Scryb Inc. (Formerly Relay Medical Corp.)
MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
(Expressed in Canadian Dollars)

Dated January 31, 2022

Management's Discussion and Analysis of Operations
For the year ended September 30, 2021

This Management's Discussion and Analysis ("MD&A) is prepared as of January 28, 2022 and has been prepared in accordance with International Financial Reporting Standards ("IFRS). All amounts are in Canadian dollars.

Management is responsible for the preparation and integrity of the 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 directors follow recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The board's audit committee meets with management quarterly to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

Caution Regarding Forward Looking Statements

This document contains forward-looking statements, such as statements regarding future sales opportunities in various global regions and financing initiatives that are based on current expectations of management. These statements involve uncertainties and risks, including the Company's ability to obtain and/or access additional financing with acceptable terms, and delays in anticipated product sales. Such forward-looking statements should be given careful consideration and undue reliance should not be placed on these statements.

The preparation of the MD&A may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Management bases estimates and judgments on historical experience and on various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities. Actual results may differ from these estimates under different assumptions or conditions. Management believes the accounting policies, outlined in the Significant Accounting Policies section of its consolidated financial statements, affect its more significant judgments and estimates used in the preparation of its consolidated financial statements.

Introduction

The following MD&A for the year ended September 30, 2021, has been prepared to help investors understand the financial performance of Scryb Inc. (Formerly Relay Medical Corp.) ("the Company" or "Scryb"), in the broader context of the Company's strategic direction, the risk and opportunities as understood by management, and the key metrics that are relevant to the Company's performance. The Audit Committee of the Board of Directors has reviewed this document and all other publicly reported financial information for integrity, usefulness, reliability and consistency.

All amounts are expressed in Canadian dollars (CAD) unless otherwise noted.

Additional information about Scryb Inc. (Formerly Relay Medical Corp.), this document, and the related quarterly financial statements can be viewed on the Company's website at www.scryb.ca and are available on SEDAR at www.sedar.com.

The Company's Common Shares are listed and traded on the CSE ("CSE"), the Frankfurt exchange and the OTCQB under the symbols SCYB, EIY and SCRF respectively.

Corporate Overview

Scryb is a technology company that provides its platform to power businesses and technologies with applied intelligence, real-time analytics, and actionable insights. headquartered in Toronto, Ontario. The platform boasts proven adaptability across diverse markets, from digital health and diagnostics to cybersecurity and manufacturing. The cloud-based platform is composed of crucial elements including sensor technology, IoT, predictive analytics, and computer vision.

Results of Operations

Overview

During the year ended September 30, 2021, the Company had significant operating achievements. The Company expanded commercial opportunities with the newly formed Joint Venture Fionet Rapid Response Group ('FRR') by partnering with Canada's largest airport and partnering with Canada's biggest lab company. The Company continued to expand the value-added platform with the acquisition of supply chain focused company Cybeats. The Company focused on the expansion of product offerings and commercial capabilities of Cybeats with the release of the Cybeats SBOM Studio which is a complimentary product to the existing IoT solution. The Company has also expanded its sales and development capabilities by increasing the contractors and employees for both the Fionet and Cybeats platform.

Fionet Rapid Response Group ('FRR')

In late 2021, Scryb and Fio Corporation entered into a joint venture agreement which formed the company Fionet Rapid Response Group ('FRR'). FRR is a private company that controls the Fionet Platform which is an end-to-end, rapid testing and tracking solution for community-based or decentralized settings. Combining a fast, handheld point-of-need device connected in real time to cloud data services, the Fionet Platform handles scheduling and registration via phone app at home, on-site check-in, rapid, on-the-spot antigen testing, data integration with other testing devices, result notification, public health notification as appropriate, and anonymized data and stats for dashboards for authorized stakeholders. The Joint Venture is structured with the following ownership and royalties to Scryb:

- Scryb owns 33% of the Joint Venture with Joint decision making with Fio Corp
- Scryb receives a 33% commission on all revenues from testing sales
- Scryb receives a 20% commission on all revenues from device sales
- Scryb receives a 10% commission on all revenues from device sales

The Fionet Rapid Response Group enables mass distributed testing and automated aggregation, triage, and tracking to contain COVID-19, for deployment by public health agencies, retail health providers and private sector companies in Canada, the United States, Europe, Africa, and elsewhere.

