of the warrant activity is as follows:

	Number of warrants	Weighted Average Exercise Price
Balance, December 31, 2020	8,281,400	$ 0.25
Granted	10,146,070	0.21
Expired / Cancelled	(200,000)	0.35
Balance, December 31, 2021	18,227,470	$ 0.16
Granted	15,360,205	0.14
Exercised	(4,883,988)	0.10
Expired / Cancelled	(13,343,482)	0.22
Balance, December 31, 2022	15,360,205	$ 0.14

The weighted average remaining contractual life of the warrants outstanding as at December 31, 2022 is 1.62 years.

(Presented in Canadian Dollars)

14. SHARE CAPITAL *(continued)*

Warrants *(continued)*

Details of warrants outstanding as at December 31, 2022 are as follows:

Expiry Date	Exercise Price		Number Outstanding
December 24, 2023	$	0.20	4,883,988
November 28, 2024	$	0.11	9,793,217
December 15, 2024	$	0.11	683,000
			15,360,205

Restricted Share Units

During the year ended December 31, 2020, Marble adopted a long-term restricted share unit plan (the "RSU Plan"). The restricted share units ("RSUs") entitle directors, officers or employees to acquire common shares of Marble, based on vesting provisions determined by Marble's Board of Directors at the time of grant.

During the year ended December 31, 2021, Marble granted an aggregate of 550,000 RSUs to an officer and consultants. Of these:

- 100,000 vest as to 25% on August 1, 2021, and 25% each three months thereafter. Marble valued the RSUs at $0.185 per RSU to be recognized over the vesting term of the RSUs.
- 300,000 vest as to 50% on October 2, 2021 and 50% on January 2, 2022. Marble valued the RSUs at $0.205 per RSU to be recognized over the vesting term of the RSUs.
- 50,000 vest as to 100% on Oct 31, 2021. Marble valued the RSUs at $0.125 per RSU to be recognized over the vesting term of the RSUs.
- 100,000 vest as to 50% on November 30, 2021, and 25% each three months thereafter. Marble valued the RSUs at $0.155 per RSU to be recognized over the vesting term of the RSUs.

During the year ended December 31, 2022, Marble granted an aggregate of 1,300,000 RSUs to consultants. Of these:

- 300,000 vest as to 50% on April 2, 2022 and 50% on July 2, 2022. Marble valued the 300,000 RSUs at $39,000, to be recognized over the vesting term of the RSUs.
- 300,000 vest as to 25% on July 28, 2022, and 25% every three months thereafter. Marble valued the 300,000 RSUs at $28,500, to be recognized over the vesting term of the RSUs. 150,000 of these RSUs were cancelled during the year.
- 400,000 vest as to 25% on August 16, 2022, and 25% every three months thereafter. Marble valued the 400,000 RSUs at $40,000, to be recognized over the vesting term of the RSUs. 300,000 of these RSUs were cancelled during the year.
- 300,000 vest on January 2, 2023. Marble valued the 300,000 RSUs at $27,000, to be recognized over the vesting term of the RSUs.

During the year ended December 31, 2022, Marble recognized $98,091 (2021 - $98,281) as share-based payments related to RSUs issued and issued an aggregate of 800,000 common shares pursuant to the vesting of RSUs. As at December 31, 2022, 300,000 RSUs are outstanding which vest on January 2, 2023.

15. RELATED PARTY TRANSACTIONS

Related parties of the Company include key management personnel, companies controlled by key management personnel and close family members of key management personnel. Key management personnel are persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly

15. RELATED PARTY TRANSACTIONS *(continued)*

or indirectly, including any directors (whether executive or otherwise) of the Company. Key management personnel are composed of the board of directors and executive leadership team.

Compensation

Salaries and benefits paid to the Company's key management personnel were $416,000 for the year ended December 31, 2022 (2021 - $384,000).

Consulting fees

Consulting fees paid to the Company's key management personnel and companies controlled by current and former key management personnel were $211,697 (inclusive of GST) for the year ended December 31, 2022 (2021 - $235,935 inclusive of GST). As at December 31, 2022, accounts payable and accrued liabilities included $164,200 (December 31, 2021 - $107,785) owing to key management personnel and companies controlled by key management personnel.

Share purchase option plan

Included in the share-based payments for the year ended December 31, 2022 is $149,172 (2021 - $216,332) related to the fair value of share purchase options vested for key management personnel.

