PERK LABS INC.

(formerly Glance Technologies Inc.)

Management's Discussion and Analysis

For the Six Months Ended May 31, 2020

(Expressed in Canadian Dollars)

For the Six Months Ended May 31, 2020

CAUTION REGARDING FORWARD LOOKING STATEMENTS

Certain information included in this MD&A may constitute forward-looking statements. Statements in this MD&A that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. A statement we make is forward-looking when it uses what we know and expect today to make a statement about the future. Forward-looking statements are typically identified by the words *assumption*, *goal*, *guidance*, *objective*, *outlook*, *project*, *strategy*, *target* and other similar expressions or future or conditional verbs such as *aim*, *anticipate*, *believe*, *could*, *expect*, *intend*, *may*, *plan*, *seek*, *should*, *strive,* and *will*. In this MD&A, forward-looking statements include such statements as:

- the Company's belief regarding its ability to generate new revenue from its new *Perk Hero* application
- that merchants will benefit from a new base of Alipay users who represent increased foot traffic, spending power and revenue
- that there is an opportunity for our Company to support restaurants and other small businesses with the digital tools such as mobile ordering, contact free payment and digital loyalty that will help small businesses recover and prosper in the post-COVID-19 environment
- that the Company will emerge from the events caused by COVID-19 well positioned for long-term growth
- that the Company will continue to review and prioritize its expenditures to best use its cash resources that its expectation that cash expenses will be further reduced in the near term
- that the Company is exploring licensing opportunities for its technology into geographies and verticals in which it currently does not have a presence
- the Company's ability to raise additional capital needed to fund operations.

Readers are cautioned not to put undue reliance on forward-looking statements. Unless otherwise indicated by us, forward-looking statements in this MD&A describe our expectations as at July 22, 2020 and, accordingly, are subject to change after that date. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Forward-looking statements, by their very nature, are subject to inherent risks and uncertainties and are based on several assumptions, both general and specific, which give rise to the possibility that actual results or events could differ materially from our expectations expressed in, or implied by, such forward-looking statements and that our business outlook, objectives, plans and strategic priorities may not be achieved. As a result, we cannot guarantee that any forward-looking statements will materialize, and we caution you against relying on any of these forward-looking statements. Forward-looking statements are presented in this MD&A for the purpose of assisting investors and others in understanding our objectives, strategic priorities and business outlook as well as our anticipated operating environment. Readers are cautioned, however, that such information may not be appropriate for other purposes. The forward-looking statements in this MD&A are based on, among other things, the following assumptions:

- the Company will be able to achieve its business objectives
- the Company will be able to develop proprietary software to implement its plans
- the Company will be successful in obtaining and retaining clients and licensees for its software
- the Company will be able to expand its operations successfully in new geographic markets and industries

The forward-looking statements in this MD&A are subject to, among other things, the following risks:

- the Company's operations are dependent on key technical personnel, and the loss of such personnel could have a significant impact on the Company's ability to conduct its activities
- competition
- currency fluctuations and exchange rates
- the Company's ability to continue as a going concern
- the Company may not be able to obtain all necessary funding for its operations, on terms satisfactory to the Company or at all
- credit risk
- the Company's dependence on information technology systems
- risks that the Company's software and applications may contain security problems, security vulnerabilities, or defects in design or manufacture, including "bugs" and other problems that could interfere with the intended operation of its software
- risks related to the volatility of customer demand for the Company's products
- risks associated with cybersecurity and privacy violations, in particular given the Company's operations are highly dependent on online technologies and the Company obtains a significant amount of personal information in the course of operations
- the Company may not be able to successfully expand its operations beyond the Canadian marketplace or into industries other than the restaurant industry
- duration and impact of COVID-19 on our business plans, objectives and expected operating results

We have made certain economic, market and operational assumptions in preparing the forward-looking statements contained in this MD&A. If our assumptions turn out to be inaccurate, our actual results could be materially different from what we expect.

Important risk factors including, without limitation, competitive, regulatory, economic, financial, operational, technological and other risks could cause actual results or events to differ materially from those expressed in, or implied by, the previously-mentioned forward-looking statements.

We caution readers that the risks described in this MD&A are not the only ones that could affect us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also have a material adverse effect on our financial position, financial performance, cash flows, business, or reputation. Except as otherwise indicated by us, forward-looking statements do not reflect the potential impact of any special items or of any dispositions, monetizations, mergers, acquisitions, other business combinations or other transactions that may be announced or that may occur after July 22, 2020. The financial impact of these transactions and special items can be complex and depends on facts particular to each of them. We therefore cannot describe the expected impact in a meaningful way, or in the same way we present known risks affecting our business.

INTRODUCTION

This Management's Discussion and Analysis ("MD&A") of the operating results and financial condition of Perk Labs Inc. (formerly Glance Technologies Inc.) (the "Company") for the six months ended May 31, 2020 should be read in conjunction with the condensed interim consolidated financial statements for the six months ended May 31, 2020 and the audited consolidated financial statements for the year ended November 30, 2019 which are prepared in accordance with International Financial Reporting Standards ("IFRS").

For the Six Months Ended May 31, 2020

The Company's common shares trade on the Canadian Securities Exchange ("CSE") under the symbol PERK (formerly GET) and on the OTCQB under the symbol PKLBF (formerly GLNNF) and on the Frankfurt Stock Exchange under the symbol PKLB (formerly GJT).

The consolidated financial statements include the accounts of Perk Labs Inc. and its three wholly owned subsidiaries: Perk Hero Software Inc. (formerly Glance Pay Inc.); Glance Pay USA Inc.; and Glance Coin Inc.