The combined capabilities of the JV significantly strengthens Fio's ability to rapidly advance and pursue commercial opportunities related to its technology, which has been proven on more than one million cases in over a dozen countries for managing community-based RDT testing, triage, and tracking outbreaks of high-consequence infectious diseases, such as malaria, HIV, dengue, and Ebola, and has been further validated by several dozen publications in scientific journals.

Drawing on resources from both Scryb and Fio, the JV has been jointly managed under a collective infrastructure to customize and deploy the Fionet for COVID-19 test-triage-track regimes using approved third-party rapid diagnostic tests (RDT), and on connectivity to molecular tests (such as PCR). Scryb has leveraged its expertise and complimentary assets such as machine vision, AI and cloud processing from Scryb's portfolio including HemoPalm Corp. and Pharmatrac technologies, to extend Fio's data-device platform. Rapid diagnostic tests (RDTs) are being approved to detect active infections by targeting antigens of the COVID-19 virus and to detect past infections and immune response by targeting specific antibodies. These tests can be manufactured in high volumes and provide results on the spot. When combined with the AI-based quality control and automated interpretation of Fionet devices, such tests provide fast accurate results that are instantly transmitted to a cloud and distributed to public health and other stakeholders responsible for managing the pandemic. Given the importance of the data, tools which can help assure diagnostic accuracy and collate results are needed to facilitate safe and effective mass testing of the population for disease presence and exposure. Scryb has utilized the Pharmatrac platform by using key components in the Fionet platform which has been used to expand the product offering.

In addition, FRR has also expanded its non-COVID19 testing to an engagement with USAID, one of the largest aid organizations in the world, to test Malaria in the Democratic Republic of Congo in 144 remote based community healthcare sites. FRR has also executed on the deployment of the Fionet Platform for Malaria Epidemic Management in Rwanda Africa. This positions FRR as a national leader in rapid COVID-19 screening and a worldwide leader in infectious disease testing. These advancements in partnerships represent a significant opportunity to generate potential future revenue. Scryb looks to continue to support the product development and expansion of the commercial and business development activities.

Cybeats Technologies Inc.

On March 18, 2021, the Company closed the acquisition of Cybeats Technologies Inc. ("Cybeats"). Cybeats, at the time of acquisition, was an innovative IoT security platform that addresses a growing market of IoT devices. The IDC report predicts there to be over 55 billion connected devices by 2025. The global IoT market is growing in an unprecedented way which has left a crucial delta in the cybersecurity of over 20 billion devices worldwide.

In addition to the existing IoT security platform, Cybeats expended significant resources to develop, and later commercially launch, 'SBOM Studio'. SBOM Studio is a product which offers software supply chain cybersecurity solutions to enterprises, governments, small-medium sized businesses and any persons developing software with security in mind. Adding this product suite to its portfolio increases the offering scope and addressable market segments of cybersecurity. In so doing, SBOM Studio has increased the value of Cybeats greatly during the fiscal period. Few competitors offer both IoT security products and supply chain security products. The naming of SBOM Studio originated from the scope of its industry called SBOM (Software Bill of Materials). SBOM is an inventory of all the various component software that a product is using which is similar to a nutritional facts or ingredient labels found on everyday products. Many software products are built from existing open-source software components with over 90% being built from these open-source repositories. This represents a major risk to developers as they do not know the security of their software as they do not have visibility over all of the code. SBOM is used to assess software security risk by knowing the makeup of the software itself. SBOM Studio is poised to capitalize on this relatively new industry and market need.

