



2021

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Personas Social Incorporated (formerly, Peek Social Ltd.)

For the Three and Six Months Ended June 30, 2021 and the Four and Seven Months Ended
June 30, 2020
(Expressed in Canadian Dollars)

Personas Social Incorporated (formerly, Peaks Social Ltd.)

Interim Consolidated Statements of Financial Position

As At June 30, 2021 and December 31, 2020

(Expressed in Canadian Dollars)

	June 30, 2021	December 31, 2020
Assets		
Current assets		
Cash	\$48,330	\$87,241
Trade receivables, net of expected credit losses (Note 13)	228,861	246,164
Other receivables and deposits	74,416	320,904
Lease receivable (Note 5)	196,957	182,810
Prepaid expenses and deposits	103,636	91,002
Total current assets	\$652,200	\$928,121
Non-current assets		
Prepaid expenses	55,176	51,213
Lease receivable (Note 5)	334,404	436,551
Property and equipment (Note 6)	875,833	920,439
Intangible asset (Note 14)	18,051	-
Goodwill (Note 4)	5,768,390	5,768,390
Total Non-current assets	\$7,051,854	\$7,176,593
Total assets	\$7,704,054	\$8,104,714
Liabilities		
Current liabilities		
Trade payables and accrued liabilities (Notes 7 and 16)	\$3,463,836	\$3,158,036
Customer deposits	1,467,209	1,399,669
Due to related parties (Note 11)	1,496,175	1,926,921
Secured notes and convertible debt (Note 10)	250,000	250,000
Lease liabilities (Note 15)	378,003	350,854
Total current liabilities	\$7,055,223	\$7,085,480
Non-current liabilities		
Long term deposit	73,238	67,977
Lease liabilities (Note 15)	1,176,798	1,372,841
Government Assistance (Note 8)	74,392	63,509
Provision (Note 16)	86,200	86,200
Total Non-current liabilities	\$1,410,628	\$1,590,527
Total liabilities	\$8,465,851	\$8,676,007
Shareholders' Equity (Deficiency)		
Share capital (Note 9)	\$33,111,047	\$32,591,185
Contributed surplus	2,137,134	2,603,696
Warrants reserve (Note 9)	227,667	862,245
Deficit	(36,237,647)	(36,628,419)
	\$(761,798)	\$(571,293)
Total liabilities and shareholders' equity (deficiency)	\$7,704,054	\$8,104,714

Nature of operations and going concern (Note 1)

Related party transactions (Note 11)

Legal proceedings, contingencies and provisions (Note 16)

Contingency (Note 18)

See accompanying notes

Approved on behalf of the Board

Mark Itwaru, Director

William Lavin, Director

Personas Social Incorporated (formerly, Peaks Social Ltd.)

Interim Consolidated Statements of Loss and Comprehensive Loss

For the Three and Six Months Ended June 30, 2021 and the Four and Seven Months Ended June 30, 2020

(Expressed in Canadian Dollars)

	Three Months Ended June 30, 2021	Four Months Ended June 30, 2020	Six Months Ended June 30, 2021	Seven Months Ended June 30, 2020
Revenue				
Tipping revenue	\$729,357	\$920,762	\$1,444,115	\$1,300,977
Virtual currency revenue	266,401	356,271	523,461	497,197
	995,758	1,277,033	1,967,576	1,798,174
Cost of Revenue	607,625	758,991	1,207,480	1,069,071
Gross Margin	388,133	518,042	760,096	729,103
Expenses				
Wages and benefits	226,504	497,137	422,054	969,155
General and administrative	109,953	268,894	250,370	443,126
Stock-based compensation (Note 9)	-	-	-	790,293
Advertising and promotion	25,317	53,854	65,995	95,115
Consulting fees (Note 11)	23,961	182,518	47,420	359,456
Professional fees	79,074	92,528	165,199	204,108
Insurance	48,031	46,339	70,269	51,443
Rent	61,032	82,662	124,854	168,625
Depreciation (Note 6)	44,969	56,642	87,451	104,073
	618,841	1,280,574	1,233,612	3,185,395
Net Loss before under noted items	(230,708)	(762,532)	(473,516)	(2,456,292)
Unrealised Gain on Intangible Asset	-	-	12,597	-
Other income	874	-	200,776	387,223
Interest income	-	6	-	1,305
Lease interest income	20,238	35,577	42,115	63,894
Lease interest expense	(58,656)	(94,699)	(120,459)	(168,861)
Interest expense	(9,375)	(12,500)	(18,750)	(36,192)
Loss on foreign exchange	(33,228)	(1,186)	(30,213)	(52,458)
Accretion expense	(1,621)	(754)	(3,055)	(1,296)
	(81,768)	(73,557)	83,011	193,615
Net loss and comprehensive loss for the year	\$(312,476)	\$(836,088)	\$(390,505)	\$(2,262,677)
Net loss per share				
Basic	\$(0.0010)	\$(0.003)	\$(0.0012)	\$(0.007)
Diluted	\$(0.0010)	\$(0.003)	\$(0.0012)	\$(0.007)
Weighted average number of common shares outstanding				
Basic	324,561,735	321,839,359	324,561,735	321,839,359
Diluted	324,561,735	321,839,359	324,561,735	321,839,359

See accompanying notes

Personas Social Incorporated (formerly, Peek Social Ltd.)

Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency)

For the Six Months Ended June 30, 2021 and The Seven Months Ended June 30, 2020

(Expressed in Canadian Dollars)

	Share Number	Capital Amount	Contributed surplus	Warrants reserve	Deficit	Total shareholders' equity
Balance at December 1, 2019	278,810,019	\$31,020,581	\$1,763,713	\$569,988	\$(33,290,013)	\$64,269
Net loss and comprehensive loss for the period	-	-	-	-	(2,262,677)	(2,262,677)
Expired options (Note 9)	-	-	(462,197)	-	462,197	-
Expired warrants (Note 9)	-	-	-	(101,763)	101,763	-
Issued for cash (Note 9)	43,029,340	1,436,050	-	651,369	-	2,087,419
Stock-based compensation (Note 9)	-	-	790,293	-	-	790,293
Exercise of warrants (Note 9)	450,000	44,553	-	(22,053)	-	22,500
Impact of modifications to warrants (Note 9)	-	-	-	112,770	(112,770)	-
Balance at June 30, 2020	322,289,359	32,501,185	2,091,809	1,210,311	\$(35,101,500)	701,804
Balance at January 1, 2021	322,589,359	32,591,185	2,603,696	862,245	\$(36,628,419)	\$(571,293)
Net loss and comprehensive loss for the period	-	-	-	-	(390,506)	(390,506)
Exercise of options (Note 9)	1,000,000	89,862	(39,862)	-	-	50,000
Expired warrants (Note 9)	-	-	-	(354,577)	354,577	-
Expired options (Note 9)	-	-	(426,700)	-	426,700	-
Exercise of warrants (Note 9)	2,000,000	430,000	-	(280,000)	-	150,000
Total Shareholders' equity (deficiency)	325,589,359	\$33,111,047	\$2,137,134	\$227,668	\$(36,237,647)	\$(761,798)

See accompanying notes

Personas Social Incorporated (formerly, Peaks Social Ltd.)
Interim Consolidated Statements of Cash Flows
For the Six Months Ended June 30, 2021 and The Seven Months Ended June 30, 2020
(Expressed in Canadian Dollars)

