

TEVANO SYSTEMS HOLDINGS INC.
(Formerly known as RBI Ventures Ltd.)

Condensed Interim Consolidated Financial Statements

For the three and nine months ended March 31, 2021, and 2020

(Unaudited)

(Expressed in Canadian dollars)

Notice of Disclosure of Non-auditor Review of the Condensed Interim Consolidated Financial Statements for the Three and Nine Months Ended March 31, 2021.

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

The accompanying unaudited condensed interim consolidated financial statements of Tevano Systems Holdings Inc. (the “Company”) for the interim period ended March 31, 2021, have been prepared in accordance with the International Accounting Standard 34 - *Interim Financial Reporting* as issued by the International Accounting Standards Board and are the responsibility of the Company’s management.

The Company’s independent auditors, Davidson & Company, have not performed a review of these condensed interim consolidated financial statements.

May 28, 2021

TEVANO SYSTEMS HOLDINGS INC.

(Formerly known as RBI Ventures Ltd.)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian dollars - Unaudited)

	Notes	March 31, 2021	June 30, 2020
		\$	\$
ASSETS			
Current			
Cash		2,092,576	2,337,556
Inventory	4	599,827	-
Deposit		133,387	15,000
Receivables		49,160	28,266
Prepaid expenses	5	633,482	50,346
Total current assets		3,508,432	2,431,168
Deferred share issue costs	11	-	200,000
Property and equipment	6	51,290	94,216
Total assets		3,559,722	2,725,384
LIABILITIES			
Current			
Accounts payable and accrued liabilities	7,13	741,189	951,189
Convertible promissory note	9,11,13	-	458,009
Current portion of lease liability	8	52,330	55,149
Total current liabilities		793,519	1,464,347
Lease liability	8	-	36,657
Convertible promissory note	9,11,13	230,350	-
Promissory note	10,13	515,511	486,600
Total liabilities		1,539,380	1,987,604
SHAREHOLDERS' EQUITY			
Share capital	11	10,075,979	2,679,948
Reserves	11	896,766	250,106
Obligation to issue shares	11	129,022	-
Share subscription deposits	11	-	2,028,500
Accumulated other comprehensive income (loss)		49,537	(4,792)
Deficit		(9,130,962)	(4,215,982)
Total shareholders' equity		2,020,342	737,780
Total liabilities and shareholders' equity		3,559,722	2,725,384

Nature and continuance of operations and going concern (note 1)

Commitments (note 16)

Events after the reporting period (note 19)

Approved and authorized for issue on behalf of the Board on May 28, 2021.

"David Bajwa"

CEO and Director

"Eugene Hodgson"

Director and CFO

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

TEVANO SYSTEMS HOLDINGS INC.

(Formerly known as RBI Ventures Ltd.)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

For the three and nine months ended March 31, 2021 and 2020

(Expressed in Canadian dollars, except share numbers - Unaudited)

		Three months ended March 31,		Nine months ended March 31,	
	Notes	2021	2020	2021	2020
		\$	\$	\$	\$
Revenue		59,426	-	59,426	-
Cost of sales		47,103	-	47,103	-
Gross margin		12,323	-	12,323	-
Operating expenses					
Accretion	9,10	17,634	18,802	77,043	56,077
Amortization	6	15,330	14,754	45,189	43,799
Consulting fees	13	252,661	113,818	515,189	313,674
Exchange fees		19,437	-	19,437	-
Foreign exchange loss (gain)		7,741	(5,978)	62,209	(5,453)
Interest expense		2,010	4,113	7,506	13,684
Investor relations		242,212	-	242,212	-
Loss (gain) on debt settlement	7,11	34,223	-	(99,677)	-
Marketing		34,751	10,436	165,879	164,532
Office		47,361	20,367	101,620	76,919
Professional fees		304,126	48,450	484,924	66,909
Rent		6,110	-	6,110	3,807
Salaries		-	22,415	11,114	99,421
Share-based compensation	13	326,307	-	326,307	-
Technology development	12,13	245,592	40,292	637,994	73,115
Travel		23,029	25,030	33,169	99,819
Total operating expenses		1,578,524	312,499	2,636,225	1,006,303
Loss before the undernoted items		1,566,201	312,499	2,623,902	1,006,303
Inventory impairment	4	8,266	-	8,266	-
Listing expense	3	2,250,588	-	2,312,988	-
Other income		(4,597)	(36,702)	(30,176)	(36,702)
Loss for the period		(3,820,458)	(275,797)	(4,914,980)	(969,601)
Foreign currency translation adjustment		(8,419)	28,992	(54,329)	25,975
Comprehensive loss for the period		(3,812,039)	(304,789)	(4,860,651)	(995,576)
Net loss per share					
Basic and diluted		(0.06)	(0.01)	(0.09)	(0.03)
Weighted average number of common shares outstanding					
Basic and diluted		64,309,886	32,869,745	51,763,939	32,930,235

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

TEVANO SYSTEMS HOLDINGS INC.

