

# MARBLE FINANCIAL INC.

## Management Discussion and Analysis (“MD&A”) of the Financial Position and Results of Operations for the nine months ended September 30, 2023 as of November 29, 2023

The following discussion is a review of the consolidated activities, results of operations and financial condition of Marble Financial Inc. and its subsidiary companies (the “Company” or “Marble”) for the nine months ended September 30, 2023. The discussion below should be read in conjunction with the Company’s condensed consolidated interim financial statements for the three month and nine month period ended September 30, 2023 and notes thereto (the “Financial Statements”). Those condensed consolidated interim financial statements have been prepared by management and are in accordance with International Financial Reporting Standards (“IFRS”). The Financial Statements and the MD&A have been reviewed by the Audit Committee and approved by the Company’s Board of Directors on November 29, 2023. The Canadian dollar is the functional and reporting currency of Marble. All dollar amounts within this report are expressed in Canadian dollars unless otherwise indicated.

Additional information related to the Company is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This MD&A may contain forward-looking statements for the purpose of applicable Canadian securities legislation. These statements reflect the Company’s current expectations and estimates. All statements other than statements of historical fact are forward-looking statements. Forward-looking statements are frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate”, “suggest”, “indicate” and other similar words or statements that certain events or conditions “may” or “will” occur. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements. The forward-looking information contained in this MD&A is presented for the purpose of assisting readers in understanding the Company’s strategic priorities and objectives as at the periods indicated and may not be appropriate for other purposes. No assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon. Circumstances affecting the Company may change rapidly. Except as may be required by applicable law, the Company does not undertake any obligation to update publicly or revise any such forward-looking statements, whether as a result of new information, future events or otherwise. Unless otherwise indicated, these statements speak only as of the date of this MD&A.

Actual results could differ materially from those anticipated in forward-looking statements stated within the MD&A.

### COMPANY OVERVIEW AND GOING CONCERN

Marble’s main business focus is related to its proprietary technology which empowers alternative lenders and financial services companies the ability to use artificial intelligence (“AI”) and alternative banking data to better understand consumers financial capacity and creditworthiness in their adjudication process and verify identity. These operations are conducted by Inverite Verification Inc. (“Inverite”), our wholly owned subsidiary, which operates a proprietary cloud-based SaaS platform utilizing Open Banking or Consumer-Directed Finance solutions. This platform offers banking verification, identification verification, and risk solutions to the financial services industry for income verification, credit decisioning, fraud reduction, and know-your client/anti-money laundering compliance primarily to the financial services industry.

The Inverite Platform is a cloud-based transactional and Risk Model as a Service (“RMAAS) platform that utilizes AI and Machine Learning (“ML”) to offer the following products to the financial services industry: Bank Verification, ID Verification, Expense Categorization and Risk Scoring. Inverite’s value proposition to industry in Canada is:

- High consumer and financial institution coverage
- Fast processing time
- Competitive pricing
- Enhanced categorization and richer insights

- Leading ML-model Risk Score
- Flexibility and ability to tailor offering, as required
- Rigorous security compliance, fraud deterrence  
Superior support model and turnaround time

The urgency for such robust verification and risk assessment tools, outside of the traditional credit report, has been underscored by evolving financial challenges. Even before the onset of the COVID-19 pandemic in March 2020, almost one-half of Canadians were living pay cheque to pay cheque, as noted in the BDA Canada Affordability Index 2019 (<https://debtsolutions.bdo.ca/our-people/bdo-in-the-news/bdo-canada-affordability-index-2019-2/>). On October 18, 2023, MNP Ltd. announced the results of its quarterly consumer debt index (the “Index”) survey conducted by Ipsos on behalf of MNP Ltd. The Index tracks Canadians’ attitudes about their debt and ability to meet their monthly payment obligations. The most recent MNP Consumer Debt Index shows that Canadians are feeling extremely negative about their debt, going from very low interest rates to the highest in over twenty years. When considering their current debt, more households think it’s much worse than a year ago (20%, +2) and even worse than five years ago (25%, +3), compared to the previous quarter (20%). Looking ahead, more people believe their debt will get worse in the next year (18%, +3) and in five years (16%, +2). And fewer see any chance of things getting better over the next five years (35%, -2). (<https://mnpdebt.ca/en/resources/mnp-debt-blog/canadians-debt-outlook-reaches-lowest-point-in-five-years>).

In the current financial landscape, shaped by the aftermath of the COVID-19 pandemic, rising interest rates, and inflation, a considerable number of Canadians find themselves in need of rebuilding or improving their credit scores. This scenario often stems from challenges in managing debt obligations, which in turn affects their ability to secure credit through traditional means. Recognizing this, there is a significant market opportunity to support these individuals, offering solutions that cater to those looking to enhance their financial health and creditworthiness in a fluctuating economic environment. In Canada’s credit-dependent economy, access to credit is fundamental for managing daily life and expenses. Yet, many Canadians find themselves marginalized and excluded from the mainstream credit system. This exclusion often stems from their poor credit scores or lack of credit history, leading them to seek financial solutions from alternative lenders.

The credit score, a crucial metric in this financial landscape, is algorithmically derived from a consumer’s credit report at a specific time. However, the traditional credit reporting system encounters challenges, notably from some lenders’ incomplete or delayed reporting and the issue of consumers with no credit history. These limitations highlight the need for a more immediate and comprehensive method of assessing creditworthiness.