The Company's office is located at Suite 1755, 555 Burrard Street, Vancouver, British Columbia, V7X 1M9.

The Company's principal business is to enhance the payment process for both consumers and merchants online and in brick-and-mortar environments using proprietary technology that combines mobile technologies and traditional payment processing, originally using *Glance Pay* and subsequently using *Perk Hero*. The Company launched its *Glance Pay* application during August 2016 and officially launched *Perk Hero* on April 2, 2020. *Perk Hero* is a digital loyalty management platform that enables merchants to provide their customers with digital rewards and a more engaging and convenient customer experience.

Management is responsible for the preparation and integrity of the consolidated financial statements, including the maintenance of appropriate information systems, procedures, and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The Company's Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Board of Director's Audit Committee meets with management quarterly to review the financial statements and the MD&A and to discuss other financial, operating, and internal control matters.

This MD&A is prepared as at July 22, 2020. All dollar figures stated herein are expressed in Canadian dollars unless otherwise noted.

Readers should use the information contained in this report in conjunction with all other disclosure documents including those filed on SEDAR at www.sedar.com.

COVID-19

The recent outbreak of the novel coronavirus COVID-19, which was declared a pandemic by the World Health Organization on March 11, 2020, has led to adverse impacts on the Canadian and global economies, disruptions of financial markets, and created uncertainty regarding potential impacts to the Company's supply chain and operations. The COVID-19 pandemic has impacted and could further impact the Company's operations and the operations of the Company's suppliers and vendors as a result of quarantines, facility closures, and travel and logistics restrictions. The extent to which the COVID-19 pandemic impacts the Company's business, results of operations, and financial condition will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to the duration, spread, severity, and impact of the COVID-19 pandemic, the effects of the COVID-19 pandemic on the Company's suppliers and vendors, and the remedial actions and stimulus measures adopted by local and federal governments, and to what extent normal economic and operating conditions can resume.

Over the past few months, the Company has been monitoring the impact of the COVID-19 pandemic on our business, our industry and the broader economy. The pandemic has impacted and could further impact our operations and the operations of our customers, largely due to stay-at-home orders and restrictions on in-restaurant dining, which have contributed to changes in diner behavior. The COVID-19 pandemic has disproportionately impacted the restaurant industry and specifically restaurants that rely on revenue generated by in-restaurant dining. With restrictions on dining in, many restaurants have limited their operations solely to takeout and delivery, while others have decided to pause or cease operations or drastically cut costs. Historically, a significant percentage of the Company's operating revenue was generated from transaction fees on in-restaurant dining transactions. As a result of the restrictions on in-restaurant dining, we experienced reduced revenues and we may continue to see a reduction in revenue from in-restaurant dining transactions if these conditions continue into future periods.

In response to the decrease in in-restaurant dining transactions, the Company has invested in improvements to its offerings for mobile ordering and contact free payments. As a result of the dine-in restrictions, new users and new restaurants have joined our platform as a way to experience pre-order and pick-up and self-managed delivery. Further we have expanded into new verticals as other types of business have seen a need to adopt mobile ordering, and contactless payments such as payment by quick response codes or payment by taking a photo of a bill as a better way to serve their customers and provide a safe environment for their employees.

The sustainability and growth of our merchant and user network remains paramount, and therefore, the Company intends to increase its investment in programs designed to drive more business to our merchant partners including promotions, reduced fees and product improvements. We also believe there is an opportunity for our Company to support restaurants and other small businesses with the digital tools such as mobile ordering, contact free payment and digital loyalty that will help small businesses recover and prosper in the post-COVID-19 environment. In order to bring these tools to small businesses the Company will need to invest in its sales and marketing efforts and expand into new geographic areas. We believe that the Company will emerge from these events well positioned for long-term growth; however, the Company cannot reasonably estimate the duration or severity of the economic impact to our users and merchant partners caused by the restrictions on daily life to curb the spread of COVID-19, or the ultimate impact on the Company's operations and liquidity. Conditions may worsen further as governments and businesses continue to take actions to respond to the risks of the COVID-19 pandemic or if there is a second wave of the COVID-19 pandemic. The pandemic has resulted in, and may continue to result in, significant disruption of global financial markets, which could reduce our ability to access capital and could negatively impact our liquidity in the future

Even after the COVID-19 pandemic has subsided, the Company may experience adverse impacts to its business as a result of any economic recession or depression that has occurred or may occur in the future; therefore, the Company cannot reasonably estimate the impact at this time on our business, liquidity, capital resources and financial results.

Q2 HIGHLIGHTS

- **Launched *Perk Hero*.** Our new platform features new capabilities: pre-order and pick-up; contactless payment using Apple Pay, Google Pay and Alipay; a gamified loyalty program; and merchant analytics. *Perk Hero* replaces the Company's original mobile payment solution, *Glance Pay*. *Glance Pay* experienced a decrease in transactions as a consequence of the closure of in-dining restaurant services due to the COVID-19 pandemic. In order to save server-hosting and maintenance costs, the Company shut down *Glance Pay* on April 14, 2020.

- **Appeared on *CityTV News*.** On April 9, 2020, the Company CEO appeared on *CityTV News* at 11:00 p.m. to discuss the delivery charges by current mobile apps to restaurants. The profile can be viewed at this link: https://www.citynews1130.com/video/2020/04/09/canadians-encouraged-to-order-takeout-food/.

- **Launched a marketing campaign encouraging merchants to sign up for *Perk Hero*.** During the ongoing crisis, the Company is offering special reduced rates to support the restaurant and service industry and small businesses. This campaign resulted in more than 20 new merchants signing up for the Perk Hero app within the first month of launch.