Cybeats IoT platform is a solution for IoT devices manufacturers whereby a microagent (small piece of software) is installed on each IoT device that continuously monitors for anomalies, and that may potentially indicate a cybersecurity breach. Cybeats' IoT platform solution not only provides insights to security teams about real and immediate threats, but it can also eliminate malicious code within seconds. Cybeats competitive advantage is the unique microagent protection it provides to devices without affecting their normal operation and enables the visibility from within the device. It continuously monitors for vulnerabilities and maintains the software responsible for the device communications and operations to detect and block threats. Cybeats allows manufacturers of IoT devices to integrate their equipment with high-end security in a cost-efficient manner.

Cybeats SBOM Studio is an enterprise software management tool that supports the development managers with the ability to create, consume and share cybersecurity enriched data with their customers using the Software Bill of Materials (SBOM) standards and format, a criterion becoming more commonly required.

Cybeats builds certainty in software security from product launch to legacy. Cybeats' built-in visibility and control, predictive and proactive development roadmaps, universal software supply chain security, detection and response help businesses develop trust as a competitive differentiator and gain the confidence that their products will stand the test of time.

Numerous private and public institutions have come under attack within the last year causing governments to prioritize security standards for internet-connected devices. Most recently security cameras installed in multiple government and corporate sensitive locations were hacked allowing the attacker access to the footage to the extent of embedding malicious software to operate on the cameras which emphasizes that even advanced firms need to prioritize security. In May, United States President Joe Biden outlined a policy making cybersecurity a top priority and essential that the Federal Government lead by example for all Federal Information Systems to exceed the standards and requirements set forth by the order. The order's primary mandate is to enhance the integrity of software supply chains by requiring a Software Bill of Materials (SBOM); a solution that is already at the core of Cybeats' SBOM Studio. Recently a widespread Log4j vulnerability was discovered that allows unauthorized remote access that is used in thousands of applications with affected entities including Amazon and Microsoft. This vulnerability has brought public attention to the software supply chain which Cybeats SBOM Studio manages.

Since acquisition Scryb has added four new strategic advisors; Inventor of the first commercial Firewall and Digital Software Bill of Materials, Chris Blask, two-time Presidential Appointee and cybersecurity thought leader, Chuck Brooks, former WhiteHat security corporate strategist, Setu Kulkarni and former Chief Security Architect of AT&T Duncan Sparrell. The Company has engaged in a scale-up of the platform solution to address the growing market interest. The Company has quickly expanded the development team to accelerate the commercialization of Cybeats and increased business development resources to support sales activities. The Cybeats platform is now commercially available with multiple pilots underway. Pilots include StarFish Product Engineering Inc. the largest medical design consultancy in Canada. Pilots also include a mid-sized IoT company based in North America, and a multinational consumer electronics company.

Scryb has added value from its platform to the Cybeats solution and scaled-up to address the growing market interest. Significant to this transaction, there has been increased global attention to SBOM and the need to track and monitor the supply chain of software, as mandated by the May 12th Whitehouse EO. To capture this growing interest the Company has quickly expanded the development team to accelerate the commercialization of Cybeats and increased business development resources to support sales activities. Scryb has also used its assets in AI to support additional Cybeats product development, to help implement smart and predictive cybersecurity. In addition, to expanding commercial capabilities the Company has also engaged Bluetext, a leading digital marketing agency based out of Washington D.C., to increase the marketing capabilities of Cybeats. With an innovative product, and key strategic advisors and an engagement with a leading marketing firm, Cybeats is well positioned to capture a growing market of IoT cybersecurity and software supply chain cybersecurity. To help accelerate growth Scryb in the first quarter of the fiscal year 2022 signed a non-binding Letter of Intent to list Cybeats Technologies Inc. via an RTO transaction. This will allow Cybeats to access the public markets for the capital it will need to grow its business without resulting in further dilution in the number of shares outstanding in Scryb.