	Six Months Ended June 30, 2021	Seven Months Ended June 30, 2020
Cash flows generated from (used in) operating activities		
Net loss for the period	\$(390,505)	\$(2,262,677)
Items not affecting cash:		
Depreciation (Note 6)	87,451	104,073
AP write-off	-	(803,223)
Gain on reversal of trade payables	-	-
CEBA Income (Note 8)	-	-
Stock-based compensation (Note 9)	-	790,293
Other income	-	416,000
Interest expense	139,209	205,053
Interest income on lease	(42,115)	(63,894)
Accretion of lease deposit	5,260	5,255
Accretion of prepaid lease deposit	(3,963)	(3,959)
Realized gain on sale of investments	-	-
Interest paid on lease	(120,459)	(74,161)
Interest received on lease	42,115	28,317
Changes in non-cash working capital items and operating payables		
Trade and other receivables	17,303	(115,332)
Other receivables and deposits	246,488	(112,574)
Prepaid expenses	(12,634)	(130,491)
Intangible asset	(18,051)	-
Accounts payable and accrued liabilities	312,815	(119,810)
Due to/from related parties	(430,747)	770,319
Customer deposits	67,540	(268,387)
Deferred financing costs	-	-
Net cash generated from (used in) operating activities	(100,293)	(1,635,200)
Cash generated from (used in) financing activities		
Issuance of units (Note 9)	-	2,167,067
Proceeds from exercise of warrants	200,000	22,500
Interest paid on loans	(14,882)	(36,457)
Repayment of notes and secured notes	-	(322,100)
Payment of lease liabilities	(168,892)	(281,483)
Net cash generated from (used in) financing activities	16,226	1,549,527
Cash generated from investing activities		
Cash used in purchase of equipment	(42,845)	-
Payment received on lease receivable	88,000	123,485
Proceeds from sale of short-term investments	-	-
Net cash generated from investing activities	45,155	123,485
Net increase (decrease) in cash	(38,912)	37,811
Cash, beginning of the period	87,241	48,429
Cash, end of the period	48,330	86,240

Non-cash transactions
Impact of IFRS 16 (Note 2)
Conversion of debentures (Note 9)
Shares issued for services and debt settlement (Note 9)

See accompanying notes

Personas Social Incorporated (formerly, Peaks Social Ltd.)

Notes to the Interim Consolidated Financial Statements

For the Three and Six Months Ended June 30, 2021 and the Four and Seven Months Ended June 30, 2020
(Expressed in Canadian Dollars)

I. NATURE OF OPERATIONS AND GOING CONCERN

Nature of Operations

Personas Social Incorporated (formerly, Peaks Social Ltd.) ("Personas", "Personas Social", or the "Company") was incorporated under the provisions of the Business Corporations Act in the Province of British Columbia on May 20, 2004 and on January 10, 2008, was continued under the laws of the Province of Alberta. The Company formally changed its name to "Personas Social Incorporated" on July 22, 2020 after receiving the necessary approvals on July 13, 2020. The Company is a publicly traded company listed on the TSX Venture Exchange ("TSX-V") under the symbol "PRSN" (formerly, "PEEK"). The Company's principal activity is the offering of social media products and services for use by consumers and businesses, with a focus on mobile (iOS and Android) products. The Company's head office is 1 Yonge Street, Suite 1801, Toronto, Ontario, Canada, M5E 1W7.

On May 2, 2018, Peaks Social Ltd. ("Old Peaks") completed a reverse acquisition with Personas.com Corporation ("Old Personas"), a private company incorporated under the laws of the Province of Ontario and a related party, which was effected pursuant to an amalgamation agreement between Old Personas, Old Peaks, a wholly-owned subsidiary of Old Peaks ("Old Peaks Subco", formed solely for facilitating the transaction), Riavera Corp. (a related party under common control of Old Peak's CEO) ("Riavera"), and a wholly-owned subsidiary of Riavera ("Riavera Subco", formed solely for facilitating the transaction). Articles of amalgamation to amalgamate Old Peaks Subco, Old Personas, and Riavera Subco were filed on May 2, 2018, resulting in the creation of a single wholly-owned subsidiary of Old Peaks named Peaks Social Technologies Holding Inc. ("Peaks Social Holdings") (the "Amalgamation").

To effect the Amalgamation, shareholders of Old Personas received 175,150,454 common shares of Old Peaks. The Amalgamation was structured as a three-cornered amalgamation, resulting in the amalgamated company becoming a wholly-owned subsidiary of Old Peaks. Although the Amalgamation resulted in Old Personas becoming a wholly-owned subsidiary of Old Peaks, the transaction constitutes a reverse acquisition of Old Peaks by Old Personas in-as-much as the former shareholders of Old Personas received 72.94%, on a non-diluted basis, of the issued and outstanding common shares of the resulting corporation. For accounting purposes, Old Personas is considered the acquirer and Old Peaks is considered the acquiree. Accordingly, these consolidated financial statements are a continuation of the financial statements of Old Personas and references to the "Company" will mean the consolidated entity subsequent to the date of the Amalgamation and to Old Personas prior to that date.

Going Concern

While these consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") on a going concern basis that presumes the Company will continue in operation for the foreseeable future and that the realization of assets and discharge of liabilities and commitments will occur in the normal course of business, there is a material uncertainty related to conditions that may cast significant doubt on the Company's ability to continue as a going concern.

During the six months ended June 30, 2021, the Company incurred a net loss of \$390,505 (Seven months ended June 30, 2020 - \$2,262,677) and as at June 30, 2021, the Company had accumulated a deficit of \$36,237,647 (Dec 31, 2020 - \$36,628,419). Whether and when the Company can attain profitability is uncertain. The Company has not yet realized profitable operations and has mainly relied on non-operational sources of financing to fund operations. Management has been able to raise sufficient funds to finance its operations in the past through private placements of both equity and debt and will need to continue to do so to fund operations in the future. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to realise its assets and discharge its liabilities in the normal course of business. Such adjustments could be material.

Personas Social Incorporated (formerly, Peeks Social Ltd.)

Notes to the Interim Consolidated Financial Statements

For the Three and Six Months Ended June 30, 2021 and the Four and Seven Months Ended June 30, 2020
(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION

Statement of Compliance

The Company prepares its consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") using the accounting policies described herein as issued by International Accounting Standards Board ("IASB"). The preparation of consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

On July 13, 2020, the Company announced a change in year end from February 28 to December 31 to normalize its financial reporting. As a result, the Company's transition year is December 31, 2020. Figures in current year's consolidated statement of loss and comprehensive loss, consolidated statement of changes in shareholders' equity (deficiency), consolidated statement of cash flows together with related notes are not comparable to the figures presented for the comparative year due to change in accounting year end.

Accounting Standard Implemented as of March 1, 2019

The Company adopted the following accounting standard which came into effect commencing March 1, 2019:

IFRS 16, Leases

The Company adopted IFRS 16 retrospectively on March 1, 2019 and elected not to restate comparatives for the comparative reporting period, as permitted under the specific transitional provisions in the standard. The reclassifications and adjustments arising from the new standard are therefore recognized in the opening consolidated statement of financial position and the consolidated statement of changes in shareholders equity on March 1, 2019. The comparative period continues to account for leases under IAS 17 – Leases.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right of control for the use of an identified asset for a period of time in exchange for consideration. From March 1, 2019, the Company recognizes a right-of-use asset ("ROU asset") and a lease liability at the lease commencement date, which is the date the leased asset is available for use. The ROU asset recognised as at March 1, 2019 related to a premises sublease and was initially measured based on the initial amount of the lease liability. The lease liabilities include the net present value of the following lease payments:

- Fixed payments (including any in-substance fixed payments, less any lease incentives receivable).
- Variable lease payments that are based on an index or a rate.
- Amounts expected to be payable by the lessee under residual value guarantees.
- Exercise price of any purchase option if the Company is reasonably certain to exercise that option, and
- Payments for penalties for terminating the lease, if the lease term reflects the Company exercising that option.

The ROU assets are depreciated to the earlier of the end of useful life of the ROU asset or the lease term using the straight-line depreciation method as this most closely reflects the expected pattern of the consumption of the future economic benefits.

The lease term includes periods covered by an option to extend, if the Company is reasonably certain to exercise that option. In addition, the ROU asset can be periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Personas Social Incorporated (formerly, Peaks Social Ltd.)

Notes to the Interim Consolidated Financial Statements

For the Three and Six Months Ended June 30, 2021 and the Four and Seven Months Ended June 30, 2020
(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION (continued)

Accounting Standard Implemented as of March 1, 2019 (continued)

Lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate, which is the rate the Company would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. The Company used an incremental borrowing rate of 15% to value the lease liabilities in the opening statement of financial position at March 1, 2019.

ROU assets are measured at cost comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs, and restoration costs. The lease liability is classified and accounted for at the amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU asset, unless it has been reduced to zero.

The Company has elected to apply the practical expedient not to recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and for leases of low value assets. The lease payments associated with those leases is recognized as an expense on a straight-line basis over the lease term.