Loans and Convertible Debentures

As at December 31, 2022, an aggregate of $50,000 (December 31, 2021 - $nil) in loans were payable to a director of the Company and a company controlled by a director. The loans bear interest at a rate of 12% per annum and have no fixed terms of repayment. As at December 31, 2022, an aggregate of $nil (December 31, 2021 - $300,000) principal amount of convertible debentures were payable to directors of the Company.

On November 28, 2022, directors of the Company participated in a non-brokered private placement and an aggregate of $325,300 of subscriptions were settled through the exchange of outstanding convertible debentures and accrued interest thereon. The Company also entered into agreements in November 2022 with directors of the Company, whereby the original loan agreements were terminated and the principal amount of loans and outstanding interest to October 31, 2022 totaling an aggregate $435,021 were also agreed to be treated as subscription advances towards subscriptions in the above-noted private placement closing. (See Note 14).

During the year ended December 31, 2022, the Company incurred an aggregate of $36,159 (2021 - $22,838) of interest pursuant to loans and convertible debentures held by directors of the Company and a company controlled by a director. As at December 31, 2022, an aggregate of $838 (December 31, 2021 - $22,347) in interest payable was due to directors of the Company and a company controlled by a director.

16. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, to provide our solutions to benefit our customers and clients, to provide returns to shareholders and benefits to our stakeholders, and to maintain a flexible capital structure which optimizes the cost of capital to an acceptable risk. The Company considers its capital for this purpose to be its shareholders' deficiency, convertible debentures, loans and bonds. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure and the amount of cash, the Company may issue common shares or debt or acquire or dispose of assets. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Board of Directors.

(Presented in Canadian Dollars)

17. INCOME TAXES

a. *Deferred tax assets and liabilities*

	December 31, 2022	December 31, 2021
Deferred tax assets		
Office furniture, equipment, and right-of-use assets	$ 30,351	$ 26,452
Intangible assets	142,085	268,008
Share issuance costs and deferred finance expenses	37,520	74,878
Lease liabilities and other deferred tax assets	8,029	33,812
Losses carried forward	5,097,985	3,864,871
Total deferred tax assets	5,315,970	4,268,021
Offset against deferred tax liabilities	-	(31,141)
Unrecognized deferred tax assets	(5,315,970)	(4,236,880)
Total deferred tax assets recognized	$ -	$ -
Deferred tax liabilities		
Intangible assets	$ 320,417	$ 386,432
Other	-	31,141
Total deferred tax liabilities	320,417	417,573
Offset by deferred tax assets	-	(31,141)
Total deferred tax liabilities recognized	$ 320,417	$ 386,432

b. *Reconciliation of income tax recovery to the statutory tax rate*

	December 31, 2022	December 31, 2021
Net loss before income taxes	$ 5,358,297	$ 5,055,673
Combined federal and provincial statutory income tax rate	27%	27%
Recovery of income taxes based on statutory income tax rate	1,446,740	1,365,032
Adjustments:		
Non-deductible items	(274,479)	(196,082)
Net effect of deductible (taxable) items	42,787	54,900
Deferred income tax – reversal of temporary difference	66,016	-
Effect of current period losses not recognized	(1,215,048)	(1,223,850)
Recovery of income taxes recognized	$ 66,016	$ -

c. *Unused tax losses*

As at December 31, 2022, the Company had unused non-capital tax losses of approximately $18.9 million (2021 - $14.3 million) and unused capital losses of $80,000 (2021 - $80,000) that are available to offset against potential tax adjustments or future taxable income and were not recognized as deferred tax assets. The unused non-capital tax losses will expire between 2034 and 2042 and the unused capital tax losses do not expire.

18. RISK MANAGEMENT FRAMEWORK

The Company's risk management policies are established by the Board of Directors to set appropriate risk tolerance limits. Management's responsibility is to identify and analyze the risks faced by the Company and to monitor risks and adherence to limits and implement controls. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and changes in the performance of the loans receivable.

The Company issued various fixed rate bonds to bondholders and seeks to earn an interest rate margin by investing these funds in loans receivable from consumer debtors. This business activity results in a consolidated statement of financial position that consists primarily of financial instruments. The primary types of financial risk which arise from the Company's activities are credit risk, liquidity risk and market risk.