Real-time bank data has emerged as a key solution to these challenges, providing an alternative and nuanced perspective on consumer creditworthiness. Unlike traditional methods, this approach offers a more current and detailed snapshot of a consumer’s financial behavior and capacity. When a consumer establishes credit with a lender reporting to major credit bureaus like TransUnion of Canada Inc. (“TransUnion”) or Equifax Consumer Canada Co. (“Equifax”), their credit activities are recorded in a credit report. This report, a historical record of credit management, is crucial in forming the individual’s credit score. However, the lack of mandatory reporting by all consumer credit lenders creates gaps in this data. This issue, along with reporting delays, has prompted a shift among alternative lenders towards relying on real-time bank data. Such data provides an up-to-date view of a consumer’s available cash flow and creditworthiness, thereby becoming an invaluable tool in the credit decision-making process.

According to a survey published in September 2023, TransUnion reported that nearly half (49%) of Canadians surveyed said they were recently targeted by fraud and that around 1 in 20 digital transactions in Canada suspected fraudulent in H1 2023 (<https://www.globenewswire.com/news-release/2023/09/12/2741779/0/en/Nearly-Half-49-of-Surveyed-Canadians-Said-They-Were-Recently-Targeted-by-Fraud-Around-1-in-20-Digital-Transactions-in-Canada-Suspected-Fraudulent-in-H1-2023-Reveals-TransUnion-Cana.html>). Such statistics underscore the escalating demand for multifaceted KYC solutions in online transactions, highlighting the importance of Inverite’s role in providing secure and comprehensive verification services.

The Company’s open banking platform enhances the ability for alternative lenders and financially excluded Canadians to better transact with each other. The alternative financial data that Marble’s subsidiary, Inverite provides to the alternative lenders, provides a more in-depth, real-time, and accurate accountability of the consumers creditworthiness

to assist the alternative lenders with their adjudication process in offering credit. With consumers that still don't qualify for credit with alternative lenders, Marble offers a solution that helps consumers with insights and recommendations on how to individually rebuild or improve their credit and credit score. Credit deterioration is not merely a function of consumers not choosing to make their debt obligations, it can stem from an unforeseen or unexpected life event such as job loss, divorce, critical illness or death in the family which results in inability to service debt obligations, especially in cases where a consumer carries unmanageable debt loads.

In 2021, the Company launched its Marble Connect Application Programming Interface ("Marble Connect API") for its MyMarble Platform which allowed the Company to offer its proprietary Point Deduction Technology ("PDT") solution to other financial services companies and their clients pursuant to licensing arrangements with the Company.

The MyMarble Platform offered subscription services and other solutions such as Boost loans to consumers as well as its discontinued Fast-Track loans.

The MyMarble Platform is a consumer facing user interface ("UI") that is a cloud-based platform designed to provide users access to personalized granular solutions in the areas of:

- Budgeting, cash flow analysis, trends and insights: By connecting their financial profile, and utilizing Inverite, customers have access to up-to-date and live financial recommendations that enable customers to analyze areas of financial improvement.
- Credit insights, recommendations, and simulators: MyMarble empowers customers to rebuild and improve their credit score by utilizing the proprietary point deduction technology ("PDT") that is the basis for credit score improvement recommendations, credit monitoring, coaching and budgeting.
- Financial literacy and education: Using the Company's Marble Learn product, customers have access to industry expert course programs designed to improve financial literacy.
- Combined savings and credit-rebuilding tool: Customers can build a savings plan and their credit with the Secured Future Credit Plan product. This product is provided by Jenson and is their GIC Savings Loan product.
- Credit improvement subscription program: Using the Company's Boost program, consumers utilize a 12-month interest-free installment loan that finances and grants the consumer a 12-month subscription to MyMarble Premium and provides monthly reporting to both TransUnion and Equifax.

Marble previously offered a Fast-Track credit acceleration product which has been discontinued and no new Fast-Track loans are being offered, however the Company continues to service the remaining balance of the Fast-Track loan portfolio.

In 2022, the Company incorporated a wholly owned subsidiary, Accumulate.ai Software Ltd. ("Accumulate.ai"), a marketing and technology company that specializes in providing digital products and services. In October 2022, Accumulate.ai acquired certain technology assets which include an inventory management system and customer contracts and related assets. Accumulate.ai provides tailored lead generation combined with artificial intelligence ("AI") to accumulate high intent customers for clients.

In 2023, the Company reviewed its suite of products and services and decided to focus its efforts to primarily support and grow its Inverite Platform along with the Marble Connect API, as verification revenues are the Company's most significant revenue driver, and the Company has seen increased demand for these solutions since acquiring Inverite in 2021.

Marble 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 consolidated financial statements include the financial statements of the following subsidiaries:

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 Inc.”)	Ontario	100%
Credit Meds Corp. (“Credit Meds Corp.”)	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 originally 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.

As at September 30, 2023, the Company had a shareholders’ deficiency of \$695,795 (December 31, 2022 – \$5,642,922) and an accumulated deficit of \$21,087,671 (December 31, 2022 – \$21,541,659) 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. The condensed consolidated interim 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. The condensed consolidated interim 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.

## HIGHLIGHTS AND OVERALL PERFORMANCE

Highlights during and subsequent to the nine months ended September 30, 2023 include:

- November 10, 2023** - Marble issued 1,100,000 units at a price of \$0.05 per unit for proceeds of \$55,000 pursuant to the second tranche of a non-brokered private placement and issued 77,000 common shares to an agent as a finder’s fee. Each unit (each a “\$0.05 Unit”) is comprised of one common share and one common share purchase warrant, with each warrant entitling the holder to purchase an additional common share at a price of \$0.10 for a period of 24 months following the closing date.
- October 19, 2023** - Marble and its wholly owned subsidiary, Accumulate.ai Software entered into an agreement with the vendor of the Accumulate.ai assets which resulted in \$25,000 that was being held in escrow related to the purchase price, being released back to the Company.
- October 6, 2023** - Marble issued an aggregate of 100,000 common shares pursuant to the vesting of restricted share units.
- September 29, 2023** – Marble provided notice that it had changed auditors, with Davidson & Company, LLP replacing Hay & Watson, Chartered Professional Accountants as the Company’s auditors.
- September 28, 2023** - Marble issued an aggregate of \$827,382 in principal amount of convertible debentures (the “2024 Debentures”), bearing simple interest at a rate of 10%, payable on April 1, 2024 and on maturity, and which mature on September 28, 2024 in exchange for the settlement of \$814,440 in principal and \$12,942 in interest payable outstanding on previously issued 2023 Debentures (as defined herein).