When the Company acts as an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The Company assesses the lease classification of a sub-lease with reference to the ROU asset arising from the head lease, not with reference to the underlying asset. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the ROU asset. If this is the case, then the lease is accounted for as a net investment in lease. If not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the ROU asset.

Personas Social Incorporated (formerly, Peaks Social Ltd.)

Notes to the Interim Consolidated Financial Statements

For the Three and Six Months Ended June 30, 2021 and the Four and Seven Months Ended June 30, 2020
(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION (continued)

Accounting Standard Implemented as of March 1, 2019 (continued)

The cumulative effect of the changes made to the March 1, 2019 consolidated statement of financial position for the adoption of IFRS 16 is as follows:

	Balance as at February, 28, 2019	IFRS 16 Adjustment	Balance as at March, 1, 2019
Assets			
Prepaid lease deposit	\$205,129	\$(12,782)	\$192,347
Lease receivable	-	\$891,302	\$891,302
Liabilities			
Accounts payable and accrued liabilities	\$3,137,501	\$(156,052)	\$2,981,449
Lease liability	-	\$1,032,073	\$1,032,073
Long term deposit	\$105,000	\$(53,278)	\$51,722
Opening Deficit	-	\$55,777	\$55,777

Basis of Presentation

On July 13, 2020, the Company announced a change in year end from February 28 to December 31 to normalize its financial reporting. As a result, the Company's transition year is December 31, 2020.

These interim consolidated financial statements are presented in Canadian dollars which is also the functional currency of the Company and its subsidiaries. These consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities which have been measured at their fair values.

Principles of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Keek Inc., WASD Pro and Primary Petroleum Corporation. The accounting policies of the subsidiaries align with the policies adopted by the Company. Subsidiaries include all entities controlled by the Company. Control exists when the Company has power over the investee, or is exposed, or has rights, to variable returns and the power to affect its returns. All intercompany transactions, balances, and unrealized gains on transactions between group companies are eliminated.

Critical Accounting Estimates and Judgments

Critical accounting estimates

The preparation of consolidation financial statements in accordance with IFRS requires management to make estimates, judgments, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The consolidated financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences.

Personas Social Incorporated (formerly, Peaks Social Ltd.)

Notes to the Interim Consolidated Financial Statements

For the Three and Six Months Ended June 30, 2021 and the Four and Seven Months Ended June 30, 2020
(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION (continued)

Critical Accounting Estimates and Judgments (continued)

Critical accounting estimates (continued)

Estimates and underlying assumptions are reviewed on a regular basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The key sources of estimation uncertainty at the statement of financial position date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Fair value of share-based compensation and warrants

The Company determines the fair value of options and warrants granted using the Black-Scholes option pricing model. Option pricing models require the input of highly subjective assumptions, including the risk-free interest rate, expected share volatility, expected dividend yield and expected life. Changes in these assumptions can materially affect the fair value estimate.

Useful life of property and equipment

The useful life of property and equipment has been determined by management to reflect its usage and economic life.

Provisions

The Company records provisions at its best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

Lease discount rate

Leases have been discounted using the Company's estimated incremental borrowing rate at March 1, 2019 (when IFRS 16 leases was adopted) or at the time of the lease, whichever is later. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of similar value to the right of use asset. Changes in the lease discount rate could materially impact value of the right of use asset, lease receivable, and lease liability.

Recoverable amount of cash generating unit

The recoverable amount of the cash-generating unit was estimated based on an assessment of value in use using a discounted cash flow approach. The approach uses cash flow projections based upon a financial forecast approved by management, covering a four-year period. Cash flows for the years thereafter are extrapolated using the estimated terminal growth rate. The risk premiums expected by market participants related to uncertainties about the industry and assumptions relating to future cash flows may differ or change quickly, depending on economic conditions and other events.

Critical judgments

In the preparation of these consolidated financial statements, management has made judgments, aside from those that involve estimates, in the process of applying the accounting policies. These judgments can have an effect on the amounts recognized in the consolidated financial statements.

Personas Social Incorporated (formerly, Peeks Social Ltd.)

Notes to the Interim Consolidated Financial Statements

For the Three and Six Months Ended June 30, 2021 and the Four and Seven Months Ended June 30, 2020
(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION (continued)

Critical Accounting Estimates and Judgments (continued)

Critical judgments (continued)

Going concern

These financial statements do not give effect to adjustments, if any, that would be necessary should the company be unable to continue as a going concern. If the going concern assumption was not used, then the adjustments required to report the Company's assets and liabilities on a liquidation basis could be material to these financial statements.

Provisions

Accounting for provisions including assessments of possible legal contingencies and onerous contracts requires judgement whether or not a present obligation is probable. The nature and type of risks for these provisions differ and judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not. Onerous contract provisions are recognized where the unavoidable costs of meeting the obligations under a contract exceed the economic benefits expected to be received under it.

Provision for expected credit losses ("ECLs")

The provision for expected credit losses is established based on the estimated credit risk of the Company's customers, and sub-lease tenants by examining such factors as the current economic conditions, forward-looking macroeconomic data and historical information (number of overdue days of the customer's balance outstanding as well as the customer's or tenants collection history).

Revenue recognition

The company applies judgement in determining whether it acts as the principal or agent on tipping revenue. The company records tipping revenue on a gross basis as it is the principal in these transactions. The Company has made this conclusion on the basis that it is responsible for the delivery of the livestream or video to the customer, it controls the platform, it controls the virtual currency (coins), and it sets the price of the coins.

Reversal of trade payables

The company applies judgement in determining whether historical trade payables can be reversed.

Deferred tax assets and liabilities

Management is required to apply judgment in determining whether it is probable that deferred income tax assets will be realized. At June 30, 2021 and December 31, 2020, management had determined that future realization of its deferred income tax assets did not meet the threshold of being probable, and as such, has not recognized any deferred income tax assets in the Consolidated Statements of Financial Position. In addition, the measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the consolidated financial statements.

Goodwill impairment testing

The Company applies judgement in determining whether goodwill is impaired. Goodwill is reviewed annually for impairment, or more frequently when there are indicators that impairment may have occurred, by comparing the carrying value to its recoverable amount.

Personas Social Incorporated (formerly, Peaks Social Ltd.)

Notes to the Interim Consolidated Financial Statements

For the Three and Six Months Ended June 30, 2021 and the Four and Seven Months Ended June 30, 2020
(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES

Provisions for expected credit losses (“ECLs”)

The Company is exposed to credit risk associated with its trade receivables and lease receivables. Management reviews the trade receivables and lease receivables at each reporting date in accordance with IFRS 9. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank balances, and short-term deposits with original maturities of three months or less.

Personas Social Incorporated (formerly, Peek Social Ltd.)

Notes to the Interim Consolidated Financial Statements

For the Three and Six Months Ended June 30, 2021 and the Four and Seven Months Ended June 30, 2020
(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

The Company applies the requirements of IFRS 15 *Revenue from Contracts with Customers* ("IFRS 15"). IFRS 15 utilizes a methodical framework for entities to follow in order to recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods and services. The Company has following streams of revenues:

a) Virtual Currency Revenue

The Company sells virtual currency ("coins") which can be used to tip broadcasters (of videos) on the Company's live streaming social media platform. Coins have a face value of \$0.05 US which are sold at a mark-up. All users who own the Company's virtual currency (coins) can request to withdraw their coins at any time at the face value. Upon approval and payment by the company of requested withdrawals, customer deposits are decreased.

Receipts from the sale of virtual currency are recognized immediately into virtual currency revenue based on the mark-up on the transaction with a corresponding customer deposit recorded for coins received at the face amount.

Periodically, promotional free virtual currency is provided to customers which is expensed as advertising and recorded in customer deposits when granted to users.

b) Tipping Revenue

Tipping revenue is recognized when the virtual currency is spent in e-commerce activity within its live streaming social media platform. All users can access Company's platform for free and they can show their support for broadcasters (of videos) by tipping their broadcasted content using coins. Broadcasted content may also have minimum required tips users must send before they are able to view the broadcasted content. The proportion of tipped coins that go to the broadcaster and the Company are based on the broadcaster's star rating. The proportion of coins earned by broadcasters along with any processing and licensing fees are recognized in cost of revenue.