(Formerly known as RBI Ventures Ltd.)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

For the nine months ended March 31, 2021 and 2020

(Expressed in Canadian dollars - Unaudited)

	2021	2020
	\$	\$
Operating activities		
Net loss for the period	(4,914,980)	(969,601)
Adjustments to non-cash items:		
Accretion	77,043	56,077
Amortization	45,189	43,799
Gain on debt settlement	99,677	-
Interest expense	7,506	13,678
Listing expense	2,251,546	-
Shares for services	129,022	-
Share-based compensation	326,307	-
Technology development	263,018	-
Unrealized foreign exchange	-	1,896
Changes in non-cash working capital items:		
Inventory	(599,827)	-
Receivables	(17,478)	(32,984)
Prepaid expenses	(601,199)	(3,514)
Accounts payable and accrued liabilities	(566,942)	(149,611)
Cash used in operating activities	(3,501,118)	(1,040,260)
Investing activities		
Property and equipment	(1,027)	-
Cash used in investing activities	(1,027)	-
Financing activities		
Share subscription deposit	-	28,500
Common shares issued for cash – private placement	3,097,500	1,137,500
Proceeds from warrants exercised	275,000	225,000
Share issue costs	(121,446)	(31,719)
Lease payments	(48,218)	(53,166)
Cash provided by financing activities	3,202,836	1,306,115
Effect of foreign exchange on cash	54,329	(25,975)
Change in cash during the period	(244,980)	239,880
Cash, beginning of the period	2,337,556	17,072
Cash, end of the period	2,092,576	256,952

The Company paid no cash for interest or taxes during the periods presented.

Supplemental disclosure with respect to cash flow (note 18)

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

TEVANO SYSTEMS HOLDINGS INC.

(Formerly known as RBI Ventures Inc.)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (DEFICIENCY)

For the nine months ended March 31, 2021 and 2020

(Expressed in Canadian dollars - Unaudited)

	Number of common shares	Share capital	Reserves	Obligation to issue shares	Share subscription deposits	Accumulated other comprehensive income (loss)	Deficit	Total shareholders' equity (deficiency)
	#	\$	\$	\$	\$	\$	\$	\$
Balance, June 30, 2019	27,259,998	721,327	248,746	129,200	-	1,865	(2,454,016)	(1,352,878)
Application of IFRS 16	-	-	-	-	-	-	(4,011)	(4,011)
Adjusted balance, July 1, 2019	27,259,998	721,327	248,746	129,200	-	1,865	(2,458,027)	(1,356,889)
Shares issued - private placement	5,770,833	1,137,500	-	-	-	-	-	1,137,500
Shares issued per warrant exercised	2,999,999	225,000	-	-	-	-	-	225,000
Shares issued for services	3,706,667	129,200	-	(129,200)	-	-	-	-
Warrants issued for share issuance costs	-	(1,360)	1,360	-	-	-	-	-
Share issue costs	-	(31,719)	-	-	-	-	-	(31,719)
Share subscription deposits	-	-	-	-	28,500	-	-	28,500
Translation difference	-	-	-	-	-	(25,975)	-	(25,975)
Net loss for the period	-	-	-	-	-	-	(969,601)	(969,601)
Balance, March 31, 2020	39,737,497	2,179,948	250,106	-	28,500	(24,110)	(3,427,628)	(993,184)

	Number of common shares	Share capital	Reserves	Obligation to issue shares	Share subscription deposits	Accumulated other comprehensive income (loss)	Deficit	Total shareholders' equity (deficiency)
Balance, June 30, 2020	42,237,497	2,679,948	250,106	-	2,028,500	(4,792)	(4,215,982)	737,780
Shares issued - private placement	25,630,000	5,126,000	-	-	(2,028,500)	-	-	3,097,500
Shares returned to treasury	(766,667)	-	-	-	-	-	-	-
Share issued for the Transaction	995,248	507,576	-	-	-	-	-	507,576
Shares issued per warrant exercised	2,333,333	275,000	-	-	-	-	-	275,000
Shares issued as finder's fee	2,000,000	1,020,000	-	-	-	-	-	1,020,000
Warrants issued for the Transaction	-	-	370,444	-	-	-	-	370,444
Shares issued for services	-	-	-	129,022	-	-	-	129,022
Share issue costs	-	(321,446)	-	-	-	-	-	(321,446)
Stock options vested	-	-	326,307	-	-	-	-	326,307
Debt settlement with shares	1,000,000	200,000	-	-	-	-	-	200,000
Conversion of convertible promissory note	2,441,820	588,901	(91,527)	-	-	-	-	497,374
Equity component of convertible promissory note	-	-	41,436	-	-	-	-	41,436
Translation difference	-	-	-	-	-	54,329	-	54,329
Net loss for the period	-	-	-	-	-	-	(4,914,980)	(4,914,980)
Balance, March 31, 2021	75,871,231	10,075,979	896,766	129,022	-	49,537	(9,130,962)	2,020,342

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

TEVANO SYSTEMS HOLDINGS INC.

(Formerly known as RBI Ventures Inc.)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended March 31, 2021 and 2020

(Expressed in Canadian dollars, except where noted - Unaudited)

1. Nature and continuance of operations and going concern

Tevano Systems Holdings Inc. (the “Company”) (formerly known as “RBI Ventures Inc” or “RBI”) was incorporated under the laws of British Columbia, Canada on March 23, 2000. The Company’s head office and principal address is Suite 1303 - 1030 West Georgia Street, Vancouver, BC V6E 2Y3. The Company is listed under the Canadian Securities Exchange (“CSE”) under the symbol “TEVO”.

Reverse takeover

Tevano Systems Inc. (“Tevano”) (formerly Tevano Payment Systems Inc.) was incorporated on April 12, 2018, under the laws of British Columbia. Tevano is in the business of designing, developing, marketing, and selling self-service kiosks for non-physical contact monitoring, testing temperatures, and dispensing hand sanitizer for the post COVID-19 environment.