Glow LifeTech Corp

Glow LifeTech was formerly a subsidiary of Scryb and was spun out into its own public company through an RTO transaction on March 15, 2021. Scryb played a critical role in the go public transaction. Scryb maintains a significant amount (14.47%) of Glow LifeTech Corp., a publicly traded company on the CSE under the symbol "GLOW". Scryb continues to provide limited management guidance to Glow. Glow LifeTech is a Canadian-based biotechnology company focused on producing nutraceutical and cannabinoid-based products with dramatically enhanced bioavailability, absorption, and effectiveness. Glow has rights to the groundbreaking, plant-based MyCell™ Technology delivery system, which transforms poorly absorbed natural compounds into enhanced water-compatible concentrates, unlocking the full healing potential of natural active compounds.

On April 27, 2021, the Glow LifeTech Corp announced it submitted on Mar 11, 2021, an application to Health Canada, to obtain product licenses for its Natural Health Product (NHP), ArtemiC™, which recently reported successful results from a COVID-19 Phase II clinical trial. ArtemiC™ was submitted to Health Canada's Natural and Non-prescription Health Products Directorate (NNHPD) on Mar 11, 2021. The application, which is currently under review by Health Canada, included ArtemiC™ supporting COVID-19 Phase II clinical trial results. Under Canadian regulations, all NHPs must obtain premarket approval by Health Canada to assure they are safe, effective and of high quality before being allowed to be sold in Canada. Once Health Canada makes this assessment, they are issued a Natural Product Number (NPN).

Glow LifeTech Corp. completed the buildout of Canadian facility and commissioned the proprietary reactor. Glow has also initiated development of the Proprietary MyCell® Water-Soluble Cannabis ingredients. In addition, Glow has made a strategic investment in Nova Mentis which is a Canadian-based biotechnology company and global leader in developing diagnostics and psilocybin-based therapeutics for neuroinflammatory disorders.

Diagnostic Platform

Scryb has recently expanded its intellectual property portfolio for its diagnostic and analysis platforms in the rapidly growing IoT healthcare market. The Company was recently granted a patent over a joint spectroscopic and biosensor system for the Point-of Care testing which covers the Company's HemoPalm analysis platform and IVD related assets. In the fourth quarter there was additional development and Scryb is actively looking for opportunities for commercialization. The ongoing COVID19 pandemic has slowed ongoing discussions due to the travel limitations and shipment delays.

Other Business

Scryb's corporate and development teams are in active discovery and conceptualization of additional applications of Scryb's core competencies in sensor technology, IoT, predictive analytics, and computer vision.

Funding

As a result of the fundraising in Q2 of its fiscal year 2021, Scryb has a strong cash position but may require additional funding to accelerate growth initiatives. Scryb's primary focus is to scale up the operations of FRR and Cybeats and to advance them into significant commercial revenues. Scryb signed a non-binding Letter of Intent to list Cybeats Technologies Inc. via an RTO transaction in the first quarter of the fiscal year 2022. This transaction will allow Cybeats to more effectively access the public markets to obtain capital required to accelerate the growth of its business without resulting in further dilution in the number of shares outstanding in Scryb. As Glow is now a fully public company it requires no additional funding from Scryb.

Selected Annual Information

The following table sets forth selected financial information for Scryb Inc. for the year ended September 30, 2021. This information has been derived from the Company's financial statements for the years and should be read in conjunction with financial statement and the notes thereto.

	For the three months ended September 30, 2021	For the three months ended September 30, 2020	For the twelve months ended September 30, 2021	For the twelve months ended September 30, 2020
Revenues	733,902	1,076	1,159,837	301,070
Expenses	8,228,992	1,782,241	18,413,117	7,420,146
Gain (Loss) for the period	(7,495,090)	(1,781,165)	(17,253,280)	(7,119,076)
Gain (Loss) per share	(0.04)	(0.02)	(0.08)	(0.05)
Total assets	18,066,037	2,850,473	18,066,037	2,850,473
Total Liabilities	1,209,450	1,979,243	1,209,450	1,979,243
Working capital	8,288,403	(25,304)	8,288,403	(25,304)

The following table sets forth selected financial information for Scryb Inc. for the years ended September 30, 2021, 2020, 2019 and 2018. This information has been derived from the Company's financial statements for the periods indicated and should be read in conjunction with audited financial statement and the notes thereto.