- **September 27, 2023** - Marble issued 1,100,000 \$0.05 Units for proceeds of \$55,000 pursuant to a non-brokered private placement and issued 77,000 common shares to an agent as a finder's fee.
- **September 13, 2023** - Marble issued 786,000 units at a price of \$0.07 per unit for proceeds of \$55,020 pursuant to a non-brokered private placement and issued 55,020 common shares to an agent as a finder's fee. Each unit (each a \$0.07 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 and additional common share at a price of \$0.11 for a period of 24 months following the closing date.
- **September 12, 2023** - Marble issued 524,045 common shares with a fair market value of \$31,443 to settle \$36,683 in accounts payable to a vendor which resulted in a gain on settlement of \$5,240.
- **September 6, 2023** - Marble announced that its wholly owned subsidiary, Inverite, achieved a record-breaking month of transactions for August, 2023. During the month of August, Inverite's transaction volume set a new monthly record, with a 17% increase in volume from the previous record setting month in May of this year.
- **August 29, 2023** - Marble issued 715,000 \$0.07 Units for proceeds of \$50,050 pursuant to a non-brokered private placement and issued 50,050 common shares to an agent as a finder's fee.
- **August 14, 2023** - Marble issued an aggregate of 714,027 common shares with a fair market value of \$42,842 to settle \$35,701 of accrued interest payable to July 31, 2023 on the 2023 Debentures (as defined herein).
- **August 11, 2023** - Marble issued 858,000 \$0.07 Units for proceeds of \$60,060 pursuant to a non-brokered private placement and issued 60,060 common shares to an agent as a finder's fee.
- **August 9, 2023** - Marble announced it had entered into a licensing agreement with Grit Financial ("Grit") and ScoreNavigator Inc. whereby Grit was granted the right to integrate Marble's Score-Up product into Grit's mobile application and market a product to US consumers named "Grit Score-Up".
- **July 31, 2023** - Marble satisfied the second year earnout provision on the purchase of Inverite through the issuance of 2,907,011 common shares to the seller at a deemed price of \$0.235 cents per share.
- **July 27, 2023** - Marble issued 800,000 \$0.07 Units for proceeds of \$56,000 pursuant to a non-brokered private placement and issued 56,000 common shares to an agent as a finder's fee.
- **July 7, 2023** - Marble announced that technology executive, Narayan Sainaney has joined the Company's Advisory Board.
- **July 12, 2023** - Marble issued 829,000 \$0.07 Units for proceeds of \$58,030 pursuant to a non-brokered private placement and issued 58,030 common shares to an agent as a finder's fee.
- **June 14, 2023** - Marble announced that its wholly owned subsidiary, Inverite, achieved a record-breaking month of transactions for May, 2023. During the month of May, Inverite processed a total of 123,513 transactions, representing a 9.3% increase in volume from the previous record setting month of March 2023.
- **June 13, 2023** - Marble issued 858,000 \$0.07 Units for proceeds of \$60,200 pursuant to a non-brokered private placement and issued 60,060 common shares to an agent as a finder's fee.
- **May 16, 2023** - Marble announced the second and final closing of a bond restructuring transaction involving Marble, TPF, and the holders of TPF's bonds, previously announced on March 30, 2023, and April 12, 2023. Pursuant to the final tranche, an aggregate of \$1,624,676 of bond principal and accrued interest was settled through a combination of debt forgiveness, waiver of accrued interest and the issuance of 10,653,893 Marble common shares. As a result of the two closings, the Company eliminated all of its bond debt and bond interest obligations.