On September 21, 2020, RBI announced that it entered into an amalgamation agreement dated September 17, 2020 (the “Amalgamation Agreement”) with 1251858 B.C. Ltd., a newly incorporated subsidiary of RBI (“SubCo”), and Tevano. Pursuant to the Amalgamation Agreement, RBI acquired all of the issued and outstanding securities of Tevano in exchange for securities of RBI (the “Transaction”), carried out by way of a three-cornered amalgamation. As a result of the Transaction, the Company continued with the business of Tevano. Tevano is arm’s length to RBI.

Effective March 15, 2021, the Transaction closed whereby Tevano issued 995,248 common shares to RBI’s shareholders (note 3). Additionally, Tevano issued 2,000,000 common shares, 1,000,000 warrants, and \$200,000 cash to an arm’s length Finder that facilitated the Transaction. Concurrent with the closing of the Transaction, the Company’s common shares were listed on the CSE on March 19, 2021.

Management determined that the Transaction constituted a reverse acquisition for accounting purposes whereby Tevano acquired the Company. For accounting purposes, Tevano is treated as the accounting acquirer (legal subsidiary), and the Company is treated as the accounting acquiree (legal parent) in these consolidated financial statements. As Tevano was deemed to be the acquirer for accounting purposes, its assets, liabilities, and operations since incorporation are included in these financial statements at their historical carrying values. The Company’s results of operations are included from the transaction date, March 15, 2021. The comparative figures are those of Tevano prior to the reverse acquisition.

Going concern

These unaudited condensed interim consolidated financial statements (“interim financial statements”) have been prepared using accounting principles applicable to a going concern which assumes that the Company will be able to realize its assets and discharge its obligations for the foreseeable future.

As at March 31, 2021, the Company had a working capital surplus of \$2,714,913 (June 30, 2020 - \$966,821), has not yet achieved profitable operations, and has an accumulated deficit of \$9,130,962 (June 30, 2020 - \$4,215,982). The ability of the Company to ensure continuing operations is dependent on the Company’s ability to raise sufficient funds to finance development activities and generate sales. There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be available on terms advantageous to the Company. However, management believes that the Company has sufficient working capital to meet its projected minimum financial obligations for the next fiscal year. Management intends to finance operating costs with the proceeds from equity financings.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or ability to raise funds.

TEVANO SYSTEMS HOLDINGS INC.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended March 31, 2021 and 2020

(Expressed in Canadian dollars, except where noted - Unaudited)

2. Basis of presentation and critical accounting estimates, judgments, and assumptions

Statement of compliance

These interim financial statements were approved and authorized for issuance on May 28, 2021 by the directors of the Company.

These interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") applicable to the preparation of interim financial statements including International Accounting Standard 34 - *Interim Financial Reporting*. These interim financial statements do not include all disclosures required for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company's audited financial statements for the years ended June 30, 2020, and 2019 (the "annual financial statements"), which include the information necessary or useful to understanding the Company's business and financial statement presentation. In particular, the Company's use of judgements and estimates and significant accounting policies were presented in notes 2 and 3, respectively, of those annual financial statements and have been consistently applied in the preparation of the interim financial statements.

Basis of measurement

These interim financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at their fair value as explained in the accounting policies set out below. In addition, these interim financial statements have been prepared using the accrual basis of accounting except cash flow information.

Principles of consolidation

These interim financial statements include the accounts of the Company and its wholly-owned subsidiary, Tevano USA Inc. All intercompany balances, transactions, revenues, and expenses have been eliminated on consolidation.

Functional and presentation currency

These interim financial statements are presented in Canadian dollars, unless otherwise noted, which is the functional currency of the Company. The Company's only subsidiary, Tevano USA Inc., has the United States dollar as its functional currency. References to "US\$" are United States dollars.

Critical accounting estimates, judgments, and assumptions

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Conversion feature

Conversion feature are measured at fair value using the Black-Scholes option pricing model based on estimated fair values at the date of grant. The Black-Scholes option pricing model utilizes subjective assumptions such as expected price volatility and expected life of the option. Changes in these input assumptions can significantly affect the fair value estimate.

Upon exercise of the convertible promissory note, the conversion feature and the carrying value of the debt is allocated are de-recognized and are allocated to equity.

TEVANO SYSTEMS HOLDINGS INC.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended March 31, 2021 and 2020

(Expressed in Canadian dollars, except where noted - Unaudited)

2. Basis of presentation and critical accounting estimates, judgments, and assumptions (continued)

Indicators of impairment

At the end of each reporting period, the Company assesses whether there are any indicators, from external and internal sources of information, that an asset may be impaired, thereby requiring adjustment to the carrying value.

Share-based compensation

The Company determines the fair value of share-based compensation granted using the Black Scholes option pricing model. This option pricing model requires the development of market-based subjective inputs, including the risk-free interest rate, expected price volatility and expected life of the option. Changes in these inputs and underlying assumption used to develop them can materially affect the fair value estimate.

In situations where share option awards are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

Revenue recognition

a) Determination of performance obligations

The Company applied judgement to determine if a good or service that is promised to a customer is distinct based on whether the customer can benefit from the good or service on its own or together with other readily available resources and whether the good or service is separately identifiable. Based on these criteria, the Company determined the primary performance obligation relating to its sales contracts is the delivery of the tablets and stands, a single performance obligation with consideration allocated accordingly.

b) Transfer of control

Judgement is required to determine when transfer of control occurs relating to the medical services to its customers. Management based its assessment on a number of indicators of control, which include, but are not limited to whether the Company has present right of payment, whether delivery of physical products has occurred and whether the physical possession of the goods, significant risks and rewards and legal title have been transferred to the customer.