	Year Ended 30-Sep-21	Year Ended 30-Sep-20	Year Ended 30-Sep-19	Year Ended 30-Sep-18
Loss before non-operating income	$ 17,253,280	$ 7,119,076	$ 8,091,108	$ 8,104,207
Loss before income taxes	17,253,280	7,119,076	8,091,108	8,104,207
Loss per common share, basic and diluted	0.08	0.05	0.07	0.09
Net and comprehensive loss	17,253,280	7,119,076	8,091,107	8,104,207
Net Loss per Common Share, Basic and Diluted	0.08	0.05	0.07	0.09
Weighted average number of shares outstanding	210,112,140	130,890,338	116,746,941	89,887,697
Total assets	18,066,037	2,850,473	2,530,610	7,315,004
Net working capital	8,288,403	(25,304)	(272,784)	2,462,722

For the three months ended September 30, 2021 and 2020

The schedule below presents the three-month statement of earnings to highlight the non-reoccurring items. The earnings (loss) for the three months ended September 30, 2021, was ($7,483,090) (includes non-cash losses of $7,456,072) equal to a $0.04 loss per share (2020: $1,781,166 loss, $0.01 per share).

	Three months ended		
	2021-09-30	**2020-09-30**	**Variance**
Revenues			
Royalties revenue	17,390	-	17,390
Other revenue	973,767	211,831	761,936
Government grant revenue	(257,255)	89,238	(346,493)
	733,902	**301,069**	**432,833**
Expenses			
Non-cash - Amortization expense	696,648	(56,136)	752,784
Consulting and management fees	(381,597)	758,280	(1,139,877)
Non-cash - Depreciation	75,527	41,586	33,941
Interest and accretion	76,520	304,417	(227,897)
Office, general and administrative	405,960	136,011	269,949
Product research and development costs	(670,383)	(773,671)	103,288
Professional fees	(363,444)	33,625	(397,069)
Salaries and benefits	702,943	106,141	596,802
Shareholder communications and marketing	1,013,584	299,286	714,298
Transfer agent and filing fees	(22,663)	(16,369)	(6,294)
Net earnings (loss) before Share-based compensation and expense recovery	**(799,193)**	**(588,237)**	**(276,244)**
Non-cash - Share-based compensation	3,490,947	688,782	2,802,165
Non-cash - (Gain) Loss on investment in associate	516,996	260,283	256,713
Non-cash - Expense recovery related to investment in FRR	2,675,954	300,000	2,375,954
Net earnings (loss) and comprehensive income (loss)	**(7,483,090)**	**(1,837,302)**	**(5,711,076)**

- Royalties revenue comprises of royalties related to FRR which began commercial operations in the fiscal year.
- Other revenue comprises of sales revenue from Cybeats and services provided to FRR. This increased compared to the prior year due to sales in Cybeats and FRR's increased commercial activity.
- Government grant revenue decreased this year due to discontinuation of many government relief programs related to COVD-19.
- Amortization expense increased due to the amortization of the Cybeats intangible assets which was acquired in the current fiscal year.
- Consulting and management fees decreased due to many consultants in the prior year becoming full time employees in the current fiscal year.
- Depreciation fees increased due to more fixed asset purchases from the ramp up of Cybeats in the fourth quarter of the current fiscal year.