- **May 4, 2023** – Marble announced its affiliate partner program has grown to 167 affiliate partners, an increase of 30% year over year. Marble also announced that the B.C. Securities Commission issued a management cease trade order on May 3, 2023, as requested by the Company due to the delay in filing the audited annual financial statements. The management cease trade order was revoked as of May 31, 2023.
- **April 28, 2023** – Marble announced it closed the third tranche of its non-brokered private placement, issuing 1,429,000 \$0.07 Units for an aggregate subscription amount of \$100,030. In connection with this closing, an aggregate of 100,030 common shares were issued to an agent as a finder’s fee.
- **April 27, 2023** – Marble announced its wholly owned subsidiary, Inverite, achieved a record-breaking month of transactions for March, 2023. During the month of March, Inverite processed a total of 114,669 transactions, representing a 21% increase in volume from the previous year.
- **April 25, 2023** – Marble announced it made additions to its advisory team and accounting department. In addition, the Company also announced it expected to be delayed in filing its annual audited financial statements and related MD&A for the year ended December 31, 2022.
- **April 12, 2023** - Marble announced the first closing of a bond restructuring transaction involving TPF, and the holders of TPF’s bonds, previously announced on March 30, 2023. Pursuant to this first tranche, an aggregate of \$4,150,544 of bond principal and accrued interest was settled through a combination of debt forgiveness, interest waivers and the issuance of 33,644,957 Marble common shares.
- **April 3, 2023** – Marble announced the re-engagement of Jason Wang to its its management advisory team, who will provide oversight and guidance on the data analytic function for the Company.
- **April 1, 2023** - Marble announced it closed the second tranche of its non-brokered private placement, issuing 860,000 \$0.07 Units for an aggregate subscription amount of \$60,200. In connection with this closing, an aggregate of 60,200 common shares were issued to an agent as a finder’s fee.
- **March 28, 2023** – Marble announced that it entered into a business relationship between Accumulate.ai with Turnover Technologies and their flagship product, TurnoverCRM, to offer the Company’s Drive Away solution through Turnover Technologies customer base of 30 auto dealerships.
- **March 16, 2023** - Marble announced it closed the first tranche of its non-brokered private placement, issuing 1,670,000 \$0.07 Units for an aggregate subscription amount of \$116,900. In connection with the tranche, an aggregate of 56,000 common shares were issued to an agent as a finder’s fee.
- **March 7, 2023** – Marble announced that Inverite, a wholly owned subsidiary of Marble, has signed 11 new license agreements utilizing its proprietary open banking artificial intelligence (AI) software platform.
- **March 6, 2023** – Marble completed the issuance of an aggregate of \$814,440 in principal amount of new unsecured convertible debentures (the “2023 Debentures”) in exchange for the full settlement and discharge of \$814,440 in principal and interest owing on its Series 2021-04.PP-CD30-A unsecured convertible debentures. The 2023 Debentures mature on July 31, 2023 and will bear simple interest at a rate of 10 per cent per annum payable on the maturity date. The principal is convertible into common shares of Marble at \$0.10 per common share at the option of the holder, and are subject to a forced conversion clause.
- **January 23, 2023** – Marble issued 860,000 \$0.07 Units for proceeds of \$60,200 pursuant to a non-brokered private placement and issued 60,200 common shares to an agent as a finder’s fee.
- **January 3, 2023** – Marble issued 786,000 \$0.07 Units for proceeds of \$55,020 pursuant to a non-brokered private placement and issued 55,020 common shares to an agent as a finder’s fee.

## **DISCUSSION OF OPERATIONS**

The key performance indicators that we use to manage our business and evaluate our financial results and operating performance consist of: verification revenue, interest income, fee-based revenue, operating expenses, and net income (loss).

### ***Overall Operations and COVID-19***

The Company has focused on specific key operational strategies, namely, further developing the Inverite Platform and API, utilizing data science and machine learning, and increasing third party industry licensing and referral relationships with other financial services firms, all with the overall objective to drive sustainable growth and revenues. The Company has also focused on raising funds through the issuance of debt and equity securities to finance its operations. Starting in the first quarter of the 2020 fiscal year, the Company has faced difficult capital markets, firstly as a result of the COVID-19 pandemic which has abated, and subsequently due to higher interest rates and inflation.

The Company currently derives the majority of its revenues from verification transaction fees from its wholly owned subsidiary, Inverite. The Company also derives revenues from interest income from the loan portfolio related to its non-active Fast-Track program, customer subscription fees from its MyMarble product, administration fees, SaaS, third-party monthly licensing as well as marketing services fees. Marble is focusing its resources on supporting the growth of its Inverite verification revenue stream as this has demonstrated higher growth potential compared to its other product offerings.

The 2021 acquisition of Inverite has provided Marble with verification fee revenues derived from licensing arrangements with Inverite's B2B financial services clients. Marble has continued to expand its reseller and licensing relationships throughout 2023 and intends to expand the Inverite product offerings by offering additional risk scores and complimentary verification products.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. Although on May 4, 2023 the WHO downgraded the COVID-19 pandemic and the COVID-19 pandemic has largely abated, weak economic conditions may continue to affect the financial condition and credit worthiness of some of the Company's consumer debtors.

As at September 30, 2023, the Company held \$300,545 in loans receivable, net of allowance for loan impairment of \$107,594 (December 31, 2022 – \$598,758, net of allowance for loan impairment of \$151,402). The allowance for loan impairment of \$107,594 represents 26.36% of the Company's outstanding loan balance, inclusive of interest receivable, at September 30, 2023 (December 31, 2022 – 20.18%). 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 nine months ended September 30, 2023, the Company recovered \$33,029 (2022 – write off of \$29,850) in loans and interest receivable.

## **NINE MONTHS ENDED SEPTEMBER 30, 2023**

### ***Revenue***

The Company generated slightly higher total revenues of \$986,173 for the nine month period ended September 30, 2023 (2022 - \$980,487). The increase in revenue was mainly due to the increase in Inverite monthly transactions which offset the lower revenue generated from the Company's other revenue generating products.

For the nine months ended September 30, 2023, the Company generated \$707,981 (2022 - \$509,674) of verification fees generated from Inverite. The Company has focused on expanding its Inverite revenues and saw increased Inverite transaction volumes during the nine month period ended September 2023 compared to 2022 which led to a \$198,307 or 39% increase in verification fee revenue over the comparable period in 2022.

The Company generated interest revenue from its loan portfolio of \$109,578 for the nine months ended September 30, 2023 (2022 - \$396,733). The decrease is primarily due to a lower number of loans outstanding during the period,

no new Fast-Track loans granted in 2023 and higher bad debts and expected credit losses related to these loans. The Company no longer offers new Fast-Track loans but continues to manage its existing loan portfolio.

The Company generated marketing service fees of \$86,931 (2022 - \$nil) related to Accumulate.ai business assets acquired in October 2022.

The Company generated higher subscription fees of \$80,407 (2022 – \$63,040) representing an increase of \$17,367 or 28% over the comparable period from subscriptions of MyMarble and from its Boost Loans. Service fees and other income totaled \$1,276 for the period (2022 – \$11,040).