- **Launched a special promotion to healthcare workers in Vancouver, BC.** The Company activated all of its social media channels and offered a special promotion by providing an in-app credit to healthcare workers in Vancouver, BC.

- **Unveiled the design of its new contact free payment method for safe-distance payments.** In contrast to contactless payments, "contact free" payments require absolutely no touch and can be made from a safe physical distance.

- **Launched entry into new verticals**. With our new contact free payment method, *Perk Hero* began targeting new verticals such as dental clinics, medical professionals, retail stores, and health and beauty establishments.

- **Refer-A-Friend feature added to *Perk Hero.*** When users refer a friend to the app, they will receive rewards each time their friend makes a purchase. This provides an incentive for users and "super connectors" such as social media influencers to use referral links when recommending a particular business while using our app.

- **Delivery feature added to *Perk Hero***. This provides our merchants the ability to offer their own area delivery at a reduced cost to other delivery apps while providing loyalty rewards and ongoing engagement opportunities to our customers for their patronage.

- **Appeared on *Global News Hour at 6 BC.*** On May 28, 2020, the Company CEO appeared on *Global News Hour at 6 BC* to discuss the delivery charges for current mobile apps to restaurants and our 5% charge to merchants for their own area deliveries. The profile can be viewed: https://globalnews.ca/video/7001085/vancouver-mayor-calls-for-online-food-delivery-apps-to-lower-fees.

- The outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

For the Six Months Ended May 31, 2020

HIGHLIGHTS SUBSEQUENT TO MAY 31, 2020

- **Launched the "Keep It Local" marketing campaign.** This campaign encourages local merchants to sign up for *Perk Hero* during the "Keep It Local" campaign. We also leveraged this campaign via the *Daily Hive Vancouver*'s digital channels with a target audience reach of over 40,000 people.

- **Hired Norman Tan as Vice President, Finance.** Prior to joining the Company, Norman served as the Chief Financial Officer at Lendified Holdings Inc. Prior to joining Lendified, Norman worked in Deloitte's audit and assurance practice where he worked with finance leaders in industries including fintech, manufacturing and professional services. He has also held roles in management consulting, technology equity research and private equity. Norman received his B.Comm from the University of British Columbia, his MBA from Queen's University and is a CFA Charter holder.

- **Expanded its sales team.** The Company ramped up its sales efforts by adding three new members to its sales team.

- **Filed a Short Form Base Shelf Prospectus.** On July 17, 2020, the Company filed a Short Form Base Shelf Prospectus with the British Columbia Securities Commission and using Multilateral Instrument 11-102 *Passport System*, filed the prospectus in all the provinces and territories of Canada.

- **Order from Table feature added to *Perk Hero*.** This feature provides restaurants who must now adhere to limited dine-in capabilities with advanced tools to provide a seamless full service dine-in experience with limited staff-to-guest physical contact and for the customer to have the ability to order at their convenience.

- **Funding Received Under the Canada Emergency Wage Subsidy Program.** To date, the Company has received $80,726 under this federal program to assist employers during the COVID-19 pandemic.

***PERK HERO* APP**

Perk Hero is an all-in-one mobile ordering, payment, and customer loyalty platform. It is built on a new and advanced technology stack using Amazon Web Services, a non-relational Azure database and React Native mobile application framework. While it includes some of the best features of *Glance Pay* such as the ability to make quick secure payments by QR Code or paying by photo, it also includes many new advanced features such as:

- Apple Pay integration
- Google Pay integration
- Alipay integration
- Mobile pre-order
- Powerful, gamified loyalty reward platform allowing users to earn virtual coins as rewards
- All-in-one user and merchant application
- Merchant analytics and dashboard

The *Perk Hero* brand more squarely targets Gen Z and Millennials. Research shows that:

- Gen Z will account for 40% of global consumers in 2020 (McKinsey & Company)
- Millennials are three times more likely to be excited about new mobile apps and features than older users (ComScore)
- More than 2 out of 3 millennials say they're always looking for new apps and wish they could do more with the apps they already have (ComScore)
- 66% of millennial digital media time is using smartphone apps (ComScore)

Perk Hero replaces the Company's original mobile payment solution, *Glance Pay*. *Glance Pay* experienced a decrease in transactions as a consequence of the closure of in-dining restaurant services due to the COVID-19 pandemic. In order to save server-hosting and maintenance costs, the Company shut down *Glance Pay* on April 14, 2020.

Perk Hero will continue to pursue in-dining restaurants and will expand to new verticals including Quick Serve Restaurants (QSRs), coffee shops, pubs, bars and clubs, hotels, sporting events, concerts and other events, grocery, spas, salons and barber shops, and professional services.

Perk Hero will also offer a '*Perk Hero for Businesses*' white-label enterprise solution to chains that can be branded and customized under their respective names.

The key market drivers for the growth in mobile payments—beyond convenience and ease of use to pay for products from mobile phones—is that they can be easily integrated with card-free loyalty programs, and valuable data can be acquired such as how often customers shop, dine, what they buy, and how they respond to incentives. Merchants can use this data to better market to customers based on their shopping behaviour, patterns and preferences.

On March 5, 2020, the Company announced that an agreement was signed with Alipay to enable Alipay users to make payments on the Company's payment platform and that the Company will be harmonizing its QR codes to enable Alipay payment at *Perk Hero* merchants. In 2013, Alipay overtook PayPal as the world's largest mobile payment platform, with 900 million Alipay users as of June 2019, many of whom are part of a rapidly growing Chinese middle class that enjoys shopping, dining out, and visiting tourist attractions. This translates to millions of Chinese Alipay users visiting Canada and the U.S. each year as tourists, students and migrants. The arrangement with Alipay will add value to our merchants, who will be better positioned to benefit from a new base of Alipay users who represent increased foot traffic, spending power and revenue.