- Interest and accretion decreased due to a reduction in long term office leases used by the Company.
- Office, general and administration expense increased due to larger costs from the Fionet JV and Cybeats acquisition which increased headcount significantly.
- Product research and development costs increased compared to last year due to in the previous year the company focused its attention on a limited number of high potential projects due to various resource constraints as a result of the COVID-19 pandemic. These resource issues were minimized in this quarter leading to higher development costs.
- Professional fees decreased due to larger professional fees in the prior year due to the September 2020 financing.
- Salaries and benefits increased due to a larger headcount from the Cybeats acquisition and commercial ramp up, as well as an increase in headcount due to FRR’s increased commercial activity. There was also an increase from many consultants becoming full time employees.
- Shareholder communications and marketing increased due to larger marketing activity related to the Cybeats platform
- Transfer agent and filing fees have been lower in the current period due to the increased fees related to the September 2020 financing.
- Share based compensation increased significantly due to the timing and magnitude of stock option grants which were granted to new employees and consultants. This represents a non-cash item.
- Loss on investment in associate relates to Scryb’s investment in Glow Lifetech Corp which decreased due to the decrease in Glow’s share price.
- Expense recovery represents the amounts recovered as a loan or investment in FRR from the Fionet JV agreement. This increased in the quarter compared to the previous year’s due to Scryb’s increased spending on FRR related to the increase of commercial activities.

For the twelve months ended September 30, 2021 and 2020

The schedule below presents the twelve-month statement of earnings to highlight the non-reoccurring items. The net earnings (loss) for the twelve months ended September 30, 2021, was ($17,253,280) (includes non-cash losses of $8,589,373) equal to a $0.08 loss per share (2020: $7,119,077 loss, $0.05 per share).

	Twelve months ended		
	2021-09-30	**2020-09-30**	**Incr/(Decr)**
Revenues			
Royalties revenue	125,930	-	125,930
Other revenue	973,767	211,831	761,936
Government grant revenue	60,140	89,238	(29,098)
	1,159,837	**301,069**	**858,768**
Expenses			
Non-cash - Amortization expense	708,648	259,654	448,994
Consulting and management fees	1,873,303	1,603,615	269,688
Non-cash - Depreciation	140,580	146,630	(6,050)
Interest and accretion	125,231	363,315	(238,084)
Office, general and administrative	849,914	261,002	588,912
Product research and development costs	525,732	669,862	(144,130)
Professional fees	684,515	194,248	490,267
Salaries and benefits	1,941,960	573,881	1,368,079
Shareholder communications and marketing	3,785,003	615,808	3,169,195
Transfer agent and filing fees	38,086	9,003	29,083
Net earnings (loss) before Share-based compensation and expense recovery	**(9,513,135)**	**(4,136,295)**	**(5,376,840)**
			-
Non-cash - Share-based compensation	7,943,116	2,264,106	5,679,010
Non-cash - (Gain) Loss on investment in associate	(202,971)	459,022	(661,993)
Non-cash - Expense recovery related to investment in FRR	-	-	-
Net earnings (loss) and comprehensive income (loss)	**(17,253,280)**	**(6,859,423)**	**(10,393,857)**

- Royalties revenue comprises of royalties related to FRR which began commercial operations in the fiscal year.
- Other revenue comprises of sales revenue from Cybeats and services provided to FRR. This increased in the fiscal year due to Cybeats acquisition and FRR's increased commercial activity.
- Government grant revenue decreased this year due to discontinuation of many government relief programs related to COVD-19.
- Amortization expense increased due to the amortization of the Cybeats intangible assets which was acquired in the current fiscal year.
- Consulting and management fees increased during the year due fees from the private placement, increased fees related to the Cybeats acquisition and operations, and increased fees related to the FRR Joint venture.