### ***Operating Expenses***

Operating expenses for the nine months ended September 30, 2023, decreased by \$552,033 or 15% to \$3,207,581 as compared to \$3,759,614 for the nine months ended September 30, 2022. The Company provides the following detailed information on variances and components of operating expenses:

- administration costs of \$388,951 (2022 - \$638,946) decreased from the prior period due to cost management measures initiated by the Company. Administration costs are largely comprised of office expenses, loan issuance costs, professional fees, telephone and utilities.
- amortization of \$122,607 (2022 - \$168,812) decreased from the prior period due to the Company having nominal additions during both periods and reflected amortization of intangible assets and depreciation of furniture and equipment.
- bad debts expense and allowance for loan impairment of \$75,604 (2022 – \$247,635) decreased due to lower loan loss provisions associated with a lower loan portfolio value for its inactive Fast-Track loan program.
- consulting fees of \$544,571 (2022 - \$559,567) was fairly consistent between the periods and reflected a lower use of consultants in 2023.
- investor relations expense of \$81,171 (2022 - \$131,736) decreased as the Company decreased its investor activities in 2023 compared to 2022.
- marketing expenses of \$159,113 (2022 - \$102,514) increased compared to 2022 mainly as a result of the acquisition of the Accumulate.ai business which incurred additional marketing services expenses to support its operations.
- salaries and benefits of \$1,144,272 (2022 - \$1,462,897) decreased from 2022 as the Company had fewer employees in 2023 compared to 2022.
- share based payments of \$121,669 (2022- \$138,065) related to the fair value of net share purchase options granted and vested during the period and the vesting of RSUs during the period. During the nine months ended September 30, 2023, the Company granted 1,400,000 share purchase options and 1,400,000 RSUs to various officers, directors, employees and/or consultants.
- software and platform technology services of \$533,352 (2022 - \$291,668) increased from 2023 mainly due to higher technology and software costs associated with providing the Company’s products and services, higher Inverite transaction volumes achieved in 2023 and with the addition of Accumulate.ai business, which the Company acquired in October 2022.
- transfer agent and filing fees of \$36,271 (2022 - \$17,774) increased due to more financing activities and costs related to TPF bond settlement transactions during the nine months ended September 30, 2023, compared to 2022.



### ***Finance Costs***

- the Company incurred interest expense of \$252,332 (2022 - \$490,358) primarily related to bonds, convertible debentures and loans which decreased from 2022 primarily due to the debt settlement agreements entered into effective April 6, 2023 in relation to the bonds outstanding which resulted in the cessation of bond interest obligations since that time.
- accretion expense on convertible debentures and lease liabilities of \$326 (2022 - \$76,625) decreased from 2022, largely as a result of not having lease liabilities in 2023 and lower accretion expense associated with new convertible debentures issued during September 2023 compared to the prior period.

### ***Other Income (Expenses)***

- the Company recorded a gain on settlement of bonds of \$2,940,648 (2022 – \$nil) which resulted from the bond restructuring transactions that closed in April and May 2023.
- the Company recorded a loss on settlement of interest payable of \$7,140 (2022 – \$nil) which resulted from the settlement of accrued interest payable on convertible debentures through the issuance of common shares during the period ended September 30, 2023.
- the Company recorded a gain on settlement of accounts payable of \$40,034 (2022 – \$nil) which resulted from the settlement of certain accounts payable through a combination of payable forgiveness and shares for debt settlement completed during the period ended September 30, 2023.
- the Company recorded an impairment loss on intangible asset of \$114,419 (2022 – \$nil) related to impairment of the Accumulate.ai assets.
- the Company recorded a loss on the earn-out provision for Inverite of \$2,148 (2022 – gain of \$212,895) related to a higher estimate for the expected year two earn-out provision which was settled through the issuance of shares on July 31, 2023.

### ***Net Income (Loss)***

The Company recorded net income of \$382,909 for the nine months ended September 30, 2023 (2022 – net loss of \$3,133,215). The net income resulted primarily from the gain on settlement of bonds during the nine months ended September 30, 2023 as well as lower overall operating expenses and lower finance costs between the periods.

### **THREE MONTHS ENDED SEPTEMBER 30, 2023**

#### ***Revenue***

The Company generated total revenues of \$320,984 for the three-month period ended September 30, 2023 (2022 - \$354,014), representing a decrease of 9% over the comparable period.

For the three months ended September 30, 2023, the Company generated \$253,345 (2022 - \$192,930) of verification fees generated from Inverite representing an increase of 31% over the comparable period.

The Company generated interest revenue from its loan portfolio of \$30,408 for the three months ended September 30, 2023 (2022 - \$126,569). The decrease is primarily due to a lower number of consumer loans outstanding during the period, no new loans granted in 2023 and higher bad debts and expected credit losses related to these loans. The Company no longer offers new Fast-Track loans but continues to manage its existing loan portfolio.

The Company generated marketing service fees of \$16,000 (2022 - \$nil) related to marketing services revenues generated by the Accumulate.ai business assets acquired in October 2022.

The Company generated lower subscription fees of \$21,210 (2022 – \$26,124) from subscriptions of MyMarble and from its Boost Loans. Service fees and other income totaled \$21 (2022 – \$8,391).