The Company launched the *Perk Hero* app on April 2, 2020. With the ongoing COVID-19 crisis, the Company sees the need and demand for mobile ordering and safe contactless digital payments. Concurrent with the official launch, *Perk Hero* also launched a marketing campaign encouraging merchants to sign up for *Perk Hero*. During the ongoing crisis, the Company is offering special reduced rates to support the restaurant and service industry and small businesses. The Company also activated all of its social media channels and offered a special promotion by providing an in-app credit to healthcare workers in Vancouver, BC.

COMPANY OVERVIEW

Perk Labs Inc. (formerly Glance Technologies Inc.), a Vancouver-based technology company, owns and operates *Perk Hero* and formerly operated *Glance Pay*.

Perk Hero is an all-in-one mobile ordering, payments and loyalty app that enables merchants to provide their customers with digital rewards and a more engaging and convenient customer experience.

Glance Pay was a payment and loyalty platform that allows smartphone users to make payments, access digital receipts, redeem digital deals, and earn rewards. The Company launched the *Perk Hero* app on April 2, 2020 and ended the *Glance Pay* app April 14, 2020.

Cost and Controls

During the six months ended May 31, 2020, management continued to implement significant changes to better utilize its cash resources. Specifically, the Company continued to reduce costs related to external advisors and restructured its team to focus on research and development related to the *Perk Hero* platform. We will continue to review and prioritize our expenditures to best use our cash resources and we expect cash expenses to be further reduced in the near term.

Fobisuite

Fobisuite has granted Perk Hero a non-exclusive licence to use Fobisuite's technology which allows for the digitization of receipts for data collection and the ability to customize and append receipts with advertisements, deals, and coupons for merchants in the hospitality industry.

Converge Joint Venture

The Company has entered into a joint venture with Kinect Technologies Inc. to form Converge MobiSolutions Inc. and granted it a license to sell the Company's products.

Assets

In addition to our cash resources from previous financings, the Company owns a significant number of shares in companies including The Yield Growth Corp. ("Yield"), Loop Insights Inc. ("Loop") and Euro Asia Pay Holdings Inc. The Company has the option to raise funds through liquidating its shareholdings in these entities when appropriate. Yield and Loop are both publicly listed companies.

Summary

By upgrading our technology stack, focusing our branding on the optimal target demographic and improving capacity for monetization, we feel we have made solid progress. We believe that our new product provides a dramatic improvement over conventional ordering, payment, and loyalty experiences. Based on our experiences in using these new features and the early market feedback, we are confident that products with features such as these will become the dominant form of payment and customer loyalty and we are working hard to ensure *that Perk Hero is* the leading company to deliver these features in the future.

(Expressed in Canadian Dollars)

SUMMARY OF QUARTERLY REPORTS

	Quarter Ended		Revenue		Net Income (Loss)		Income (Loss) Per Share
Q2/2020	May 31, 2020	$	1,811	$	(1,219,520)	$	(0.01)
Q1/2020	February 29, 2020	$	6,042	$	(1,217,508)	$	(0.01)
Q4/2019	November 30, 2019	$	7,558	$	(2,316,783)	$	(0.01)
Q3/2019	August 31, 2019	$	9,360	$	(3,679,339)	$	(0.03)
Q2/2019	May 31, 2019	$	8,166	$	(6,862,146)	$	(0.05)
Q1/2019	February 28, 2019	$	7,009	$	4,779,284	$	0.03
Q4/2018	November 30, 2018	$	425,067	$	(526,520)	$	(0.01)
Q3/2018	August 31, 2018	$	216,195	$	(3,054,057)	$	(0.02)

The Company has amended its consolidated financial statements as at and for the year ended November 30, 2018 to reflect the recognition of license revenue, adjustment to the carrying value of marketable securities that are held in escrow, and recorded an accrual of directors' fees; accordingly, the Company has reversed these items recognized in 2019. The adjustments have been reflected in the 2019 quarters reported above.

RESULTS OF OPERATIONS

Six Months Ended May 31, 2020

The Company's comprehensive loss for the six months ended May 31, 2020 was $2,437,028 compared to a loss of $2,082,862 for the six months ended May 31, 2019.

During the six months ended May 31, 2020, the Company had transaction fee revenue of $7,853 compared to $15,175 for the comparative period. This decrease in revenue reflects the reduction in in-restaurant dining transactions through Glance Pay app due to restrictions on dining-in, the shutdown of the Glance Pay app, many of the Company's merchant partners temporarily closing their business and the launch of *Perk Hero* as the COVID-19 pandemic caused an economic downturn that disproportionately affected the restaurant industry.

Depreciation and amortization decreased for the period ended May 31, 2020 to $23,029 (May 31, 2019 - $255,707). The Company was amortizing the cost of intangible assets held during 2019 with no intangible held as at May 31, 2020.