- Depreciation fees remained fairly constant due to no large investment in fixed assets for the first three quarters.
- Interest and accretion decreased due to a reduction in long term office leases used by the Company.
- Office, general and administration expense increased due to larger costs from the Fionet JV and Cybeats acquisition which increased headcount significantly.
- Product research and development costs decreased slightly during the year as the company focused its attention on a limited number of higher potential projects due to various resource constraints as a result of the COVID-19 pandemic.
- Professional fees increased due to extra activities from the January 2021 private placement, Cybeats acquisition, FRR Joint Venture and general corporate activity.
- Salaries and benefits increased due to larger headcount from the Cybeats acquisition and increase in headcount due to the ramping up of FRR.
- Shareholder communications and marketing increased due to one-time non-reoccurring promotion and marketing efforts for the private placement in January 2021. There was also an increase due to the marketing of the Cybeats platform.
- Transfer agent and filing fees have been higher in the current period due to costs related to the private placements throughout the year coupled with higher transfer agent and filing fees related to the Cybeats acquisition and the necessary disclosures surrounding the transaction.
- Share based compensation increased due to the timing and magnitude of stock option grants. The increased share-based compensation was also due to compensation given out for the private placement in January and the Cybeats acquisition and additional new hires.
- Gain on investment in associate increased compared to the prior period as Scryb's equity investment was diluted from the RTO transaction. Scryb adopted the fair value method of accounting to value the shares which increased the investment in associate.

Summary of Quarterly Results

The following table is a summary of selected unaudited financial information for the eight most recent fiscal quarters.

Quarter ended	Income	Net income (loss)	Net income (loss) per share
September 30, 2021	1,159,837	(17,253,280)	(0.08)
June 30, 2021	Nil	(730,376)	0.00
March 31, 2021	Nil	(8,203,799)	(0.04)
December 31, 2020	Nil	(2,340,045)	(0.02)
September 30, 2020	Nil	(1,781,172)	(0.02)
June 30, 2020	Nil	(1,479,959)	(0.01)
March 31, 2020	Nil	(3,072,657)	(0.02)
December 31, 2019	Nil	(785,295)	(0.01)

There was a loss in the quarter was primarily due to large share-based compensation while the income was mainly from other revenue which relates to service income related to FRR.

Liquidity

The majority of financing of current operations is achieved by issuing share capital. The Company is well capitalized and looks to expand commercial revenues in the coming months.

Key Balance Sheet Information

		Period Ended 30-Sep-21
Cash	$	5,687,089
Other Current Assets		3,394,840
Current Liabilities		793,526
Working Capital		**8,288,403**

The Company is well capitalized with just under $5.7M in cash and a working capital amount just under $8.3M. This balance will be used for operations of Scryb and to advance the commercialization of both Cybeats and Fionet platforms.

Related Party Transactions

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors, Corporate Officers and Vice Presidents.

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet arrangements, other than previously disclosed, that has, or is reasonably likely to have, an impact on the current or future results of operations or the financial condition of our company.

Critical Accounting Policies and Estimates

The preparation of these consolidated financial statements in conformity with IFRS requires that management make estimates and assumptions about future events that affect the amounts reported in the consolidated financial statements and related notes to the consolidated financial statements. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

i) Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and are, but are not limited to, the following:

Share based payments and warrants

The fair value of stock options and warrants issued are subject to the limitation of the Black Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

Useful life of intangible assets

Management has exercised their judgment in determining the useful life of its patents, patent applications and software license. The estimate is based on the expected period of benefit of the patent and the expected life of the product in the marketplace.

(ii) Critical accounting judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are, but are not limited to, the following:

Evaluation of going concern

The preparation of the financial statements requires management to make judgments regarding the going concern of the Company.

Impairment of intangible assets

Management has exercised their judgment in determining if the intangible assets are impaired. The judgment is based on management's ability to assess for indicators of impairment.

Income taxes

Management has exercised their judgment in determining the provision for future income taxes. The judgment is based on the Company's current understanding of the tax law as it relates to the transactions and activities entered into by the Company.

Control

The Company uses judgement when assessing if the Company controls an investee, which includes the assessment of whether it holds power over the relevant activities, is exposed to variable returns and has the ability to use that power to affect those variable returns.

Research vs. Development Stage

The Company uses judgement when assessing if the Company has achieved development stage activities with its internally generated intangible assets.