3. Reverse takeover

Upon the closing of the Transaction on March 15, 2021, outlined in note 1, the following occurred:

- Tevano issued 995,248 common shares of the Company to RBI's shareholders at the fair value of \$0.51 per common share for a total fair value of \$507,576.
- Tevano issued 2,000,000 common shares as finder's fees relating to the Transaction. The Finder's shares were valued at \$1,020,000 at the fair value of \$0.51 per common share.
- Tevano issued 1,000,000 warrants as finder's fee relating to the Transaction. The warrants were valued using the Black-Scholes pricing model, at a fair value of \$370,444. The warrants have an exercise price of \$0.20 per warrant, the expiry period of two years after issuance, 100% volatility, risk-free rate of 0.23%, and dividend rate of 0.00%.
- Tevano paid the finder a cash fee of \$200,000 in relation to the Transaction.
- Tevano incurred \$67,750 in listing expense prior to the closing of the Transaction and the amount is allocated as part of the consideration.
- Tevano completed a concurrent financing prior to the Transaction whereby the Company issued:
 - 25,880,000 common shares of the Company for gross proceeds of \$5,126,000 (note 11).

TEVANO SYSTEMS HOLDINGS INC.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended March 31, 2021 and 2020

(Expressed in Canadian dollars, except where noted - Unaudited)

3. Reverse takeover (continued)

As a result of the Transaction, Tevano obtained control of the Company and is considered to have acquired the Company. The Transaction constituted a reverse takeover acquisition (“RTO”) of the Company by Tevano and has been accounted for as a reverse acquisition transaction in accordance with the guidance provided in IFRS 2, *Share-based Payments*, and IFRS 3, *Business Combinations*. As the Company did not qualify as a business in accordance with the definition of IFRS 3, the RTO does not constitute a business combination. Rather, it is treated as an issuance of common shares by Tevano for the net assets of the Company and its public listing, with Tevano as the continuing entity. Accordingly, no goodwill or intangible assets were recorded with respect to the Transaction.

For accounting purposes, Tevano is treated as the accounting parent (legal subsidiary) and the Company as the accounting subsidiary (legal parent). The fair value of the consideration paid by Tevano, net of transaction costs, less the fair value of net assets of the Company acquired by Tevano constitutes the listing expense and has been recorded in the statement of loss and comprehensive loss. These consolidated financial statements reflect the assets, liabilities, and operations of Tevano since its incorporation and the Company from March 15, 2021.

	March 15, 2021
	\$
Purchase price:	
Fair value of RBI Common shares	507,576
Fair value of Tevano common shares	1,020,000
Fair value of Tevano warrants	370,444
Cash fee paid to Finder	200,000
Transaction costs	67,750
Total consideration	2,165,770
Net liabilities acquired:	
Cash	6,308
Receivables	3,416
Accounts payable and accrued liabilities	(7,735)
Loan from Tevano	(149,207)
Total net liabilities	(147,218)
Listing expense	2,312,988

4. Inventory

	March 31, 2021	June 30, 2020
	\$	\$
Supplies	9,855	-
Finished goods	589,972	-
	599,827	-

During the period ended March 31, 2021, the Company recognized impairment of \$8,266 as a result of environmental damage to inventory purchased during the period.

TEVANO SYSTEMS HOLDINGS INC.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended March 31, 2021 and 2020

(Expressed in Canadian dollars, except where noted - Unaudited)

5. Prepaid expenses

	March 31, 2021	June 30, 2020
	\$	\$
Legal and professional retainers	242,709	12,188
Investor relations	208,333	-
Security deposit - lease	11,633	17,932
Insurance	145,525	681
Prepaid lease liability	6,415	12,446
Other prepaid expenses	18,867	7,099
	633,482	50,346

6. Property and equipment

	Right of use assets	Computer hardware	Furniture and fixtures	Total
	\$	\$	\$	\$
Cost				
At June 30, 2019	-	-	10,192	10,192
Adoption of IFRS 16	168,157	-	-	168,157
Additions	1,849	1,712	-	3,561
At June 30, 2020	170,006	1,712	10,192	181,910
Additions	1,236	1,027	-	2,263
At March 31, 2021	171,242	2,739	10,192	184,173
Amortization				
At June 30, 2019	-	-	1,019	1,019
Adoption of IFRS 16	28,026	-	-	28,026
Amortization	56,515	95	2,039	58,649
At June 30, 2020	84,541	95	3,058	87,694
Amortization	43,051	609	1,529	45,189
At March 31, 2021	127,592	704	4,587	132,883
Net book value:				
At June 30, 2020	85,465	1,617	7,134	94,216
At March 31, 2021	43,650	2,035	5,605	51,290

7. Accounts payable and accrued liabilities

	March 31, 2021	June 30, 2020
	\$	\$
Trade payables ⁽¹⁾	715,074	591,148
Technology development cost payable	9,324	44,943
Accrued liabilities	16,791	315,098
	741,189	951,189

- ⁽¹⁾ During the three and nine months ended March 31, 2021, the Company recorded a gain on debt settlement of \$nil and \$133,900, respectively (2020 - \$nil and \$nil, respectively) related to amounts forgiven by consultants.