General and administration expenses decreased for the six months ended May 31, 2020 to $1,021,550 (May 31, 2019 - $3,733,304) as a direct result of right-sizing the Company to respond to our business needs more efficiently with reduced head office expenses and improved accountability and visibility across teams. In this category, bank charges and interest decreased to $14,266 (May 31, 2019 – $27,913) as a direct result of fewer transaction fees with the restaurant business effected by COVID-19; consulting fees decreased to $56,000 (May 31, 2019 - $155,540); director fees increased to $140,000 (May 31, 2019 - $Nil) with no fees paid in the comparative period; the Fobisuite license fee decreased to $Nil (May 31, 2019 - $1,500,000); information technology increased to $188,366 (May 31, 2019 – $124,426) with the development of the *Perk Hero* app; insurance decreased slightly to $5,091 (May 31, 2019 – $5,586); investor relations expenses decreased to $14,368 (May 31, 2019 - $120,413) with the current management concentrating on developing the business model; legal, accounting, and auditing decreased to $82,429 (May 31, 2019 - $147,040); office decreased to $16,173 (May 31, 2019 -

$154,695); rent decreased to $76,751 (May 31, 2019 - $266,031) by moving into a less expensive space; travel decreased to $Nil (May 31, 2019 - $8,614); transfer agent and filing fees increased to $59,633 (May 31, 2019 - $53,484); and wages and benefits decreased to $368,473 (May 31, 2019 - $1,169,562). Current management has focused on reducing costs and concentrating on the core business of the Company.

Sales and marketing decreased for the six months ended May 31, 2020 to $327,061 (May 31, 2019 - $820,736) as a result of tightening expenditures. Management eliminated marketing spending related to *Glance PayMe* and reduced sales and marketing spending related to *Glance Pay* on internet advertising, trade shows, and sales and marketing consultants and employees. These spending reductions were made in conjunction with a determination that changes needed to be made to the Company's product and brand strategy.

Share-based compensation decreased for the six months ended May 31, 2020 to $142,956 (May 31, 2019 - $348,103) with fewer stock options granted and vested during the current period.
At May 31, 2020, the Company had 17 (May 31, 2019 – 50) employees.

Other income and expense items produced net expenses of $930,285 for the six months ended May 31, 2020 versus income of $3,059,813 for the comparative period: foreign exchange gain of $2,258 (May 31, 2019 - $2,394); gain on sale of marketable securities of $292,493 (May 31, 2019 - $216,937); government subsidies and grants of $84,162 (May 31, 2019 - $Nil) with the Canada Emergency Wage Subsidy received from the Government of Canada to assist businesses with decreased revenues as a result of COVID-19; interest income of $7,598 (May 31, 2019 - $32,361) reflecting the use of cash to sustain operations; other income of $Nil (May 31, 2019 - $4,081); and unrealized loss of marketable securities of $1,316,796 (May 31, 2019 – a gain of $2,804,040) as the private company investments became shares of publicly listed companies during the prior fiscal year with a reduction in fair value at May 31, 2020 as the market price of the marketable securities declined.

Three Months Ended May 31, 2020

The Company's comprehensive loss for the three months ended May 31, 2020 was $1,219,520 compared to a loss of $6,862,146 for the six months ended May 31, 2019.

During the three months ended May 31, 2020, the Company had transaction fee revenue of $1,811 compared to $8,166 for the comparative period. This decrease in revenue reflects the reduction in in-restaurant dining transactions through Glance Pay app due to restrictions on dining-in, the shutdown of the Glance Pay app, many of the Company's merchant partners temporarily closing their business, and the launch of *Perk Hero* just as the COVID-19 pandemic caused an economic downturn that disproportionately affected the restaurant industry.

Depreciation and amortization decreased for the period ended May 31, 2020 to $11,965 (May 31, 2019 - $127,204). The Company was amortizing the cost of intangible assets held during 2019 with no intangible held as at May 31, 2020.

General and administration expenses decreased for the three months ended May 31, 2020 to $564,185 (May 31, 2019 - $2,495,494) as a direct result of right-sizing the Company to respond to our business needs more efficiently with reduced head office expenses and improved accountability and visibility across teams. In this category, bank charges and interest decreased to $5,237 (May 31, 2019 – $12,153) as a direct result of fewer transaction fees with the restaurant business effected by COVID-19; consulting fees relating to finance produced a gain of $2,200 (May 31, 2019 - $53,719) with $43,200 in fees for information technology reclassified in Q2; director fees increased to $70,000 (May 31, 2019 - $Nil) with no fees paid in the comparative period; the Fobisuite license fee decreased to $Nil (May 31, 2019 - $1,500,000); information technology increased to $148,426 (May 31, 2019 – $63,464) with the development of the *Perk Hero* app and a reclassification of $43,200 in consulting fees for information technology from general consulting fees; insurance decreased slightly to $2,704 (May 31, 2019 – $2,736); investor relations expenses decreased to $4,375 (May 31, 2019 - $32,544) with the current management concentrating on developing the business model; legal, accounting, and auditing increased to $58,824 (May 31, 2019 - $45,095); office decreased to $6,004 (May 31, 2019 - $83,167); rent decreased to $38,277 (May 31, 2019 - $128,757) by moving into a less expensive space; transfer agent and filing fees increased to $45,382 (May 31, 2019 - $40,736), and wages and benefits decreased to $187,156 (May 31, 2019 - $531,146). Current management has focused on reducing costs and concentrating on the core business of the Company.

Sales and marketing decreased for the three months ended May 31, 2020 to $170,329 (May 31, 2019 - $394,737) as a result of tightening expenditures. Management eliminated marketing spending related to *Glance PayMe* and reduced sales and marketing spending related to *Glance Pay* on internet advertising, trade shows, and sales and marketing consultants and employees. These spending reductions were made in conjunction with a determination that changes needed to be made to the Company's product and brand strategy.

Share-based compensation decreased for the three months ended May 31, 2020 to $67,700 (May 31, 2019 - $215,130) with fewer stock options granted and vested during the current period.