Accounting standards and amendments issued but not yet adopted

Amendment to IFRS 3 – Business Combinations

On October 22, 2018, the IASB issued Definition of a Business (Amendments to IFRS 3: Business Combinations). The amendments to IFRS 3 are applicable for acquisitions occurring on or after January 1, 2020 and are adopted prospectively. These amendments to the implementation guidance of IFRS 3 clarify the definition of a business to assist entities to determine whether a transaction should be accounted for as a business combination or an asset acquisition. The amendments to IFRS 3 – Business Combinations may affect whether future acquisitions are accounted for as business combinations or asset acquisitions, along with the resulting allocation of the purchase price between the net identifiable assets acquired and goodwill. The Company does not expect any impact to the financial statements as a result of its adoption of the amendments to IFRS 3.

Risks and Uncertainties

History of Losses – The Company has been in a cumulative net loss position throughout its operating history. The Company's limited operating history makes it difficult to evaluate the future financial prospects of its business. There is no assurance that the Company will grow or be profitable or that the Company will have earnings or significant improvement in its cash flow from operations in the future. The future earnings on and cash flow from operations are dependent on the Company's ability to further develop and sell its products and the Company's operational expenses. Management expects that the Company will continue to have high levels of operating expenses, since the Company needs to make significant up-front expenditures for product development, and corporate development activities. Management anticipates that the operating losses for the Company may continue until such time as the Company consistently generates sufficient revenues to support operations.

Need for Additional Financing - The implementation of the Company's business plan requires significant capital outlays and operating expenditures over the next several years. There can be no assurance that additional financing will be available to the Company when needed, on commercially reasonable terms, or at all. Any inability to obtain additional financing when needed would have a material adverse effect on the Company. Further, any additional equity financing may involve substantial dilution to the Company's then existing shareholders. Debt financing, if available, may involve onerous obligations, monetary or otherwise. If adequate funds are not available, the Company may obtain funds through arrangements with strategic partners or others who may require the Company to relinquish rights to certain technologies, any of which could adversely affect its business, financial condition and results of operations.

Product Risks

Uncertain Demand for Products - Demand for technologies is dependent on a number of social, political and economic factors that are beyond the control of the Company. The technology industry is likely to continue to change as the public and government will alter regulation and demand for the products. While the Company believes that demand for technological solutions will continue to grow, there is no assurance that such demand will exist or that the Companies products will be purchased to satisfy that demand.

Dependence on Development of New Products - New technological or product developments in the technology industry may render the Company's products obsolete or reduce their value. The Company's future prospects are highly dependent on its ability to develop new products - from new technologies and achieve market acceptance. There can be no assurance that the Company will be successful in these efforts.

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 of cash and cash equivalents. The Company has reduced its credit risk by investing its cash equivalents with Canadian chartered banks.

Disclosure Controls and Procedures & Internal Controls over Financial Reporting

In accordance with the Canadian Securities Administrators National Instrument 52-109 ("NI 52-109"), Certification of Disclosure in Issuers' Annual and Interim Filings, the Company has filed certificates signed by the Chief Executive Officer and the Chief Financial Officer that, among other things, report on the design and effectiveness of disclosure controls and procedures and the design and effectiveness of internal controls over financial reporting.

The Company continues to review and document its disclosure controls and procedures and internal controls over financial reporting and may, from time to time, make changes aimed at enhancing their effectiveness and to ensure that its systems evolve with the business. There were no changes in the Company's internal controls over financial reporting during the year ended September 30, 2021, that have materially affected, or are reasonably likely to materially affect, its disclosure controls and procedures and internal controls over financial reporting.

Share Data

As at September 30, 2021, there were 241,248,673 shares issued and outstanding and 56,223,809 warrants outstanding and 38,851,500 options outstanding.

As at January 31, 2022, there were 240,145,339 shares issued and outstanding and 56,223,809 warrants and 38,351,500 options outstanding.

"Yoav Raiter"
Chief Executive Officer
January 31, 2022