TEVANO SYSTEMS HOLDINGS INC.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended March 31, 2021 and 2020

(Expressed in Canadian dollars, except where noted - Unaudited)

8. Lease liability

	March 31, 2021	June 30, 2020
	\$	\$
Beginning balance	91,806	144,142
Additions	1,236	1,849
Interest expense	7,506	17,258
Lease payments	(48,218)	(71,443)
Total lease liability	52,330	91,806
Less: non-current portion	-	36,657
Current portion	52,330	55,149

9. Convertible promissory notes

	March 31, 2021	June 30, 2020
	\$	\$
Opening balance	458,009	421,563
Issuance of INEX promissory note	263,018	-
Equity component of INEX note	(41,435)	-
Conversion of Nevatronix note to equity	(405,847)	-
Conversion of equity component	(91,527)	-
Accretion	48,132	36,446
Ending balance	230,350	458,009
Less: non-current portion	230,350	-
Current portion	-	458,009

The Company has the following convertible promissory notes as at March 31, 2021 and June 30, 2020:

	March 31, 2021	June 30, 2020
	\$	\$
Nevatronix promissory note	-	421,563
INEX promissory note	230,350	36,446
Convertible promissory notes	230,350	458,009

Nevatronix convertible promissory note

On October 26, 2018, pursuant to a contribution agreement between Nevatronix and the Company, in which Nevatronix transferred over to the Company its entire right, title, and interest (including all intellectual property rights) in and to certain of Nevatronix's proprietary hardware, firmware, know-how and other technologies relevant to the development of the Company's proprietary payment solution, the Company agreed to pay consideration of \$620,924 to Nevatronix, due on or before October 26, 2020. In relation to the consideration, the Company issued a non-interest bearing convertible promissory note, maturing on October 26, 2020, convertible at \$0.10 per share. Upon initial recognition, the Company discounted the face value of the convertible promissory note at a market interest rate of 8%, with the \$91,527 difference between the discounted value and the face value being recorded to reserves to recognize the equity component using the residual value method. During the year ended June 30, 2019, \$132,560 was repaid in cash.

On October 13, 2020, the Company amended this agreement to extend the maturity from October 26, 2020, to the earlier of: (i) two years after the first day that the common shares of Tevano are publicly listed on a Canadian or U.S. securities exchange or listing on the exchange or (ii) January 10, 2023. Due to the change in the present value of the cash flows associated with this amendment, this convertible promissory note was derecognized and rebooked at the present value on the date of modification. This resulted in an additional residual equity component in the amount of \$80,204 booked to reserves.

On January 5, 2021, this agreement was amended to revise the conversion price to \$0.20 per share.

On February 8, 2021, Nevatronix exercised its conversion right and converted the note for an aggregate of 2,441,820 common shares (note 11).

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9. Convertible promissory note (continued)

INEX convertible promissory note

On October 13, 2020, the Company issued a convertible promissory note for \$263,018 to INEX for software engineering and development services related to the advancement and improvement of the Company's proprietary payment solution, separate from the promissory note issued on December 3, 2018. The promissory note is interest-free and repayable upon demand on the earlier of (i) two years after the shares are publicly traded on a Canadian or U.S securities exchange; or (ii) January 1, 2023 (or earlier at the discretion of the Company, without penalty). The promissory note is convertible into common shares of the Company at any time in whole or in part at the Company's sole discretion based on the greater of (i) \$0.20 per common share and (ii) the ten-day weighted average price per share if traded on a securities exchange.

Upon initial recognition, the Company discounted the face value of the convertible promissory note at a market interest rate of 8%, with the \$41,435 difference between the discounted value and the face value being recorded to reserves to recognize the equity component using the residual value method.

10. Promissory note

	March 31, 2021	June 30, 2020
	\$	\$
Beginning balance	486,600	447,981
Accretion	28,911	38,619
Ending balance	515,511	486,600

On December 3, 2018, pursuant to a contribution agreement, the Company issued a promissory note for \$583,147 to INEX for software engineering and development services related to the advancement and improvement of the Company's proprietary payment solution. The promissory note is interest-free and repayable upon demand on the earlier of (i) two years after shares are publicly traded on a Canadian or U.S securities exchange; or (ii) January 1, 2023 (or earlier at the discretion of the Company, without penalty). The promissory note is convertible into common shares of the Company at any time in whole or in part at the Company's sole discretion based on the greater of (i) \$0.03 (\$0.02 prior to consolidation) per common share or (ii) the thirty-day weighted average price of the common shares if the Company is listed on a designated stock exchange.

Upon initial recognition, the Company discounted the face value of the promissory note payable at a market interest rate of 8%, with the difference between the discounted value and the face value, \$157,219, recorded to reserves to recognize the conversion feature received. After initial recognition, the liability is increased during each reporting period until its maturity through accretion expense.

11. Share capital

(a) Authorized:

Unlimited common shares without par value.

(b) Issued - common shares

During the nine months ended March 31, 2021, the Company completed the following transactions:

On March 22, 2021, pursuant to warrants exercised, the Company issued 666,667 common shares of the Company at \$0.15 per share for gross proceeds of \$100,000.

On March 22, 2021, pursuant to warrants exercised, the Company issued 1,000,000 common shares of the Company at \$0.075 per share for gross proceeds of \$75,000.

On March 15, 2021, the Company issued 2,500,000 common shares of the Company at \$0.20 per share for gross proceeds of \$500,000.