The Company recognizes all revenues on a gross basis, given it is the principal in these transactions, being responsible for the delivery of the livestream or video to the user, controlling the platform, controlling the virtual currency, as well as setting prices of the virtual currency.

Foreign currency transactions

Foreign currency transactions are initially recorded in Canadian dollars, the Company's functional currency, at the transaction date exchange rate. At the statement of consolidated financial position date, monetary assets and liabilities denominated in a foreign currency are translated into the functional currency at the reporting date exchange rate. Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items at period-end exchange rates are recognized in the statement of loss and comprehensive loss.

Non-monetary items measured at historical cost are translated using the historical exchange rate. Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

Personas Social Incorporated (formerly, Peaks Social Ltd.)

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

Financial assets

Recognition and initial measurement

The Company recognizes financial assets when it becomes party to the contractual provisions of the instrument. Financial assets are measured initially at their fair value plus, in the case of financial assets not subsequently measured at fair value through profit or loss, transaction costs that are directly attributable to their acquisition. Transaction costs attributable to the acquisition of financial assets subsequently measured at fair value through profit or loss are expensed in profit or loss when incurred.

Classification and subsequent measurement

On initial recognition, financial assets are classified as subsequently measured at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL"). The Company determines the classification of its financial assets, together with any embedded derivatives, based on the business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets are classified as follows:

- Amortized cost - Assets that are held for collection of contractual cash flows where those cash flows are solely payments of principal and interest are measured at amortized cost. Interest revenue is calculated using the effective interest method and gains or losses arising from impairment, foreign exchange and derecognition are recognized in profit or loss. Financial assets measured at amortized cost are comprised of trade receivables and other receivables and deposits.
- Fair value through other comprehensive income - Assets that are held for collection of contractual cash flows and for selling the financial assets, and for which the contractual cash flows are solely payments of principal and interest, are measured at fair value through other comprehensive income. Interest income calculated using the effective interest method and gains or losses arising from impairment and foreign exchange are recognized in profit or loss. All other changes in the carrying amount of the financial assets are recognized in other comprehensive income. Upon derecognition, the cumulative gain or loss previously recognized in other comprehensive income is reclassified to profit or loss. The Company does not hold any financial assets measured at fair value through other comprehensive income.
- Mandatorily at fair value through profit or loss - Assets that do not meet the criteria to be measured at amortized cost, or fair value through other comprehensive income, are measured at fair value through profit or loss. All interest income and changes in the financial assets' carrying amount are recognized in profit or loss. There are no financial assets held as FVTPL.
- Designated at fair value through profit or loss (FVTPL) – On initial recognition, the Company may irrevocably designate a financial asset to be measured at fair value through profit or loss in order to eliminate or significantly reduce an accounting mismatch that would otherwise arise from measuring assets or liabilities, or recognizing the gains and losses on them, on different bases. All interest income and changes in the financial assets' carrying amount are recognized in profit or loss. Financial assets measured at FVTPL are comprised of cash.

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Business model assessment

The Company assesses the objective of its business model for holding a financial asset at a level of aggregation which best reflects the way the business is managed, and information is provided to management. Information considered in this assessment includes stated policies and objectives.

Contractual cash flow assessment

The cash flows of financial assets are assessed as to whether they are solely payments of principal and interest on the basis of their contractual terms. For this purpose, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money, the credit risk associated with the principal amount outstanding, and other basic lending risks and costs. In performing this assessment, the Company considers factors that would alter the timing and amount of cash flows such as prepayment and extension features, terms that might limit the Company's claim to cash flows, and any features that modify consideration for the time value of money.

Impairment

The Company recognizes a loss allowance for the expected credit losses associated with its financial assets, other than financial assets measured at fair value through profit or loss. Expected credit losses are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past events, current conditions and forecasts of future economic conditions. The Company applies the simplified approach for trade receivables. Using the simplified approach, the Company records a loss allowance equal to the expected credit losses resulting from all possible default events over the assets' contractual lifetime.

The Company assesses whether a financial asset is credit-impaired at the reporting date. Regular indicators that a financial instrument is credit-impaired include significant financial difficulties as evidenced through borrowing patterns or observed balances in other accounts and breaches of borrowing contracts such as default events or breaches of borrowing covenants. For financial assets assessed as credit-impaired at the reporting date, the Company continues to recognize a loss allowance equal to lifetime expected credit losses.

For financial assets measured at amortized cost, loss allowances for expected credit losses are presented in the consolidated statements of financial position as a deduction from the gross carrying amount of the financial asset. Financial assets are written off when the Company has no reasonable expectations of recovering all or any portion thereof.

Derecognition of financial assets

The Company derecognizes a financial asset when its contractual rights to the cash flows from the financial asset expire.

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Financial liabilities

Recognition and initial measurement

The Company recognizes a financial liability when it becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures financial liabilities at their fair value plus transaction costs that are directly attributable to their issuance, with the exception of financial liabilities subsequently measured at fair value through profit or loss for which transaction costs are immediately recorded in profit or loss.

Where an instrument contains both a liability and equity component, these components are recognized separately based on the substance of the instrument, with the liability component measured initially at fair value and the equity component assigned the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability component.

Classification and subsequent measurement

Subsequent to initial recognition, all financial liabilities are measured at amortized cost using the effective interest rate method except for shares to be issued which are recorded at fair value through profit and loss. Interest, gains and losses relating to a financial liability are recognized in profit or loss.

Derecognition of financial liabilities

The Company derecognizes a financial liability only when its contractual obligations are discharged, cancelled or expire.

Property and equipment

Property and equipment are recorded at cost less accumulated amortization and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the assets. When equipment includes significant components with different useful lives, those components are accounted for as separate items of equipment and amortized separately.

Amortization is provided so as to write-off the cost less residual value of each item of equipment over its expected useful life at the following annual rates:

Computers	2 years	Straight line
Furniture and fixtures	2 years	Straight line
Leasehold improvements	Term of the lease	Straight line
ROU Asset	Term of the lease	Straight line
Servers	3 years	Straight line
Software	2 years	Straight line
Telephone	2 years	Straight line

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of long-lived assets

For purposes of assessing impairment under IFRS, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating unit). The Company has a single cash generating unit. Long-lived assets are tested for impairment annually.

An impairment loss is recognized for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell or value-in-use. To determine the value-in-use, management estimates expected future cash flows from the cash-generating unit and determines a suitable pre-tax discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future reorganizations and asset enhancements. Discount factors have been determined for the cash-generating unit and reflect its risk profile as assessed by management.

Impairment losses for the cash-generating unit reduce first the carrying amount of any goodwill allocated to that cash-generating unit, with any remaining impairment loss charged pro rata to the other assets in the cash-generating unit. In allocating an impairment loss, the Company does not reduce the carrying amount of an asset below the highest of its fair value less costs of disposal or its value in use and zero. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist. An impairment charge is reversed if the assets' recoverable amount exceeds its carrying amount only to the extent of the new carrying amount does not exceed the carrying value of the asset had it not originally been impaired.

Investment tax credits

The Company applies for investment tax credits in relation to Scientific Research and Experimental Development ("SR&ED") expenditures incurred. An estimate of the refundable investment tax credits is recorded in the period the expenditures are incurred provided there is reasonable assurance that the investment tax credits will be realized. The expenditures incurred are reduced by the amount of the estimated investment tax credits.

The Company claims SR&ED deductions and related investment tax credits for tax purposes based on management's interpretation of the applicable legislation in the Income Tax Act of Canada. These claims are subject to audit by the Canada Revenue Agency and any adjustments that results could affect investment tax credits recorded in the consolidated financial statements. In the opinion of management, the treatment of research and development for income tax purposes is appropriate. During the six months ended June 30, 2021 and the seven months ended June 30, 2020, the Company did not recognize any amount relating to investment tax credits. As at June 30, 2021, there were no investment tax credits receivable.

Compound financial instruments

Management is required to apply judgment in determining the classification of the components of compound financial instruments between liability, embedded derivative liabilities, and equity components. Factors considered in making these judgments include but are not limited to the terms and conditions of conversion features or incentive equity instruments granted in conjunction with the financial instrument.