Other income and expense items produced net expenses of $407,152 for the three months ended May 31, 2020 versus $3,637,747 for the comparative period: foreign exchange gain of $2,860 (May 31, 2019 - $3,915); gain on sale of marketable securities of $72,557 (May 31, 2019 – a loss of $14,193); government subsidies and grants of $84,162 (May 31, 2019 - $Nil) with the Canada Emergency Wage Subsidy received from the Government of Canada to assist businesses with decreased revenues as a result of COVID-19; interest income of $1,861 (May 31, 2019 - $9,310) reflecting the use of cash to sustain operations; other income of $Nil (May 31, 2019 - $1,381); and unrealized loss of marketable securities of $568,592 (May 31, 2019 – $3,638,160) as the private company investments became shares of publicly listed companies during the prior fiscal year with a reduction in fair value at May 31, 2020 as the market price of the marketable securities declined.

NON-IFRS EARNINGS MEASURE

The Company has reported "Adjusted EBITDA" as we believe that the disclosure of Adjusted EBITDA allows investors to evaluate the operational and financial performance of the Company's ongoing business, using the same evaluation that Management uses, and is therefore a useful indicator of the Company's performance or expected performance of recurring operations. "Adjusted EBITDA" is calculated based on EBITDA, or earnings before interest, income taxes, depreciation and amortization, and further adjusted to exclude asset impairment charges, share-based compensation, realized and unrealized gains and losses on assets, foreign exchange gains and losses and items of an unusual nature that do not reflect our ongoing operations. EBITDA and Adjusted EBITDA are commonly reported and widely used by investors and lenders as an indicator of a company's operating performance and ability to incur and service debt and as a valuation metric. EBITDA and Adjusted EBITDA do not have any standardized meaning prescribed by IFRS and, therefore, may not be comparable to similar measures presented by other companies and should not be considered as an alternative to measures of performance prepared in accordance with IFRS.

(Expressed in Canadian Dollars)

		May 31 2020		May 31 2019
Net and comprehensive loss for the period	**$**	**(2,437,028)**	$	(2,082,862)
Add back				
Depreciation and amortization		**23,029**		255,707
EBITDA from continuing operations		**(2,413,999)**		(1,827,155)
Non-recurring and non-cash items				
Foreign exchange gain		**(2,258)**		(2,394)
Gain on sale of marketable securities		**(292,493)**		(216,937)
Government subsidies and grants		**(84,162)**		-
Share-based compensation		**142,956**		348,103
Unrealized gain (loss) on marketable securities		**1,316,796**		(2,804,040)
Adjusted EBITDA	**$**	**(1,333,160)**	$	(4,502,423)

LIQUIDITY

Assets

Total assets decreased by 40% from $4,730,632 at November 30, 2019 to $2,818,940 at May 31, 2020.

Cash at May 31, 2020 of $1,389,847(November 30, 2019 - $1,918,626) comprises 49% (November 30, 2019 – 41%) of total assets.

Marketable securities have been split into current and non-current. This reflects The Yield Growth Corp. initial public offering in December, 2018 and that the Company was able to sell shares pursuant to a restricted share sale agreement. The fair value of the Company's investment in The Yield Growth Corp. totals $1,124,773 (November 30, 2019 - $2,444,483). The Company also has marketable securities in Loop Insights Inc. with a fair value of $78,372 (November 30, 2019 - $148,832).

The amounts receivables increased 29% to $26,789 (November 30, 2019 - $20,839) at May 31, 2020 relating to the GST receivable from the Canada Revenue Agency. Customer receivables are $779 (November 30, 2019 - $2,306). The GST receivable of $25,733 (November 30, 2019 - $18,117) is due from the Canada Revenue Agency. There are other amounts receivable of $277 (November 30, 2019 - $416).

The prepaid expenses and deposits increased 38% to $88,581 (November 30, 2019 - $64,245). Included in prepaid expenses is $49,697 (November 30, 2019 - $26,529) which represents the deposit on the new office lease starting June 1, 2020 and $38,884 (November 30, 2019 - $37,716) for other prepayments.

Liabilities

Total liabilities increased by 36% from $367,730 at November 30, 2019 to $498,786 at May 31, 2020.

(Expressed in Canadian Dollars)

The accounts payable and accrued liabilities comprise 100% of the total liabilities. Accounts payable are $251,597 (November 30, 2019 - $84,773). Accrued liabilities are $54,167 (November 30, 2019 - $151,519). Accrued payroll liabilities are $24,299 (November 30, 2019 - $39,969). There are payments due to officers, directors and other related parties of $168,723 (November 30, 2019 - $91,469) for various consulting, management, and director fees,

At May 31, 2020, the Company's working capital was $1,861,404 (November 30, 2019 - $3,346,510).

OPERATING LEASE COMMITMENTS

On July 15, 2019, the Company entered into an agreement to sublease their premises located on the 17th floor at 555 Burrard Street, Vancouver, British Columbia, V7X 1M9. The term of the lease commenced on September 1, 2019 and expires on May 30, 2020. The sub-landlord is to be compensated with a monthly fee of $12,633 (plus applicable taxes).

On February 24, 2020, the Company signed a lease for its current office premises to begin on June 1, 2020 for three years. It is a triple net lease with the base rent $9,485 per month in Year 1; $9,716 per month in Year 2; and $9,947 per month in Year 3. As the lease is with a different lessor, the Company has taken the position that this constitutes a new and separate lease under IFRS 16 and the impact of adoption of the new lease will be June 1, 2020 when the new lease takes effect.