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11. Share capital (continued)

On March 15, 2021, pursuant to the closing of the Transaction, the Company issued 995,428 common shares of the Company to the shareholders of RBI at the fair value of \$0.51 per share for the total fair value of \$507,576. The Company issued 2,000,000 common shares of the Company to the finder of the Transaction at a fair value of \$0.51 per share for the total fair value of \$1,020,000.

On March 2, 2021, the Company issued 750,000 common shares of the Company at \$0.20 per share for gross proceeds of \$150,000.

On February 17, 2021, Company issued 4,375,000 common shares of the Company at \$0.20 per share for gross proceeds of \$875,000.

On February 8, 2021, Company issued 1,450,000 common shares of the Company at \$0.20 per share for gross proceeds of \$290,000.

On February 8, 2021, the Company issued 2,441,820 common shares at a fair value of \$488,364 pursuant to Nevatronix's exercise of the conversion feature per the convertible promissory note (note 9).

On January 28, 2021, the Company issued 1,000,000 common shares of the Company at \$0.20 per share for a total value of \$200,000 to Nevatronix for the purchases of inventory with a total value of US\$128,850, in which a loss on debt settlement of \$34,224 and \$132,132 in deposits were recognized. The deposit will be used against future purchases from Nevatronix.

On January 27, 2021, the Company issued 2,025,000 common shares of the Company at \$0.20 per share for gross proceeds of \$405,000.

On January 13, 2021, pursuant to warrants exercised, the Company issued 666,666 common shares of the Company at \$0.15 per share for gross proceeds of \$100,000.

On November 10, 2020, the Company issued 14,530,000 common shares of the Company at \$0.20 per share for the gross proceeds of \$2,905,000.

On July 31, 2020, in relation to a legal settlement, 766,667 common shares were returned to treasury as part of the settlement. The common shares returned to treasury were at \$nil value.

During the nine months ended March 31, 2021, the Company had a contractual obligation to pay \$300,000 to a finder to raise a total of \$3,000,000 in share capital. At June 30, 2020, \$2,000,000 of this amount was raised by the finder for which the Company recognized \$200,000 in deferred share issuance costs and an associated accrued liability. During the period ended March 31, 2021, the finder completed their obligation in raising a minimum of \$3,000,000, and the Company recognized the \$300,000 deferred issuance costs to share issuance costs.

In connection with the private placements, the Company incurred share issuance costs of \$21,447 relating to legal services and finder's fees.

During the year ended June 30, 2020, the Company completed the following transactions:

On April 16, 2020, pursuant to a private placement, the Company issued 2,500,000 common shares of the Company at \$0.20 per share for gross proceeds of \$500,000.

On March 9, 2020, pursuant to a private placement, the Company issued 4,687,500 common shares of the Company at \$0.20 per share for gross proceeds of \$937,500.

On March 9, 2020, pursuant to warrants exercised, the Company issued 1,333,333 common shares of the Company at \$0.075 per share for gross proceeds of \$100,000.

On February 13, 2020, pursuant to warrants exercised, the Company issued 666,666 common shares of the Company at \$0.075 per share for gross proceeds of \$50,000.

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11. Share capital (continued)

On October 16, 2019, pursuant to warrants exercised, the Company issued 333,333 common shares of the Company at \$0.15 per share for gross proceeds of \$50,000.

On October 15, 2019, pursuant to a private placement, the Company issued 750,000 common shares of the Company at \$0.20 per share for gross proceeds of \$150,000.

On August 9, 2019, the Company issued 826,667 common shares of the Company at \$0.03 per share for a total fair value of \$24,800 as part of a consultant's service agreement.

On July 16, 2019, the Company issued 2,480,000 common shares of the Company at \$0.03 per share for a total fair value of \$74,400 as part of the contribution agreement with INEX USA.

On July 16, 2019, the Company issued 400,000 common shares of the Company at \$0.075 per share for a total fair value of \$30,000 as payment with a consulting company providing business development services.

On August 31, 2019, pursuant to warrants exercised, the Company issued 1,000,000 common shares of the Company at \$0.075 per share for gross proceeds of \$75,000.

In connection with the private placements, the Company incurred share issuance costs of \$31,719 relating to legal services and \$1,360 relating to the finder's fee rendered.

During the year ended June 30, 2020, the Company received share subscription deposit of \$2,028,500. The Company incurred \$200,000 in finder's fee recorded as deferred share issue cost in connection to the private placement which was closed subsequent to year end.

(c) Escrow and voluntary pooling shares

In relation to the Transaction, the Company had 33,467,665 common shares held in voluntary pooling, and 32,967,665 common shares held in escrow. From the date of the Transaction to March 31, 2021, the Company released 3,296,767 escrow shares and as at March 31, 2021 has a total of 29,670,899 escrow shares and 33,467,665 common shares in voluntary pooling.

(d) Obligation to issue shares

As at March 31, 2021, the Company agreed to issue 347,090 common shares for a fair value of \$128,423 to two consultants as part of the consulting agreements. The shares were issued by the Company subsequent to period end (note 19).

As at March 31, 2021, the Company agreed to issue 2,993 common shares for a fair value of \$599 to a consultant as commission compensation per their consulting agreement. The shares were issued by the Company subsequent to period end (note 19).