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Compound financial instruments (continued)

Convertible notes issued with warrants are evaluated whether any embedded derivatives need to be separated from the host instrument. In accordance with IAS 32.31 for compound financial instruments, because equity instruments are defined as contracts evidencing a residual interest in the assets of an entity after deducting all of its liabilities, the warrants are assigned the residual amount of the consideration after deducting the fair value of the liability components and are subsequently carried at historical cost.

Share-based payments

The Company has a stock option plan for directors, officers, employees and consultants. Each tranche in an award is considered a separate award with its own vesting period and grant date fair value. For employees and those performing employee like services the fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model (Note 9). For non-employees, the fair value of each tranche is measured based on the fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case, the Company measures their value based on the fair value of the equity instruments granted. Compensation expense is recognized over the tranche's vesting period based on the number of awards expected to vest with the offset credited to contributed surplus. The number of awards expected to vest is reviewed quarterly with any impact being recognized immediately.

Consideration received upon the exercise of stock options is credited to share capital and the fair value attributed to these options is transferred from contributed surplus to share capital.

Share capital

Incremental costs directly attributable to the issuance of common shares are recognized as a deduction, net of tax, from the proceeds in share capital in the period the transaction occurs.

Warrants

Proceeds from unit placements are allocated between common shares and warrants issued on a pro rata basis of their relative fair value within the unit, using the Black-Scholes options pricing model to determine the fair value of warrants issued.

Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are measured based on management's best estimate of the expenditure required to settle the obligation at the end of the reporting period and are discounted to present value where the effect is material. Additionally, the Company performs evaluations to identify onerous contracts and, where applicable, records provisions for such contracts.

Income taxes

Income tax expense consists of current and deferred tax expense. Current and deferred tax are recognized in profit or loss except to the extent that they relate to items recognized directly in equity or other comprehensive income. Current tax is recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the income tax rates enacted or substantively enacted at the end of the reporting period and includes any adjustment to taxes payable in respect of previous years.

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes (continued)

Deferred tax is recognized on any temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable earnings. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized and the liability is settled. The effect of a change in the enacted or substantively enacted tax rates is recognized in net earnings and comprehensive income or in equity depending on the item to which the adjustment relates.

Deferred tax assets are recognized to the extent future recovery is probable. At each reporting period end, deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Loss per share

Basic loss per share is calculated by dividing the net loss for the period by the weighted average number of common shares outstanding during the period. Diluted loss per share is calculated similar to basic loss per share except that the weighted average number of shares outstanding are increased to include additional common shares that would have been outstanding if potentially dilutive common shares had been issued during the period. The number of additional shares is calculated by assuming that convertible debentures were converted and outstanding stock options and warrants were exercised and that proceeds from such exercises were used to acquire common shares at the average market price during the year. When a net loss is incurred, basic and diluted loss per share are the same because the conversion of convertible debentures and the exercise of options and warrants are anti-dilutive.

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received. The assets are depreciated to the earlier of the end of the useful life of the right-of-use asset or the lease term using the straight-line method. The lease term includes periods covered by an option to extend if the Company is reasonably certain to exercise that option. In addition, the right-of-use asset can be periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the Company's borrowing rate. The Company used its borrowing rate as the discount rate.

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

The Company has elected to apply the practical expedient not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low value assets. The lease payments associated with these leases is recognized as an expense on a straight-line basis over the lease term.

When the Company acts as an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The Company assesses the lease classification of a sub-lease with reference to the ROU asset arising from the head lease, not with reference to the underlying asset. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the ROU asset. If this is the case, then the lease is accounted for as a net investment in lease. If not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the ROU asset.

Government Grants

Grants and government assistance are recorded as revenue in the period related expenses are incurred and when reasonable assurance exists that the Company has complied with the terms and conditions of the approved grant program and there is reasonable assurance that the proceeds will be received.

New accounting pronouncements which became effective during the three months period

Amendment to IFRS 3: Definition of a business

In October 2018, the IASB issued “Definition of a Business (Amendments to IFRS 3)”. The amendments clarify the definition of a business, with the objective of assisting entities to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. The amendment provides an assessment framework to determine when a series of integrated activities is not a business. The amendments are effective for business combinations occurring on or after the beginning of the first annual reporting period beginning on or after January 1, 2020, however early application is permitted. Management has evaluated that these changes have no significant impact on these consolidated financial statements.

IAS 1: Presentation of financial statements and IAS 8 – Accounting policies, changes in accounting estimates and errors

In October 2018, the IASB issued “Definition of Material”, an amendment to IAS 1 – Presentation of Financial Statements and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, to clarify the definition of material and to align the definition used in the Conceptual Framework and the standards themselves. Materiality is defined as “information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.” This amendment will be effective for the first annual reporting period beginning on or after January 1, 2020. Management has evaluated that these changes have no significant impact on these consolidated financial statements.

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4. GOODWILL

	June 30, 2021	December 31, 2020
Personas Social	\$5,768,390	\$5,768,390
	\$5,768,390	\$5,768,390

The company engaged an external valuator for the year ended December 31, 2020. The valuation concluded that the fair value of the Cash Generating Unit (CGU) exceeded its carrying amount at the impairment testing date.

The recoverable amount of the Company's CGU was estimated based on an assessment of its value in use using a discounted cash flow approach. The approach uses cash flow projections based upon a financial forecast approved by management and the Board of Directors, covering a four-year period. Cash flows for the years thereafter are extrapolated using the estimated terminal growth rate. The risk premiums expected by market participants related to uncertainties about the industry and assumptions relating to future cash flows may differ or change quickly, depending on economic conditions and other events. The Company has made certain assumptions in determining the cash flow projections based on budgets approved by management and include management's best estimate of expected market conditions. The cash flow projections include certain key assumptions regarding revenue growth rates, terminal revenue growth rates and the discount rate. Accordingly, it is reasonably possible that future changes in assumptions may negatively impact future valuations of goodwill and the Company would be required to recognize an impairment loss.

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4. GOODWILL (continued)

The following are key assumptions on which management based its determinations of the recoverable amount for goodwill based on the CGU's value in use:

Assumptions	Personas Social Incorporated
Budgeted sales growth rate (average of next four years)	77%
Pre-tax discount rate	31%
Terminal growth rate	2%

The Company analysed following key drivers/variables in projecting revenues:

- 1) Active monthly broadcasters
- 2) Average monthly revenue per active broadcaster
- 3) Actual results compared to projected results in the prior year forecast

The terminal value has been calculated using an H-model based on unlevered cash flow forecast for the 4th year using a normal growth rate of 2%.

Discount rate is the weighted average cost of capital.

The estimated recoverable amount of the CGU exceeded its carrying amount by approximately \$290,000. Management has identified that a reasonably possible change in two key assumptions could cause the carrying amount to exceed the recoverable amount. The following table shows the percentage by which these two assumptions would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

- 1) Increase in discount rate by 0.67%.
- 2) Decrease in long term growth rate by 1.62%.

5. LEASE RECEIVABLE

Reconciliation of lease receivable is as follows:

	June 30, 2021
Lease receivable, OB	\$619,361
Lease payments received	(130,115)
Interest income recognized	42,115
Lease receivable, CB	531,361
Current portion of Lease Receivable	(196,957)
Long term portion of lease receivable	\$334,404

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5. LEASE RECEIVABLE (continued)

Minimum lease payments to be received on the Lease Receivable (undiscounted):

Less than one year	\$260,231
Between one and five years	374,444
Less: Amount representing interest income	(103,314)
Lease receivable	\$531,361

In addition to the above minimum lease payments, estimated future sublease payments for operating costs and realty taxes over the lease term are as follows (undiscounted):

Less than one year	\$383,243
Between one and five years	551,443
Estimated operating cost and realty taxes (undiscounted)	\$934,686

6. PROPERTY AND EQUIPMENT

	Furniture and fixtures	Leasehold improvements	Right of use assets	Domain names	Total
Cost					
Balance at February 29, 2020	\$41,440	\$79,277	1,189,491	\$4,054	1,314,262
Acquisitions	-	-	-	-	-
Opening Balance	41,440	79,277	1,189,491	4,054	1,314,262
Addition	42,845	-	-	-	42,845
Ending Balance	84,285	79,277	1,189,491	4,054	1,357,107
Accumulated Amortization					
Balance at February 29, 2020	(41,440)	(79,277)	(127,446)	(4,054)	(252,217)
Depreciation expenses	-	-	(141,606)	-	(141,606)
Opening Balance	(41,440)	(79,277)	(269,052)	(4,054)	(393,823)
Depreciation expenses	(2,488)	-	(84,964)	-	(87,451)
Ending Balance	\$(43,928)	\$(79,277)	\$(354,016)	\$(4,054)	(481,274)
Carrying amount as at:					
Opening Balance	-	-	920,438	-	\$920,438
Ending Balance	\$40,358	-	\$835,475	-	\$875,833

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7. TRADE PAYABLES AND ACCRUED LIABILITIES

Trade payables and accrued liabilities are comprised of the following:

	June 30, 2021	December 31, 2020
Trade payables	\$3,039,748	\$2,739,573
Accrued liabilities	424,088	418,463
Total trade payables and accrued liabilities	\$3,463,836	\$3,158,036

8. GOVERNMENT ASSISTANCE

Canada Emergency Wage Subsidy

During the year ending 31 December 2020, the company received the Canada Emergency Wage Subsidy (CEWS) \$60,410 of government assistance which was recorded as a reduction in salaries.