(Presented in Canadian Dollars)

18. RISK MANAGEMENT FRAMEWORK *(continued)*

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to this risk through its cash held at a financial institution, accounts receivable, interest receivable and loans receivable. For these financial assets recognized on the consolidated statement of financial position, the maximum exposure to credit risk is their carrying amount.

The Company's cash is held at a reputable Canadian financial institution. The Company has not experienced any loss on these accounts, although the balances in the accounts may exceed the insurable limits. The Company considers credit risk from cash to be minimal.

Accounts receivable are due primarily from Inverite and Accumulate.ai customers and are generally collected within 30 days. The Company has not provided an expected credit loss allowance against accounts receivable.

The Company's interest receivable and loans receivable are receivable from its consumer debtors. One of the Company's prior business activities was to provides loans to high-risk individual borrowers under consumer proposals. The Company attempts to mitigate the credit risk from its consumer debtors by performing a due diligence process on the consumer debtors prior to funding loans. Consumer debtors were referred to the Company by various industry partners, which screened potential consumer debtors for their ability and willingness to repay their obligations and avoid bankruptcy. In addition, the Company performed additional due diligence work which included, but was not limited to, verifying income, monthly expenditures, assets and liabilities of the consumer debtors. In addition, after the initial loan was provided to the consumer debtor the Company continuously monitors the loan receivable. Certain of the Company's loans receivable are secured by vehicles and general security agreements over all of the current and after-acquired assets of the consumer debtor.

Concentration of credit risk exists as the majority of the consumer debtors have comparable geographical and economic characteristics. Consumer debtors are primarily considered high risk individual borrowers and reside in Canada. The maximum credit risk exposure of the Company's loans and interest receivable is $598,758 (2021 - $1,399,250).

Liquidity risk

Liquidity risk describes the risk that the Company will not be able to meet its current and future cash flow needs, both expected and unexpected, without materially affecting its daily operations or overall financial condition. As at December 31, 2022, the Company had current assets of $434,712 to settle current liabilities of $8,851,988. The Company manages liquidity risk through the management of its capital structure as outlined in Note 16.
As at December 31, 2022, the contractual maturity of financial liabilities is as follows:

	Less than 3 months	Between 3 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Greater than 5 years	Total
Accounts payable and accrued liabilities	$ 1,364,061	$ -	$ -	$ -	$ -	$ 1,364,061
Interest payable	462,374	-	-	-	-	462,374
Loans payable	189,069	75,954	5,160	1,720	-	271,903
Convertible debentures	-	803,000	-	-	-	803,000
Bonds	4,237,047	983,050	-	-	-	5,220,097
	$ 6,252,551	$ 1,862,004	$ 5,160	$ 1,720	$ -	$ 8,121,435

(Presented in Canadian Dollars)

18. RISK MANAGEMENT FRAMEWORK (continued)

Market Risk

In the normal course of its operations, the Company may engage in transactions that give rise to market risk. Market risk is the risk of uncertainty arising from possible market price movements and their impact on the future performance of the Company. Market price movements could adversely affect the value of the Company's financial assets and expected future cash flows. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return for a given level of risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at December 31, 2022, the Company is not exposed to significant interest rate risk as the Company's financial instruments are all fixed-rate financial assets or fixed rate financial liabilities. Therefore, the Company considers its exposure to interest rate risk to be minimal.

19. RECONCILIATION OF CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Liabilities arising from financing activities include convertible debentures, bonds payable, interest payable, lease liabilities, and loans payable. A reconciliation of the changes in these liabilities is as follows:

	December 31, 2022	December 31, 2021
Balance, beginning of the year	$ 6,801,403	$ 6,038,920
Changes from financing cash flows		
Proceeds from convertible debentures	-	1,303,000
Debt issuance costs	-	(40,150)
Lease payments	(128,906)	(195,336)
Loan payments made	(940,164)	(25,164)
Loan received	1,096,528	-
Payment of convertible debentures	-	(10,741)
Redemption of convertible debentures	(500,000)	(424,700)
Redemption of bonds	(20,000)	(77,717)
Other changes		
Interest accrued to bond payable	81,787	74,669
Lease accretion	3,676	20,123
Equity component of convertible debentures issued	-	(115,338)
Accretion of convertible debentures	92,684	71,229
Accrued interest on convertible debentures	-	7,292
Loss on settlement of convertible debentures	6,870	-
Interest payable	263,496	154,957
Fair value of brokers' warrants	-	(9,641)
Acquisition of Inverite – CEBA loan	-	30,000
Balance, end of the year	$ 6,757,374	$ 6,801,403