Year Ended	Amount
2020	$ **56,910**
2021	**115,206**
2022	**117,978**
2023	**59,682**
	$ **349,776**

PROPOSED TRANSACTIONS

There are no proposed asset or business acquisitions or dispositions, other than those in the ordinary course of business as disclosed herein, before the Board of Directors for consideration.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, an effect on the results of operations or financial condition of the Company.

RELATED PARTY TRANSACTIONS

Key management personnel are those persons having the authority and responsibility for planning, directing, and controlling activities of the entity, directly or indirectly. The key management personnel of the Company are the members of the Company's executive management team and Board of Directors. Compensation provided to key management personnel is as follows:

(Expressed in Canadian Dollars)

		May 31 2020		May 31 2019
Director fees	**$**	**140,000**	$	-
Remuneration and fees		**244,167**		599,717
Share-based compensation		**62,660**		250,879
	$	**446,827**	$	850,596

At May 31, 2020, the Company owed $168,723 (November 30, 2019 - $91,469) to officers and directors which is included in accounts payable and accrued liabilities.

Amounts due to or from related parties are unsecured, do not bear interest, and are classified as a current asset or liability due to their nature and expected time of repayment.

CONFLICTS OF INTEREST

The Company's directors and officers may serve as directors or officers, or may be associated with other reporting companies, or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, the Company will follow the provisions of the Business Corporations Act (BC) ("Corporations Act") dealing with conflict of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the Corporations Act. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith, and in the best interest of the Company.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value of financial assets and liabilities that are measured at fair value on a recurring basis

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether the price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Under IFRS 13, Fair Value Measurement establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 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 for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist.

Marketable securities and investments are carried at fair value, calculated in accordance with Level 1 for marketable securities and Level 2 for financial instruments where the Black-Scholes Pricing Model has been used to determine fair value.

The Company's cash, amounts receivable, investment in joint venture, and accounts payable and accrued liabilities, all approximate their fair values due the short-term nature of the financial instrument, or the market rates of interest attached thereto.

Market risk

Market risk is the risk of loss that the fair value of future cash flows of a financial instrument held by the Company will fluctuate because of changes in market prices. The Company faces market risk from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

Interest rate risk

Interest rate risk consists of two components: to the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk; and to the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to fair value interest rate risk.

Current financial assets and financial liabilities are generally not exposed to significant cash flow interest rate risk because of their short-term nature, fixed interest rates, and maturity. The Company is not exposed to cash flow interest rate risk on cash balances as the rate of interest is currently very low.

The Company may be exposed to fair value interest rate risk if the prevailing market rates increase or decrease compared to the interest rates associated with its financial assets. Management does not believe this risk is significant.

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities are denominated in a foreign currency.

At May 31, 2020, the Company is exposed to foreign currency risk with respect to its US denominated bank account. A 10% change in foreign exchange rates is not expected to have a material impact on the consolidated financial statements.

At May 31, 2020, financial instruments were converted at a rate of $1 US dollar to $1.3787 (November 30, 2019 - $1.3289) Canadian.

The Company has not entered into any foreign currency contracts to mitigate foreign currency risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist primarily of cash and amounts receivable. The Company limits its exposure to credit risk by placing its cash with a high credit quality financial institution in Canada. For amounts receivable, the Company limits its exposure to credit risk by dealing with what management believes to be financially sound counter parties. At May 31, 2020 and November 30, 2019, all amounts receivable were current.

The Company's financial assets are not subject to material credit risk as it does not anticipate significant loss for non-performance.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments, or the proposed transaction. The Company manages liquidity risk by maintaining adequate cash balances when possible.

The Company's expected source of cash flow in the upcoming year will be through sales and debt or equity financing. Cash on hand at May 31, 2020 and expected cash flows for the next 12 months are not sufficient to fund the Company's ongoing operational and expansion needs. The Company will need funding through equity or debt financing, entering into joint venture agreements, or a combination thereof.

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through a suitable debt and equity balance appropriate for an entity of the Company's size and status. The Company's overall strategy remains unchanged from last year.

The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital, reserves, and deficit. The availability of new capital will depend on many factors including positive stock market conditions, the Company's track record, and the experience of management. The Company is not subject to any external covenants on its capital and there was no material change from the prior year.

Price risk

Price risk is the risk that the fair value of investments will decline below the cost of the underlying investments. The Company's marketable securities are exposed to price risk.

CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of consolidated financial statements in accordance with IFRS requires management to make judgments, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities, income, and expenses. 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 which 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.

(Expressed in Canadian Dollars)

Significant areas requiring the use of estimates include the carrying value of marketable securities and investment and the measurement of share-based compensation.

Judgments made by management in the application of IFRS that have significant effect on the consolidated financial statements include the factors that are used in determining the fair value of privately held investments, the fair value of share-based compensation, the discount rates applied on marketable securities held in escrow, and the application of the going concern assumption which requires management to take into account all available information about the future, at least but not limited to twelve months from the year end of the reporting period.

ADOPTION OF NEW STANDARD – IFRS 16, LEASES

In January 2016, the IASB issued IFRS 16 *Leases* ("IFRS 16") and brings most leases onto the statement of financial position for lessees under a single model, eliminating the distinction between operating and finance leases. Under IFRS 16, a lessee recognizes a right-of-use asset and a lease liability. The right-of-use asset is treated similarly to other non-financial assets and depreciated accordingly, and the liability accrues interest. The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease or an entity's incremental borrowing rate if the implicit rate cannot be readily determined. Lessees are permitted to make an election for leases with a term of 12 months or less, or where the underlying asset is of low value, and not recognize lease assets and lease liabilities. The expense associated with these leases can be recognized on a straight-line basis over the lease term or on another systematic basis.