Canada Emergency Business Account Loan

The Company obtained \$120,000 in revolving credit from the Government of Canada under the Canada Emergency Business Account Loan ("CEBA") COVID -19 Economic Response Plan. CEBA is granted in the form of an interest-free revolving credit line of which up to \$120,000 may be drawn. On January 1, 2021, any balance remaining on the revolving credit line will automatically convert to a non-revolving term loan. Effective January 1, 2023, any outstanding balance on the term loan shall bear interest at a rate of 5% per annum. The term loan matures on December 31, 2025. If \$80,000 of the outstanding balance of the non-revolving term loan is repaid on or before December 31, 2022, the remaining \$30,000 of the balance shall be forgiven. The Company used the assumption of 5% discount rate to determine the fair value of the interest-free period. The difference between the amount received in cash and the related fair value was considered a government grant and was recognized as an item of income in the respective statement of operations.

The Company drew the full \$120,000 available to it under the CEBA program and intends to repay \$80,000 on or before December 31, 2022. Management estimates the Company will have appropriate liquidity and director support to be able to make the \$80,000 repayment and realize the forgiveness portion.

	2021
CEBA	120,000
Less: forgivable portion recognized as grant revenue	(40,000)
Future expected repayment	80,000
Less: discounting of loan at 5% recognized as grant income	(8,515)
	\$71,485

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9. SHARE CAPITAL

Authorized	
Unlimited	common shares, no par value

In July 2018, the Company entered into a direct placement agreement (the "Funding Agreement") with GEM Global Yield Fund LLC SCS ("GEM"). The Company has the right to issue GEM common shares under the Funding Agreement for a term of two years through a series of one or more private placements (the "Placements"). Common shares issued to GEM as part of the Placements will be at a price per share equal to the higher of a floor price set by the Company and a 10 per cent discount to the market price of the common shares based on the immediately preceding 15-day volume weighted average price. The Placements are subject to certain market out rights of GEM and approval of the TSX Venture Exchange (the "TSXV"). The Company agreed to commit to initial placements of \$1.5 million (the "Initial Placement"), with an option to issue additional Placements of up to \$8.5 million (the "Additional Placements"). The Company will pay a commission of \$30,000 to GEM within the twelve months following the date of the Funding Agreement related to the Initial Placement. If the Company elects to utilize any portion of the Additional Placements, it will pay an additional commission of \$170,000 to GEM within twelve months of the election. The commissions are equal to 2% of the committed capital of GEM.

In August 2018, the Company received a short-term advance in connection with the Funding Agreement of \$300,000 from GEM, which is to be repaid through one or more Placements. The advance was unsecured, carried interest at 10% per annum calculated semi-annually, and was due on demand after 90 days. Financing costs amounting to \$30,000 were incurred with respect to this funding. The value of deferred financing costs allocated to share capital and warrants were \$24,006 and \$5,994 respectively.

During the year ended February 29, 2019, the Company received advances of \$410,023 from GEM for shares to be issued. On June 27, 2019, 5,457,000 shares for \$328,165 and 4,000,000 warrants for \$81,854 were issued. The relative fair value of the warrants was calculated using the following inputs to the Black-Scholes model: Stock price \$0.04; Exercise price \$0.58; Dividend Yield Nil; Expected volatility – 131.4%; Risk free interest rate – 1.37%; and Expected life – 3 years.

On March 21, 2019, the Company issued 2,771,211 shares at a price of \$0.07 per share for a total of \$193,985 to settle debts and 857,143 shares at a price of \$0.07 per share for a total of \$60,000 in exchange for services provided.

On June 28, 2019, the Company issued an aggregate of 22,825,940 units at a price of \$0.05 per unit, including 22,325,940 units issued to Mark Itwaru, CEO of the Company for gross proceeds of \$1,141,298. Each paid unit consisted of one common share and one common share purchase warrant of the Company. Each warrant is exercisable to purchase one additional common share of the Company at an exercise price of \$0.10 per share for a period of 24 months from the date of issuance. The common shares and warrants were subject to a four month hold period. The Company allocated \$786,721 to share capital and \$354,577 to warrants reserve based on a relative fair value basis. The relative fair value of the warrants was calculated using the following inputs to the Black-Scholes model: Stock price \$0.03; Exercise price \$0.1; Dividend Yield Nil; Expected volatility – 126.3% to 145.5%; Risk free interest rate – 1.49%; and Expected life – 1 to 2 years.

In July 2019, the Company has also received notification from holders of the Company's senior secured convertible debentures seeking conversion of part of their holdings. The debentures issued in a series of two (2) tranches on December 27, 2018 and January 11, 2019 have a term of two years and bear interest at a rate of 8% per annum. Total proceeds from both the tranches came to a total of \$525,000, of which \$125,000 of the note was converted at a price of \$0.05 whereby a total of 2,500,000 shares were issued to holders of the debenture.

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9. SHARE CAPITAL (continued)

On January 13, 2020, The Company issued an aggregate of 37,141,340 units at a price of \$0.05 per unit to Mark Itwaru, the Chief Executive Officer of the Company for gross proceeds of \$1,857,067. Each unit consists of one common share and one half of a common share purchase warrant of the Company. Each whole warrant is exercisable to purchase one additional common share of the Company at an exercise price of \$0.075 per share for a period of 12 months from the date of issuance. The common shares and warrants were subject to a four month hold period. The Company used Black Scholes model for calculation of fair value of warrants. The relative fair value allocated to share capital and warrants was \$1,376,686 and \$480,380 respectively. The relative fair value of the warrants was calculated using the following inputs to the Black-Scholes model: Stock price \$0.13; Exercise price \$0.075; Dividend Yield Nil; Expected volatility – 164.0%; Risk free interest rate – 1.69%; and Expected life – 1 year.

On February 13, 2020, The Company issued an aggregate of 6,200,000 units at a price of \$0.05 per unit to Mark Itwaru, the Chief Executive Officer of the Company and other investors for gross proceeds of \$310,000. Each unit consists of one common share and one half of a common share purchase warrant of the Company. Each whole warrant is exercisable to purchase one additional common share of the Company at an exercise price of \$0.075 per share for a period of 12 months from the date of issuance. The common shares and warrants were subject to a four month hold period. The Company used the Black Scholes model for calculation of fair value of warrants. The relative fair value allocated to share capital and warrants was \$234,859 and \$75,141 respectively. The relative fair value of the warrants was calculated using the following inputs to the Black-Scholes model: Stock price \$0.06; Exercise price \$0.075; Dividend Yield Nil; Expected volatility – 196.6%; Risk free interest rate – 1.55%; and Expected life – 1 year.

Warrants

As at June 30, 2021, a summary of the status of the Company's warrants is presented below:

	Six Months Ended June 30, 2021		Year Ended December 31, 2020	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Beginning balance	48,522,860	\$0.13	57,069,110	\$0.13
Issued	-	-	-	\$0.00
Exercised	(2,000,000)	\$0.05	(750,000)	\$0.05
Cancelled	-	-	-	\$0.00
Expired	(22,852,190)	\$0.15	(7,796,250)	\$0.35
Ending balance	23,670,670	\$0.16	48,522,860	\$0.13

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9. SHARE CAPITAL (continued)

Warrants (continued)

The Company had the following warrants outstanding at June 30, 2021:

Number of Warrants	Exercise Price	Expiry Date
19,670,670	\$0.075	August 13, 2021
4,000,000	\$0.583	June 1, 2022
23,670,670		

During the year ended February 29, 2020, 7,200,000 warrants expired and the Company reclassified \$350,550 from warrants reserve to deficit.