(e) Stock options

A summary of stock option activity is as follows:

	Granted (not issued)	Issued	Weighted average exercise price (\$)
Granted (not issued), June 30, 2019	-	-	-
Granted	1,749,999	-	-
Granted (not issued), June 30, 2020	1,749,999	-	-
Cancelled	(1,099,999)	-	-
Issued ⁽¹⁾	(650,000)	650,000	0.57
Issued	-	500,000	0.57
Issued	-	1,900,000	0.95
Issued, March 31, 2021	-	3,050,000	0.81

⁽¹⁾ Prior to the Transaction, the Company granted, but had not issued, 1,749,999 stock options, of which 1,099,999 were cancelled. Upon the closing of the Transaction, the Company issued the remaining 650,000 stock options. Subsequent to the Transaction, 2,400,000 stock options were granted and issued for a total of 3,050,000 stock options outstanding as at March 31, 2021.

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11. Share capital (continued)

As at March 31, 2021, the Company had the following stock options outstanding:

Expiry date	Number	Weighted-average exercise price (\$)	Weighted-average remaining years
March 15, 2026	1,150,000	0.57	4.96
March 22, 2026	1,900,000	0.95	4.98
Outstanding, March 31, 2021	3,050,000	0.81	4.97

The grant date fair value of options granted during the nine months ended March 31, 2021 was \$1,827,972 (June 30, 2020 - \$nil). The Company recorded \$326,307 (2020 - \$nil) as share-based compensation expense for stock options vested during the nine months ended March 31, 2021. The fair value at the grant date is determined using the Black Scholes option pricing model. Weighted-average assumptions used in the option-pricing model are as follows:

	2021	2020
Risk-free interest rate	0.99% - 1.00%	-
Expected life	5 years	-
Expected volatility	100%	-
Forfeiture rate	0.00%	-
Dividend rate	0.00%	-

(f) Warrants

A summary of warrant activity is as follows:

	Number	Weighted-average exercise price (\$)
Outstanding June 30, 2019	8,333,331	0.09
Exercised	(3,333,332)	0.08
Granted	17,500	0.20
Outstanding June 30, 2020	5,017,499	0.10
Exercised	(2,333,332)	0.08
Granted	1,000,000	0.20
Outstanding March 31, 2021	3,684,167	0.11

As at March 31, 2021, the Company had the following warrants outstanding:

Expiry date	Number	Weighted-average exercise price (\$)	Weighted average remaining years
August 31, 2021	2,666,667	0.08	0.42
October 15, 2021	17,500	0.20	0.54
March 19, 2023	1,000,000	0.20	1.97
Outstanding March 31, 2021	3,684,167	0.11	0.84

On August 15, 2020, the Company's board of directors extended the expiry date of 3,666,666 warrants to August 31, 2021, 17,500 warrants to October 15, 2021, and 1,333,333 warrants to October 18, 2021.

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11. Share capital (continued)

On March 15, 2021, the Company granted 1,000,000 finders' warrants in relation to the Transaction with an exercise price of \$0.20, and an expiration date of May 19, 2021. The fair value at the issuance date of the warrants was \$370,444 (June 30, 2020 - \$nil). The fair value issuance date is determined using the Black Scholes option pricing model. The weighted-average assumption used in the option-pricing model are as follows:

	2021	2020
Risk-free interest rate	0.23%	-
Expected life	2 years	-
Expected volatility	100%	-
Forfeiture rate	0.00%	-
Dividend rate	0.00%	-

12. Technology development

	March 31, 2021	June 30, 2020
	\$	\$
Opening balance of cumulative spend	1,632,663	1,324,768
Cost incurred during the period	637,994	307,895
Ending balance of cumulative spend	2,270,657	1,632,663

13. Related party transactions

Key management personnel are those persons having the authority and responsibility of planning, directing, and executing the activities of the Company. The Company has determined that its key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

During the three and nine months ended March 31, 2021, and 2020, the remuneration of the key management personnel was as follows:

	Three months ended		Nine months ended	
	2021	March 31, 2020	2021	March 31, 2020
	\$	\$	\$	\$
Consulting fees paid to officers and directors	249,859	97,712	492,386	281,567
Consulting and salary paid to a former officer	-	22,415	11,114	99,421
Share-based compensation	224,055	-	224,055	-
Commissions paid to an officer	4,050	-	4,050	-
Total	477,964	120,127	731,605	380,988

During the three and nine months ended March 31, 2021, the Company paid to the officers of the Company \$166,319 and \$553,383, respectively (2020 - \$40,292 and \$73,115, respectively) for technology development costs.

Due to related parties as at March 31, 2021, and June 30, 2020, was as follows:

	March 31, 2021	June 30, 2020
	\$	\$
Accounts payable and accrued liabilities	270,410	600,926
Convertible promissory notes	230,350	458,009
Promissory note	515,511	486,600
Total	1,016,271	1,545,535

Accounts payable and accrued liabilities due to related parties are for ongoing corporate overhead costs and are non-interest bearing, due on demand.

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13. Related party transactions (continued)

The Company has issued a non-interest-bearing promissory note payable to INEX, a related party (note 10). Upon initial recognition, the Company discounted the face value of the promissory note payable at a market interest rate of 8%, with the difference between the discounted value and the face value being recorded to reserves to recognize the conversion feature. After initial recognition, the liability is increased during each reporting period until its maturity through accretion expense.

The Company has issued a non-interest-bearing convertible promissory note to Nevatronix, a related party (note 9), that matures two years after the agreement date and is convertible at \$0.10 per share. During the year ended June 30, 2019, the Company repaid \$132,560 of the balance. During the nine months ended March 31, 2021, Nevatronix converted the remaining note balance to common shares of the Company at \$0.20 per share.