### ***Operating Expenses***

Operating expenses for the three months ended September 30, 2023, decreased by \$264,000 or 21% to \$1,013,357 as compared to \$1,277,357 for the three months ended September 30, 2022 as the Company continued to focus on reducing its overall costs. The Company provides the following detailed information on variances and components of operating expenses:

- administration costs of \$98,554 (2022 - \$260,347) decreased from the prior period due to cost management measures initiated by the Company in 2023. Administration costs are largely comprised of office expenses, loan issuance costs, professional fees, telephone and utilities.
- amortization of \$40,869 (2022 - \$55,805) decreased from the prior period due to the Company having nominal additions during both periods and reflected amortization of intangible assets and depreciation of furniture and equipment.
- bad debts expense and allowance for loan impairment of \$62,322 (2022 – \$103,680) decreased due to lower loan loss provisions associated with a lower loan portfolio value for its inactive Fast-Track loan program.
- consulting fees of \$170,907 (2022 - \$181,610) decreased from 2022 as a result of reduced use of consultants during the current period compared to the prior period.
- investor relations expense of \$28,945 (2022 - \$35,725) decreased as the Company decreased its investor activities slightly in 2023 compared to 2022.
- marketing expenses of \$68,206 (2022 - \$17,986) increased compared to 2022 mainly as a result of the acquisition of the Accumulate.ai business which incurred additional marketings services expenses to support its operations.
- salaries and benefits of \$343,904 (2022 - \$483,112) decreased from 2022 as the Company had fewer employees in 2023 compared to 2022.
- share based payments of \$22,719 (2022- \$28,554) related to the fair value of net share purchase options granted and vested during the period and the vesting of RSUs during the period. During the three months ended September 30, 2023, the Company granted 525,000 share purchase options to various officers, directors, employees and/or consultants.
- software and platform technology services of \$170,262 (2022 - \$103,830) increased from 2023 mainly due to higher technology and software costs associated with providing the Company’s products and services, higher Inverite transaction volumes achieved in 2023 and with the addition of Accumulate.ai, which the Company acquired in October 2022, such that 2022 did not include any expenses related to Accumulate.ai operations.
- transfer agent and filing fees of \$6,669 (2022 - \$6,708) were consistent between the periods.

### ***Finance Costs***

- the Company incurred interest expense of \$45,312 (2022 - \$169,596) primarily related to bonds, convertible debentures and loans. Interest expense decreased mainly as a result of the settlement of bonds which eliminated bond interest after April 6, 2023.
- accretion expense on convertible debentures and lease liabilities was a gain of \$10,130 (2022 – expense of \$25,560) decreased from 2022, largely as a result of not having lease liabilities in 2023, reversed accretion expense associated with convertible debentures issued in March 2023 that were settled in September 2023 through

the issuance of new debentures in September 2023, and lower accretion expense associated with new convertible debentures issued during September 2023 compared to the prior period.

***Other Income (Expenses)***

- the Company recorded a gain on settlement of debt of \$40,034 (2022 – \$nil) which resulted from the settlement of accounts payable during the period ended September 30, 2023.
- the Company recorded a loss on settlement of accrued interest payable of \$7,140 (2022 – \$nil) which resulted from the settlement of accrued interest payable related to convertible debentures through the issuance of common shares during the period ended September 30, 2023.
- the Company recorded an impairment loss on intangible asset of \$114,419 (2022 – \$nil) related to impairment of the Accumulate.ai assets.

***Net Income (Loss)***

The Company recorded net loss of \$809,080 for the three months ended September 30, 2023 (2022 – \$1,118,499). The decrease in the net loss was primarily due to lower overall operating expenses and finance costs compared to 2022.

**SUMMARY OF QUARTERLY RESULTS**

	<b>September 30, 2023</b>	<b>June 30, 2023</b>	<b>March 31, 2023</b>	<b>December 31, 2022</b>
Total revenues	\$ 320,984	\$ 340,279	\$ 324,910	\$ 110,768
Net income (loss) and comprehensive income (loss)	(809,080)	2,148,274	(956,285)	(2,159,066)
Assets	2,993,531	3,306,741	3,489,233	3,536,362
Non-current financial liabilities	323,426	324,716	326,006	327,296
Basic and diluted income (loss per share)	(0.00)	0.01	(0.01)	(0.02)

  

	<b>September 30, 2022</b>	<b>June 30, 2022</b>	<b>March 31, 2022</b>	<b>December 31, 2021</b>
Total revenues	\$ 354,014	\$ 322,497	\$ 303,976	\$ 316,344
Net loss and comprehensive loss	(1,118,499)	(818,041)	(1,196,675)	(1,393,747)
Assets	4,439,637	4,688,977	4,878,474	6,031,480
Non-current financial liabilities	1,236,080	2,064,434	2,488,488	2,776,642
Basic and diluted loss per share	(0.01)	(0.01)	(0.01)	(0.01)

**LIQUIDITY AND CAPITAL RESOURCES**

As at September 30, 2023, the Company had a working capital deficit of \$3,059,079 (December 31, 2022 – \$8,417,276). The Company has relied upon debt and equity financings and loans to finance its operations and meet its capital requirements. During the nine months ended September 30, 2023, the Company received proceeds of \$786,570 from share issuances which included proceeds from non-brokered private placements, net of share issuance costs and received net proceeds of \$493,035 from loans. The Company manages the capital structure and adjusts 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 new shares or debt or acquire or dispose of assets.

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 approved loans, 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 (3) years after the date of the first funding advance, with an option to extend for a further two (2) 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 September 30, 2023 and as at the date of this MD&A, the Company has not drawn any funds pursuant to this credit facility.

The Company’s objectives when managing its liquidity and capital resources is to maintain a sufficient capital base to sustain and grow its overall operations, ensure adequate capital to fund convertible debenture repayment, and provide adequate capital to fund future developments of the business.

### ***Debt Restructuring***

Effective April 6, 2023, Marble entered into bond assumption and assignment agreements with TPF such that Marble assumed all of the obligations related to the bond and interest payables pursuant to TPF bonds outstanding as at April 6, 2023. Effective April 6, 2023, Marble also entered into debt settlement agreements (“Debt Settlement Agreements”) with each of the holders of the bonds outstanding in order to complete the bond restructuring transaction to settle an aggregate of \$5,775,220 of bond and interest debt (the “Bond Debt Restructuring”). Pursuant to the Debt Settlement Agreements, bondholders agreed to settle their bond and accrued interest amounts outstanding through a combination of shares for debt, debt forgiveness and/or waiver of interest expense accrued from Q1 2022 to April 6, 2023.