During the year ended February 29, 2020, 5,250,000 warrants were cancelled and re-issued. The impact of modification amounted to \$112,770.

During the six months ended June 30, 2021, 22,852,190 warrants expired and the Company reclassified \$354,577 from warrants reserve to deficit.

The weighted average assumptions used for the Black Scholes calculation of the fair value of the warrants for the year ended February 29, 2020 was as follows:

	Year Ended February 29, 2020
Risk free rate	1.37% - 1.55%
Expected life	1 - 3 years
Expected volatility	131.4% - 196.6%
Dividend yield	Nil

Stock Option Plan

The Company has a stock option plan (the "Plan") which provides for the issuance of stock options to directors, officers, employees, consultants, and preferred partners with exercise prices not less than the discounted market price on the date of grant. The Plan restricts the maximum number of stock options authorized by the Board of Directors for issuance at any one time to 55,762,003 as at December 31, 2020. Options granted under the Stock Option Plan to persons who do not perform investor relations activities for the Company vest over a period as determined by the Board of Directors. Options granted to consultants performing investor relations activities vest in stages over 12 months with no more than one quarter of the options vesting in any three-month period.

In the year ended February 29, 2020, the Company granted an aggregate of 40,967,800 options to certain directors, officers, advisors and contractors in accordance with the Company's Stock Option Plan, of which 31,992,800 were granted to directors and senior officers. The options expire on June 30, 2024 and January 31, 2025. 6,975,000 options issued on June 27, 2019 vest over a period of 16 months, 1/5 on date of grant and every 4 months thereafter. 33,992 options issued on January 6, 2020 vest over a period of one year, 1/5 on date of grant and every 2 months thereafter.

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9. SHARE CAPITAL (continued)

The following summarizes the stock option activities under the Plan:

	Six Months Ended June 31, 2021		Year Ended December 31, 2020	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Beginning balance	44,587,800	\$0.13	45,903,633	\$0.16
Granted	-	-	-	-
Exercised	(1,000,000)	\$0.05	-	-
Expired/cancelled	(1,455,000)	\$0.30	(1,315,833)	\$1.04
Ending balance	42,132,800	\$0.13	44,587,800	\$0.13
Exercisable	42,132,800	\$0.13	44,587,800	\$0.13

The Company had the following options outstanding at June 30, 2021:

Exercise Price	Options Outstanding	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Options Exercisable
\$0.05	39,967,800	3.74 years	\$0.05	39,967,800
\$0.60	575,000	1.50 years	\$0.60	575,000
\$2.00	1,590,000	0.64 years	\$2.00	1,590,000
	42,132,800	1.96 years		42,132,800

The fair value of stock options granted during the seven months ended June 30, 2020 were estimated at their respective grant dates using the Black Scholes option pricing model, with the following weighted average assumptions:

	Seven Months Ended June 30, 2020
Risk free rate	1.37%
Expected life	5 years
Expected volatility	260.2%-263.5%
Dividend yield	Nil

The Company calculates volatility using its own historical trading prices. The expected life in years represents the time that the options granted are expected to be outstanding. The risk-free rate is based on zero coupon Canada government bonds with a remaining term equal to the expected life of the options.

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10. SECURED NOTES AND CONVERTIBLE DEBT

In October 2018, the Company issued \$250,000 principal secured notes, which bear interest at a rate of 15% per annum payable monthly, with the principal balance being repayable twelve months from the date issued. These notes are secured by a General Security Agreement over all present and future assets and intangibles of the Company. As at December 31, 2020, there is \$250,000 outstanding (February 29, 2020 – \$250,000).

In December 2018, the Company issued \$525,000 principal secured convertible notes, which bear interest at a rate of 8% per annum payable monthly, with principal balance being repayable twelve months from the date issued. These notes are secured by a General Security Agreement over all present and future assets and intangibles of the Company. The secured convertible notes have a maturity date of December 21, 2020 and are convertible into common shares at a conversion price of \$0.10 per common share. If any common shares of the Company are sold for a price less than \$0.10 per Share prior to conversion or repayment of the Debentures (the "Repayment Date"), the Conversion Price of the Debentures will be adjusted downward to the price of such financing.

Upon issuance, the fair value of the instrument was equal to the face value of \$525,000 and as at February 28, 2019, the fair value of the instrument amounted to \$522,100 and the change in fair value was recorded in the statement of loss and comprehensive loss.

During the year ended February 29, 2020, \$ 125,000 was converted into shares and the remaining \$397,100 of debt was repaid. The Company also made interest payment of \$41,306 against the secured note. As at February 29, 2020, there is outstanding accrued interest of \$23,125 included in accrued liabilities.

The Company also issued 5,250,000 warrants as part of the convertible notes. The warrants are exercisable on a one-for-one basis at a price of \$0.15 per common share and expire on December 21, 2020. The warrants' exercise price was repriced to \$0.05 on January 20, 2020. The impact of modification amounted to \$112,770. During the year ended February 29, 2020, 450,000 warrants were exercised at the modified \$0.05 price.

As part of the convertible debt private placements, the Company issued 262,500 brokers warrants. The warrants are exercisable on a one-for-one basis at a price of \$0.15 per common share and expired on December 21, 2020.

During the six months ended June 30, 2021, the Company made interest payments of \$14,882 (7 months ended June 30, 2020: \$36,457) to certain holders.

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11. RELATED PARTY TRANSACTIONS

	June 30, 2021	December 31, 2020
Due to Riavera	1,496,174	1,926,921
Total	\$1,496,174	\$1,926,921

Related party transactions are in the normal course of business and are measured at the exchange amount which is the amount of consideration established by and agreed to by the related parties. Related party transactions for the six months ended June 30, 2021, are as follows:

- a) The Company paid \$0 (four months ended June 30, 2020 - \$150,000) in consulting fees to Riavera Corp., a company owned by the controlling shareholder of the Company (CEO of Personas Social), in relation to management consulting and technology integration services. The balance is unsecured, non-interest bearing with no set terms of repayment.

Key management compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise). The compensation paid to key management, which included all directors as well as Chief Executive Officer and Chief Financial Officer for the three months ended June 30, 2021 was \$23,961 (four months ended June 30, 2020: \$196,941) included in consulting fees and stock-based compensation.

12. SEGMENTED INFORMATION

The Company has one operating segment. Management assesses performance and makes decisions about allocating resources based on this one segment. All of the Company's assets are located in Canada. The following table shows the revenue for the six months ended June 30, 2021 and the seven months ended June 30, 2020, based on the geographic location of the customers.

	6 Months Ended June 30, 2021	7 Month Ended June 30, 2020
Canada	\$62,011	\$71,927
United States	1,583,583	1,510,466
Africa, The Middle East, and India	219,344	161,836
Europe	86,855	35,963
Others	15,783	17,982
Total	\$1,967,576	1,798,174

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13. TRADE RECEIVABLES, NET OF EXPECTED CREDIT LOSSES ("ECLs")

During the three months ended June 30, 2021, the Company had net trade receivables of \$228,861 (December 31, 2020: \$246,164) with expected credit losses determined according to a past due provision matrix as follows:

	0 – 30 days	31 – 60 days	61+days	Total
Trade receivables	\$231,173	-	-	\$231,173
Default ECL rates (%)	1.0%	1.0%	1.0%	
Expected Credit Losses	\$2,312	-	-	\$2,312
Trade receivables (net)	\$228,861	-	-	\$228,861

December 31, 2020

	0 – 30 days	31 – 60 days	61+days	Total
Trade receivables	\$248,651	-	-	\$248,651
Default ECL rates (%)	1.0%	1.0%	1.0%	
Expected Credit Losses	\$2,487	-	-	\$2,487
Trade receivables (net)	\$246,164	-	-	\$246,164

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For the Three and Six Months Ended June 30, 2021 and the Four and Seven Months Ended June 30, 2020

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14. INTANGIBLE ASSETS

As at June 30, 2021, the fair value of the Company's intangible asset was \$18,051, resulting in an unrealised gain of \$12,597.