The Company has issued a non-interest-bearing convertible promissory note to INEX, a related party (note 9), that matures two years after the agreement date and is convertible at \$0.20 per share.

Nevatronix and INEX are related parties due to common directorship.

14. Financial instruments and risk management

Fair value of financial assets and liabilities

IFRS 13 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are as follows:

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

At March 31, 2021, the carrying values of cash, receivables and accounts payable and accrued liabilities approximate their respective fair values due to the short-term nature of these instruments.

Risk management

The Company's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk, market risk and foreign currency risk.

(a) Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The risk for cash is mitigated by holding these instruments with highly rated Canadian financial institutions.

Receivables primarily consist of sales tax recoverable from the Canadian Revenue Agency and from sales and other income. The maximum credit risk exposure associated with cash is limited to the total carrying value.

(b) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it has sufficient liquidity to meet liabilities when due. As at March 31, 2021, the Company had a cash balance of \$2,092,576 (June 30, 2020 - \$2,337,556) to settle current liabilities of \$793,519 (June 30, 2020 - \$1,464,347). All of the Company's financial liabilities (except the convertible promissory note and promissory note) have contractual maturities of less than 30 days and are subject to normal trade terms.

(c) Market risk

The Company is exposed to price risk with respect to movements in market prices for goods which may impact revenue, cost of sales and the results of operations. The Company closely monitors demand and market prices of its finished goods to determine the appropriate course of action to be taken by the Company.

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14. Financial instruments and risk management (continued)

(d) Foreign currency risk

As at March 31, 2021 and June 30, 2020, the Company's sales and expenditures are in Canadian and United States dollars. Any future equity raised is expected to be predominantly in Canadian dollars. The Company believes it has no significant foreign exchange rate risk. The Company does not hold material balances in foreign currencies which would give rise to exposure to foreign exchange rate risk.

15. Capital risk management

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Company includes equity, comprised of share capital and deficit, in the definition of capital. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources for its operations and to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners. The Company monitors capital on the basis of maintaining sufficient cash flow to comply with financial obligations. During the period, the Company's strategy, which was unchanged from the prior year, was to issue sufficient additional shares from the treasury to meet all such obligations. The Company is not subject to any externally imposed capital requirements.

16. Commitments

A summary of undiscounted liabilities and future operating commitments as at March 31, 2021, are as follows:

	Total	Within 1 year	2 - 5 years
	\$	\$	\$
Maturity analysis of financial liabilities			
Accounts payables and accrued liabilities	742,471	742,471	-
Convertible promissory note	263,018	-	263,018
Current portion of lease liability	52,330	52,330	-
Promissory note	583,147	-	583,147
Total financial liabilities	1,640,966	794,801	846,165

The Company is committed to issue 69,418 common shares of the Company monthly to consultants of the Company over a twenty-four-month period for a total of 1,666,032 common shares. As at March 31, 2021, 347,090 of committed common shares are recorded as obligation to issue shares. If the consultants are terminated without due cause, the remaining unissued shares will be issued to the consultants. If the consultants are terminated with cause, the Company will not be required to issue the committed common shares.

17. Segmented information

The business of the Company is designing, developing, marketing, and selling self-service kiosks for non-physical contact monitoring, testing temperatures, and dispensing hand sanitizer for the post COVID-19 environment. The Company's chief operating decision maker reviews the results of operations as one reportable segment. For all periods presented in these consolidated financial statements, the Company has one reporting segment.

18. Supplemental disclosure with respect to cash flow

Accretion expense incurred for the three and nine months ended March 31, 2021 is \$17,634 and \$77,043, respectively (2020 - \$18,802 and \$56,077, respectively) in relation to the INEX promissory note (note 10), and INEX and Nevatronix convertible promissory note (note 9).

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19. Events after the reporting period

On April 16, 2021, pursuant to consulting agreements, the Company issued 347,090 common shares of the Company to two consultants of the Company for services rendered.

On May 3, 2021, the Company completed a non-brokered private placement of 10,000,000 warrants at a price of \$0.05 per warrant for gross proceeds of \$500,000. Each warrant is exercisable to purchase one unit of the Company at an exercise price of \$0.50 per unit for a period of two years (subject to acceleration in the event that the weighted average trading price of the Company's shares is at or exceeding \$1.20 for any five consecutive trading days) from May 3, 2021. Each unit consists of one common share of the Company and one warrant. Each warrant is exercisable to purchase one common share of Company at an exercise price of \$0.70 per share for a period of two years (subject to acceleration in the event that the weighted average trading price of the Company's share is at or exceeds \$1.40 for any five consecutive trading days) from May 3, 2021.

On May 14, 2021, pursuant to a consulting agreement, the Company issued 2,993 common shares of the Company to a consultant of the Company as commission compensation.

On May 14, 2021, pursuant to consulting agreements, the Company issued 69,418 common shares of the Company to two consultants of the Company for services rendered.

On May 19, 2021, the Company issued a convertible note of US\$750,000 to INEX USA as part of the Asset Purchase Agreement in which the Company acquired the right, title, and interest to the software, Health Shield, from INEX. The convertible note has a maturity date of May 19, 2023, with a conversion price equal to the three-day weighted average price per share for the three days immediately prior to the conversion in the amount and number of such shares equal to the principal amount of convertible note.