On April 6, 2023, Marble closed the first tranche of the Bond Debt Restructuring with certain bondholders. Marble settled an aggregate of \$4,150,544 of bonds payable and accrued interest payable outstanding through a combination of shares for debt (\$3,210,872 settled through issuance of 33,644,957 shares), debt forgiveness (\$460,873) and waiver of interest (\$478,799). As a result, Marble recorded a gain on debt settlement of \$1,795,396.

On May 16, 2023, Marble closed the second and final tranche of the Bond Debt Restructuring with the remaining bondholders. Marble settled an aggregate of \$1,624,676 of bonds payable and accrued interest payable outstanding through a combination of shares for debt (\$858,543 settled through issuance of 10,653,893 shares), debt forgiveness (\$620,543) and waiver of interest (\$145,590). As a result, Marble recorded an aggregate gain on debt settlement of \$1,145,252. As a result of the two closings, the Company eliminated all of its bond debt and bond interest obligations.

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 of \$11,440 thereon. The 2023 Debentures matured on July 31, 2023 and bore simple interest at a rate of 10% payable on the maturity date. The principal amount of the 2023 Debentures was 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. In August 2023, Marble satisfied the outstanding accrued interest on the 2023 Debentures to July 31, 2023 through the issuance of an aggregate of 714,027 common shares.

On September 28, 2023, the Company entered into agreements with convertible debenture holders to settle the 2023 Debentures with a principal amount of \$814,440 that had matured on July 31, 2023, through the issuance of new

convertible debentures. In exchange for the full settlement and discharge of the \$814,440 principal amount of the 2023 Debentures, plus unpaid accrued interest of \$12,942, the Company issued an aggregate of \$827,382 principal amount of new convertible debentures (referred to as the “2024 Debentures”). The 2024 Debentures are set to mature on September 28, 2024, bear interest at a rate of 10% and are convertible into common shares at \$0.07 per common share. As at the date of this MD&A, the 2024 Debentures remain outstanding.

### ***Summary of cash flows***

As at September 30, 2023, the Company had cash of \$18,011 (December 31, 2022 - \$44,005) and a working capital deficit of \$3,059,079 (December 31, 2022 - \$8,417,276). The Company was able to decrease its working capital deficit primarily as a result of the Bond Debt Restructuring which was completed during the nine month period ended September 30, 2023. A summary of the Company’s cash flow is as follows:

	<b>Nine months ended September 30,</b>	
	<b>2023</b>	<b>2022</b>
Cash outflow used in operating activities	\$ (1,293,394)	\$ (2,022,625)
Cash outflow used in investing activities	-	(5,942)
Cash inflow / (outflow) from financing activities	1,267,400	1,059,660
Net change in cash	(25,994)	(968,907)
Opening balance, cash	44,005	1,106,678
Closing balance, cash	\$ 18,011	\$ 137,771

### ***Operating Activities***

Cash outflow used in operating activities for the period ended September 30, 2023 was \$1,293,394 compared to \$2,022,625 for the period ended September 30, 2022. The cash outflow is primarily related to the loss for the period, offset by non-cash items which included a gain on bond settlement of \$2,940,648 in 2023 (2022 - \$nil) and net changes in non-cash working capital items.

### ***Investing Activities***

Cash outflow used in investing activities for the period ended September 30, 2023 was \$nil compared to \$5,942 related to acquisition of computer equipment for the period ended September 30, 2022.

### ***Financing Activities***

Cash inflow from financing activities for the period ended September 30, 2023 was \$1,267,400 compared to an inflow of \$1,059,660 for the period ended September 30, 2022. During the nine months ended September 30, 2023, the Company received proceeds of \$786,570 (2022 - \$488,399) from private placements, received loan proceeds of \$493,035 (2022 - \$705,000), received sublease payments \$nil (2022 - \$114,040), paid \$12,205 towards its loans payables, paid lease liabilities \$nil (2022 - \$128,906) and redeemed \$nil (2022 - \$20,000) of bonds payable.

### **OFF-BALANCE SHEET ARRANGEMENTS**

As at September 30, 2023, the Company had no off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company.

### **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 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 paid to the Company's key management personnel which include the CEO and COO/CTO for the three and nine-month periods ended September 30, 2023 totalled \$104,000 and \$312,000 respectively (2022 - \$104,000 and \$312,000).

## **Consulting fees**

Consulting fees paid to a company controlled by a director and a company controlled by the CFO for the three and nine months ended September 30, 2023 totalled \$54,200 and \$195,200 respectively (2022 - \$46,016 and \$156,616). As at September 30, 2023, accounts payable included \$297,004 (December 31, 2022 - \$164,300) owing to these two companies controlled by key management personnel.

## **Share purchase option plan**

Included in the share-based payments for the three and nine months ended September 30, 2023 is \$11,983 and \$68,320 (2022 - \$9,137 and \$99,203) related to the fair value of share purchase options vested for key management personnel.

## **Loans and Other Transactions**

As at September 30, 2023, loans payable included an aggregate of \$65,000 (December 31, 2022 - \$50,000) owing 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.

On September 27, 2023, a director of the Company participated in a non-brokered private placement for 1,100,000 \$0.05 Units for proceeds of \$55,000.

On March 13, 2023, a director of the Company participated in a non-brokered private placement for 150,000 \$0.07 Units for proceeds of \$10,500.

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. Each unit was issued at a price of \$0.07 per unit and each unit was 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.

During the three and nine month periods ended September 30, 2023, the Company incurred an aggregate of \$1,966 and \$5,740 (2022 - \$4,849 and \$6,020) of interest expense incurred pursuant to loans and convertible debentures held by directors of the Company and a company controlled by a director. As at September 30, 2023, interest payable included an aggregate of \$6,579 (December 31, 2022 - \$838) interest that was due to directors of the Company and a company controlled by a director.