15. LEASE LIABILITIES

The continuity of lease liabilities for the three months ended June 30, 2021 is as follows:

	I Eglinton Avenue East, Toronto, Ontario	180 University Ave, Toronto, Ontario	Total
Lease liabilities, OB	\$709,192	\$1,014,503	\$1,723,695
Lease payments made	-	-	-
Lease payments payables	(152,550)	(136,082)	(289,351)
Interest expense recognized	48,065	72,394	120,459
Lease liabilities, CB	604,707	950,096	1,554,802
Current portion of lease liabilities	(233,852)	(144,153)	(378,004)
Long term portion of lease liabilities	\$370,855	\$805,943	\$1,176,798

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15. LEASE LIABILITIES (continued)

Minimum lease payments (principal and interest) on the leases are as follows:

	I Eglinton Avenue, East Toronto, Ontario	180 University Ave Toronto, Ontario	Total
Less than one year	\$305,099	\$273,603	\$578,702
Between one and five years	439,004	1,110,372	1,549,376
More than five years	-	(22,800)	(22,800)
Less: Amount representing interest	(139,396)	(411,079)	(550,475)
Lease liabilities	\$604,707	\$950,096	\$1,554,802

In addition to the above minimum lease payments, estimated future payments for operating costs and realty taxes over the lease term are as follows (undiscounted):

	I Eglinton Avenue, East Toronto, Ontario	180 University Ave Toronto, Ontario	Total
Less than one year	\$383,243	\$237,848	\$621,091
Between one and five years	551,443	965,267	\$1,516,710
More than five years	-	-	\$-
Estimated operating costs and realty taxes	\$934,686	\$1,203,115	\$2,137,801

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Notes to the Inter Financial Statements

For the Three and Six Months Ended June 30, 2021 and the Four and Seven Months Ended June 30, 2020
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16. LEGAL PROCEEDINGS, CONTINGENCIES, AND PROVISIONS

The Company, in the course of its normal operations, is subject to claims, lawsuits, and contingencies. Accruals are made in instances where it is probable that liabilities may be incurred and where such liabilities can be reasonably estimated. Although it is possible that liabilities may be incurred in instances for which no accruals have been made, the Company has no reason to believe that the ultimate outcome of these matters would have a significant impact on its consolidated financial position.

During the year ended February 28, 2017, a claim was initiated against the Company regarding finder's fees for brokering investments and business partnerships. The Plaintiff claimed damages in the amount of \$15,650,000. The Company is defending the lawsuit and believes the claim is completely without merit. Although the outcome of the claim is not determinable, Management strongly believes the financial impact is insignificant and has accrued the estimated financial effect of \$50,000 in trade payables and accrued liabilities. The claim remains outstanding as at June 30, 2021.

The company has also recorded a provision for expected decommissioning costs for an oil/gas well owned by one of the company's subsidiaries.

The Company has been made aware of a Statement of Claim filed in the Ontario Superior Court of Justice on September 18, 2020. The plaintiff (a landlord) alleges breach of contract by the Company pursuant to a lease entered into between the Company and the landlord. The Company and a director/officer, Mark Itwaru, have been named as defendants in the claim. The claim seeks damages against the Company in the amount of \$385,494.54 and \$120,000 against Mr. Itwaru for arrears of rent pursuant to the said lease. The Company is vigorously pursuing its defenses and plans to file a defense and counterclaim against the plaintiff.

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

(a) Fair Values

The carrying amounts of cash, trade receivables, trade payables and accrued liabilities, customer deposits, secured notes and convertible debt, and due to related parties approximate their fair values due to the short-term maturities of these instruments. Fair value represents the amount that would be exchanged in an arm's length transaction between willing parties and is best evidenced by a quoted market price, if one exists. The fair values of the secured notes approximate their carrying amounts as they bear terms similar to that of comparable instruments.

The Company follows a three-tier categorization for its financial instruments. The hierarchy is summarized as:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2 – inputs that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices) from observable market data; and
- Level 3 – inputs for assets and liabilities not based upon observable market data.

As at June 30, 2021, and December 31, 2020, cash was carried at Level 1 in the fair value hierarchy.

(b) Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's primary market exposures are to foreign exchange risk and interest rate risk.

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17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(c) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's interest rate risk is primarily related to the Company's interest-bearing debts on its consolidated statements of financial position. The secured notes bear interest at fixed rates of 15%, thereby minimizing the Company's exposure to cash flow interest rate risk. The company considers interest rate risk to be immaterial.

(d) Foreign Exchange Risk

The Company is subject to foreign exchange rate risk as it enters into transactions denominated in currencies other than the Company's functional currency, which is the Canadian dollar. The maximum exposure to foreign currency risk is equal to amounts held in foreign currencies at the Statement of Financial Position date. As at the reporting date only trade receivables of the Company had exposure to currency risk being represented in USD.

(e) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure as outlined in Note 17(g) to the consolidated financial statements. The Company has revenue from operations however continues to rely on equity and debt funding to support its growth and corporate activities. Should the need for further equity or debt funding arise, there is a risk that the Company may not be able to sell new common shares at an acceptable price or debt instruments at an acceptable interest rate level.

The Company has sustained losses over the last number of periods and has financed these losses mainly through a combination of equity and debt offerings. The Company has sustained losses over the last number of periods and has financed these losses mainly through a combination of equity and debt offerings. Management has been able to raise sufficient funds to finance its operations in the past through private placements of both equity and debt and believes that it has the ability to raise sufficient cash to meet all of its contractual debt that is coming due in 2021 and to fund any operating losses that may occur in the upcoming periods.

With the exception on of the contractual obligations for lease liabilities disclosed in Note 15, all contractual obligations are due within one year.

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17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(f) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge their obligations. Financial instruments that potentially expose the Company to this risk consist of cash, trade receivables, and lease receivables. The Company's cash is on deposit with Canadian Tier 1 chartered banks therefore the associated credit risk is low. Trade receivable, and lease receivables are in the normal course of business. The Company's maximum exposure to credit loss is the carrying amount of financial assets at the reporting date, as summarised below:

	June 30, 2021	December 31, 2020
Cash	\$48,330	\$87,241
Trade receivables	228,861	246,164
Lease receivable	531,361	619,361
Total	\$808,552	\$952,766

The Company reviews the banks and financial institutions it deals with to ensure that standards of credit worthiness are maintained. Trade receivables are with large credit card processing companies with stable financial conditions thereby mitigating company's credit risk. Historically, the company has not suffered any material losses related to credit risk. The Company believes it is not exposed to significant credit risk.

(g) Capital Management

The Company considers its capital to be its equity attributable to shareholders, which is comprised of share capital, contributed surplus, warrants reserve, and deficit, which as at June 30, 2021, amounted to deficit of – 761,798 (December 31, 2020 - \$571,293).

The Company's objectives when managing capital are: to safeguard its ability to continue as a going concern; and, to have sufficient capital to fund the growth and operations of its social media products and technologies for the benefit of its shareholders.

There were no changes in the Company's management of its capital during the six months ended June 30, 2021. The Company is not subject to any externally imposed capital requirements.

In order to maintain its capital structure, the Company is dependent on equity and/or debt funding and, when necessary, raises capital through the issuance of equity instruments, comprised of common shares, warrants, and incentive stock options, and through the issuance of debt instruments. The Company reviews its capital management methods and requirements on an ongoing basis and makes adjustments accordingly.

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18. CONTINGENCY

The Company may be impacted by business interruptions resulting from pandemics and public health emergencies, including those related to COVID-19. An outbreak of infectious disease, a pandemic, or a similar public health threat, such as the recent outbreak of COVID-19, or a fear of any of the foregoing, could adversely impact the Company and its investees by causing operating delays and disruptions, labour shortages, travel, and shipping disruption and shutdowns (including as a result of government regulation and prevention measures). Global 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 COVID19 outbreak is unknown currently, as is the efficacy of the government and central bank interventions. Presently, 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. The Company has not recorded any impairment or adjustments.

19. AUTHORIZATION OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The interim consolidated financial statements were authorized for issuance by the Board of Directors on August 30, 2021.