IFRS 16 is effective for annual reporting periods beginning on or after January 1, 2019 and a lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognize the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. The Company implemented IFRS 16 for the year beginning December 1, 2019 using the election for short-term leases for their existing office premises lease which had a nine-month term at inception. As such, there was no impact on the consolidated statement of financial position at the date of initial application. This new standard will subsequently impact the consolidated statement of financial position by adding a lease liability and a right-of-use asset.

CAPITAL RESOURCES

Common Shares

	Issued Number		Amount
Balance, November 30, 2018	136,737,783	$	32,899,790
Shares issued for debt	80,000		4,000
Balance, November 30, 2019	136,817,783		32,903,790
Shares issued for cash	3,836,845		176,495
Shares issued for debt	948,161		81,591
Stock options exercised	107,500		16,438
Balance, July 22, 2020	**141,710,289**	**$**	**33,178,314**

Warrants

(Expressed in Canadian Dollars)

For the Six Months Ended May 31, 2020

	Number of Warrants		Weighted Average Exercise Price
Balance, November 30, 2018	6,281,687	$	2.81
Expired	(6,274,190)	$	(2.81)
Balance, November 30, 2019	7,497	$	0.33
Expired	(7,497)	$	0.33
Issued	3,836,845	$	0.08
Balance, July 22, 2020	**3,836,845**	**$**	**0.08**

Expiry Date	Remaining Life (Years)	Number of Warrants		Exercise Price
January 31, 2022	2.53	3,836,845	$	0.08

Stock Options

	Number of Options		Weighted Average Exercise Price
Balance, November 30, 2018	8,540,250	$	0.85
Granted	5,000,000	$	0.16
Cancelled	(5,011,750)	$	0.79
Balance, November 30, 2019	8,528,500	$	0.23
Cancelled	(662,500)	$	(0.25)
Exercised	(107,500)	$	(0.15)
Granted	340,000	$	0.12
Balance, July 22, 2020	**8,098,500**	**$**	**0.23**

(Expressed in Canadian Dollars)

For the Six Months Ended May 31, 2020

Date of Grant	Expiry Date	Remaining Life (Years)	Number of Options Vested	Number of Options Outstanding	Exercise Price	
May 3, 2019	May 3, 2021	0.78	100,000	100,000	$	0.15
May 12, 2016	May 12, 2021	0.81	75,000	75,000	$	0.15
June 15, 2016	June 15, 2021	0.90	50,000	50,000	$	0.15
September 6, 2016	September 6, 2021	1.13	25,000	25,000	$	0.15
January 22, 2018	January 22, 2023	2.51	500,000	500,000	$	1.46
December 17, 2018	December 17, 2023	3.41	-	100,000	$	0.18
April 23, 2019	April 23, 2024	3.76	3,484,750	4,403,500	$	0.16
May 3, 2019	May 3, 2024	3.78	555,000	1,205,000	$	0.15
May 8, 2019	May 8, 2024	3.80	25,000	200,000	$	0.14
May 22, 2019	May 22, 2024	3.84	-	100,000	$	0.15
June 25, 2019,	June 25, 2024	3.93	375,000	400,000	$	0.11
September 17, 2019	September 17, 2024	4.16	25,000	100,000	$	0.10
October 1, 2019	October 1, 2024	4.20	56,250	150,000	$	0.10
October 28, 2019	October 28, 2024	4.27	150,000	350,000	$	0.10
January 31, 2020	January 31, 2025	4.53	-	100,000	$	0.10
March 3, 2020	March 3, 2025	4.62	22,500	60,000	$	0.18
April 1, 2020	April 1, 2025	4.69	20,000	20,000	$	0.10
May 1, 2020	May 1, 2025	4.77	20,000	20,000	$	0.11
June 1, 2020	June 1, 2025	4.86	20,000	20,000	$	0.12
July 2, 2020	July 2, 2025	4.95	20,000	120,000	$	0.10
		4.10	5,523,500	8,098,500	$	0.23

Restricted Share Units

	Number of Units
Balance, November 30, 2018	-
Granted	1,076,000
Balance, November 30, 2019	1,076,000
Granted	3,140,840
Balance, July 22, 2020	**4,216,840**

(Expressed in Canadian Dollars)

Date of Grant	Vesting Date	Remaining Life (Years)	RSUs Vested	RSUs Outstanding
November 29, 2019	November 29, 2022	2.36	-	1,076,000
December 19, 2019	December 19, 2022	2.41	-	1,171,404
January 9, 2020	January 9, 2023	2.47	-	661,539
January 31, 2020	January 31, 2023	2.53	-	210,923
March 3, 2020	March 3, 3023	2.62	-	167,094
April 1, 2020	April 1, 2023	2.69	-	30,770
April 6, 2020	April 6, 2023	2.71	-	368,420
May 1, 2020	May 1, 2023	2.78	-	27,972
June 1, 2020	June 1, 2023	2.86	-	26,756
July 2, 2020	July 2, 2023	2.92	-	38,462
July 6, 2020	July 6, 2023	2.93	-	437,500
			-	4,216,840

OFFICERS AND DIRECTORS

Jonathan Hoyles	President, Chief Executive Officer, Director
Kirk Herrington	Independent Director
James Topham	Independent Director
Steve Cadigan	Independent Director
Larry Timlick	Independent Director
Tracey St. Denis	Chief Financial Officer
Gary Zhang	Chief Technology Officer

ADDITIONAL INFORMATION

Additional information relating to the Company can be found on SEDAR at www.sedar.com.