## **OUTSTANDING SECURITY DATA**

### *Common Shares*

At the date of this MD&A, Marble had authorized an unlimited number of common shares without par value and 183,928,221 common shares are issued and outstanding.

### *Non-Voting Shares*

At the date of this MD&A, Marble had authorized an unlimited number of non-voting shares without par value. There are no non-voting shares issued and outstanding.

*Special Shares*

At the date of this MD&A, Marble had authorized an unlimited number of special shares without par value. There are no special shares issued and outstanding.

*Shares Issuable*

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 September 30, 2023, 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.

*Warrants*

A summary of Marble's issued and outstanding common share purchase warrants at the date of this MD&A is as follows:

<b>Expiry Date</b>	<b>Exercise Price</b>	<b>Number Outstanding</b>
December 24, 2023	\$ 0.20	4,883,988
November 28, 2024	\$ 0.11	9,793,217
December 15, 2024	\$ 0.11	683,000
January 3, 2025	\$ 0.11	393,000
January 23, 2025	\$ 0.11	430,000
March 13, 2025	\$ 0.11	835,000
March 30, 2025	\$ 0.11	430,000
April 27, 2025	\$ 0.11	714,500
June 13, 2025	\$ 0.11	429,000
July 12, 2025	\$ 0.11	414,500
July 27, 2025	\$ 0.11	400,000
August 11, 2025	\$ 0.11	429,000
August 29, 2025	\$ 0.11	357,500
September 13, 2025	\$ 0.11	393,000
September 27, 2025	\$ 0.10	550,000
November 10, 2025	\$ 0.10	550,000
		<b>21,685,705</b>

### Share Purchase Options

A summary of Marble's issued and outstanding share purchase options at the date of this MD&A is as follows:

<b>Expiry Date</b>	<b>Exercise Price</b>	<b>Number Outstanding</b>
March 20, 2024	\$ 0.20	1,325,000
September 23, 2024	\$ 0.25	500,000
November 1, 2024	\$ 0.21	175,000
December 3, 2024	\$ 0.21	250,000
December 30, 2024	\$ 0.20	100,000
January 23, 2025	\$ 0.20	100,000
March 2, 2025	\$ 0.19	100,000
December 30, 2025	\$ 0.23	150,000
November 30, 2026	\$ 0.165	250,000
April 28, 2027	\$ 0.13	1,850,000
May 16, 2027	\$ 0.13	1,000,000
July 29, 2027	\$ 0.09	50,000
October 18, 2027	\$ 0.10	2,000,000
October 31, 2027	\$ 0.10	600,000
January 31, 2028	\$ 0.08	100,000
February 28, 2028	\$ 0.08	25,000
April 25, 2028	\$ 0.08	200,000
July 6, 2028	\$ 0.08	500,000
March 20, 2024	\$ 0.20	1,325,000
September 23, 2024	\$ 0.25	500,000
November 1, 2024	\$ 0.21	175,000
		<b>9,275,000</b>

### Restricted Share Units ("RSUs")

As at the date of this MD&A, 200,000 RSUs are outstanding which vest as follows:

- 400,000 vest as to 25% on each of July 1, 2023 (vested), October 1, 2023 (vested), January 1, 2024 and April 1, 2024.

### SEGMENTED INFORMATION

The Company operates in one reportable segment, involving the provision of financial services and products. All the Company's assets are located in Canada.

### CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's consolidated financial statements requires management to make estimates and judgments and to form assumptions that affect the reported amounts and other disclosures in the 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:

#### Impairment losses on loans receivable



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.

### **Impairment of intangible assets and goodwill**

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 the intangible 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 assessment of the time value of money and the risks specific to the asset or cash-generating unit.

### **Income taxes**

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.

### **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 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 of the Financial Statements. On October 18, 2022, Accumulate.ai completed the acquisition of certain assets related to a marketing services business 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.

### **Purchase price allocation**

The acquisition of Inverite on April 12, 2021 was accounted for as a business combination at fair value in accordance with IFRS 3, "Business Combinations". The acquired assets and assumed liabilities were adjusted to their fair values assigned through completion of a purchase price allocation. 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. These valuations are closely linked to the assumptions used by management on the future performance of the related assets and the discount rates applied. See Note 4 to the Company's Financial Statements.

The acquisition of the Accumulate.ai business assets on October 18, 2022 was accounted for as a business combination at fair value in accordance with IFRS 3, “Business Combinations”. The acquired assets and assumed liabilities were adjusted to their fair values assigned through completion of a purchase price allocation. 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. These valuations are closely linked to the assumptions used by management on the future performance of the related assets and the discount rates applied. See Note 5 to the Company’s Financial Statements.

## **CHANGES IN ACCOUNTING POLICIES**

There were no new accounting policies adopted during the period ended September 30, 2023. See Note 3 to the Company consolidated financial statements for the year ended December 31, 2022 for a summary of the Company’s accounting policies.

## **DISCLOSURE CONTROLS AND PROCEDURES**

Disclosure controls and procedures are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized, and reported within the time periods specified by securities regulations and that the information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer’s Annual and Interim Filings) (“NI 52-109”), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the condensed consolidated interim financial statements for the nine months ended September 30, 2023 and this accompanying MD&A (together, the “Annual Filings”).

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Annual Filings on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## **RISK FACTORS**

Any investment in the securities of the Company is speculative, due to the nature of its business and its general stage of development. These risk factors could materially affect the Company’s future operating results and could cause actual events to differ materially from those described in forward looking statements relating to the Company. In addition to the usual risks associated with investment in a business, investors should carefully consider the risk factors set out in the Company’s public disclosure, including the Company’s MD&A for the year ended December 31, 2022.