20. EVENTS AFTER THE REPORTING PERIOD

Debt Restructuring

On February 21, 2023 the Company entered into agreements with convertible debenture holders to settle convertible debentures with a principal amount of $803,000 which matured on December 31, 2022 through the issuance of new convertible debentures. On March 6, 2023 Marble issued an aggregate of $814,440 principal amount of new convertible debentures (the "2023 Debentures") in exchange for the full settlement and discharge owing on the $803,000 principal amount of convertible debentures that matured on December 31, 2022 plus unpaid accrued interest thereon. The 2023 Debentures will mature on July 31, 2023 and bear simple interest at a rate of 10% payable on the maturity date. The principal amount of the 2023 Debentures and all accrued but unpaid interest are convertible, at the option of the holder, into common shares of Marble at a price of $0.10 per share, subject to a forced conversion provision.

On April 6, 2023, Marble closed the first tranche of a bond debt restructuring transaction involving TPF and the holders of TPF bonds. Pursuant to the first closing, Marble entered into bond debt settlement and assumption agreements with TPF bondholders whereby Marble assumed the repayment obligations of the bonds and agreed to settle an aggregate of $3,671,744 of bond principal and accrued interest through a combination of shares for debt (representing an aggregate of $3,210,872) and debt forgiveness (representing an aggregate of $460,872) and as such issued an aggregate of 33,644,957 common shares. In addition, as part of the debt settlement agreements, TPF bondholders agreed to waive accrued interest from 2022 to the date of the settlement.

On May 16, 2023, Marble closed the second and final tranche of the bond debt restructuring transaction involving TPF and the holders of TPF bonds. Pursuant to the final closing, Marble entered into bond debt settlement and assumption agreements with TPF bondholders whereby Marble assumed the repayment obligations of the bonds and agreed to settle an aggregate of $1,479,086 of bond principal and accrued interest through a combination of shares for debt (representing an aggregate of $858,543) and debt forgiveness (representing an aggregate of $620,543) and as such issued an aggregate of 10,653,893 common shares. In addition, as part of the debt settlement agreements, TPF bondholders agreed to forgive interest accrued from 2022 to the date of the settlement. As a result of the two closings, the Company eliminated all of its bond debt and bond interest obligations.

Other Share Capital Issuances

Subsequent to December 31, 2022, Marble closed several tranches of a private placement and issued an aggregate of 5,605,000 units at a price of $0.07 per unit for aggregate proceeds of $392,350 pursuant to a non-brokered private placement and issued and aggregate of 331,450 finder shares to an agent as a finders fee.

On March 16, 2023 Marble issued 300,000 common shares pursuant to the vesting of restricted share units.

Restricted Share Units Grant

On April 1, 2023 the Company granted 400,000 RSUs to a consultant. 25% of the RSUs vest on each of July 1, 2023, October 1, 2023, January 1, 2024 and April 1, 2024.

On April 28, 2023, the Company granted an aggregate of 1,000,000 RSUs to consultants. up to 25% of the RSUs vest on each of July 1, 2023, October 1, 2023, January 1, 2024 and April 1, 2024, subject to meeting other performance based vesting criteria.

Share Purchase Options Grant

On January 31, 2023, the Company granted an aggregate of 150,000 share purchase options exercisable at $0.08 per common share with an expiry date of January 31, 2028. The share purchase options are subject to standard vesting provisions of 25% on the date of grant and 25% on each anniversary date, such that all share purchase options fully vest over three years from the date of grant.

20. EVENTS AFTER THE REPORTING PERIOD *(continued)*

On February 28, 2023, the Company granted 25,000 share purchase options exercisable at $0.08 per common share with an expiry date of February 28, 2028. The share purchase options are subject to standard vesting provisions of 25% on the date of grant and 25% on each anniversary date, such that all share purchase options fully vest over three years from the date of grant.

On April 28, 2023, the Company granted an aggregate of 700,000 share purchase options exercisable at $0.08 per common share with an expiry date of April 28, 2028. The share purchase options are subject to standard vesting provisions of 25% on the date of grant and 25% on each anniversary date, such that all share purchase options fully vest over three years from the date of grant.