Odd Burger Corporation
UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED MARCH 31, 2023, AND MARCH 31, 2022

(In Canadian Dollars)
(unaudited)

MANAGEMENT'S COMMENTS ON UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTICE OF NO AUDITOR REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim consolidated financial statements; they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The accompanying unaudited condensed consolidated interim financial statements of Odd Burger Corporation (the "Company") have been prepared by and are the responsibility of the Company's management. The unaudited condensed consolidated interim financial statements are prepared in accordance with accounting principles generally accepted in Canada (these statements are prepared under International Financial Reporting Standards (IFRS)) and reflect management's best estimates and judgment based on information currently available. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

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

Odd Burger Corporation
Unaudited Condensed Interim Consolidated Statements of Financial Position ***(Expressed in Canadian dollars)***
As at March 31, 2023 and September 30, 2022

	Note		Unaudited March 31, 2023		September 30, 2022
ASSETS					
Cash		$	170,505	$	436,085
Accounts receivable and other receivables	4		297,124		156,190
Inventory	5		217,032		228,703
Prepaid expenses and deposits	6		273,344		96,011
Current portion of deferred charges	7		159,317		79,140
Total Current Assets		$	1,117,322	$	996,129
Lease receivable	8		835,663		401,819
Note Receivable	9		58,817		-
Prepaid expenses and deposits	6		58,984		73,539
Deferred charges	7		97,835		57,579
Right-of-use asset, net	10		972,998		983,500
Property and equipment, net	9		2,358,927		2,711,496
Total Assets		$	5,500,546	$	5,224,062
LIABILITIES					
Accounts payable and accrued liabilities	11	$	1,910,692	$	1,505,933
Deferred revenue	12		455,986		385,627
Current portion of loans payable	13		81,197		51,947
Current portion of lease liabilities	14		337,947		298,798
Total Current Liabilities		$	2,785,822	$	2,242,305
Lease liabilities	14		2,154,634		1,787,566
Loans payable	13		89,372		143,402
Total Liabilities		$	5,029,828	$	4,173,273
SHA2358927`REHOLDERS' EQUITY (DEFICIT)					
Share capital	15	$	13,726,406	$	12,355,101
Subscriptions received	15,24				183,000
Contributed surplus	16		1,791,819		1,329,655
Deficit			(15,047,507)		(12,816,967)
Total Shareholders' Equity (Deficit)		$	470,718	$	1,050,789
Total Liabilities and Shareholders' Equity (Deficit)		$	5,500,546	$	5,224,062

Nature of operations (Note 1)
Commitments and contingencies (Note 17)
Approved by the Board of Directors:

"James McInnes"
Director (Signed)

"Ted Sehl"
Director (Signed)

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

Odd Burger Corporation
Unaudited Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
For the six months ended March 31, 2023 and March 31, 2022
(Expressed in Canadian dollars)

	Note	Unaudited Three months ended March 31, 2023	Unaudited Three months ended March 31, 2022	Unaudited Six months ended March 31, 2023	Unaudited Six months ended March 31, 2022
REVENUE					
Food sales		$ 704,164	$ 634,284	$ 1,466,303	$ 1,314,511
Franchise and Property Revenue		44,911	7,224	64,283	14,153
TOTAL REVENUE		$ 749,075	$ 641,508	$ 1,530,586	$ 1,328,664
Cost of goods sold	21	580,005	638,850	1,292,215	1,297,857
GROSS MARGIN		$ 169,070	$ 2,658	$ 238,370	$ 30,807
Selling, general and administrative	21	$ 481,788	$ 376,511	$ 943,645	$ 791,443
Salaries and wages		409,760	460,693	802,762	1,026,914
Professional fees		211,104	110,401	619,420	332,275
Interest expense		77,108	54,088	147,036	107,387
		$ 1,179,760	$ 1,001,693	$ 2,512,862	$ 2,2,258,019
NET LOSS AND COMPREHENSIVE LOSS BEFORE THE UNDERNOTED ITEMS		$ (1,010,690)	$ (999,035)	$ (2,274,492)	$ (2,227,212)
OTHER ITEMS					
Other income		$ 73,415	$ 284	$ 74,716	$ 15,634
Finance income on lease receivables		22,169		27,884	
Gain (loss) on disposal of property and equipment, net		(57,455)	(1,080)	(57,455)	5,464
Other expenses		-	2,873	1,193	5,222
NET LOSS AND COMPREHENSIVE LOSS		$ (972,561)	$ (1,002,704)	$ (2,230,540)	$ 2,221,336
Loss Per Share					
Basic and diluted		$ (0.01)	$ (0.01)	$ (0.03)	$ (0.03)
Weighted average number of common shares outstanding – Basic and Diluted		89,794,173	82,838,918	87,910,032	70,892,356

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

Odd Burger Corporation (formerly operating as Globally Local) (formerly Black Lion Corporation)
Unaudited Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficit)
For the six months ended March 31, 2023 and March 31, 2022
(Expressed in Canadian dollars)

	Note	Number of Shares		Share Capital		Subscriptions Received		Contributed Surplus		Deficit		Total
Balance September 30, 2021		82,838,918	$	11,613,438	$	-	$	516,873	$	(8,531,231)	$	3,599,080
Issuances of Private Placement		1,250,000		392,407				107,593				500,000
Stock based compensation expense	16	-		-		-		408,313		-		408,313
Net loss and comprehensive loss for the period		-		-		-				(2,211,336)		(2,2,211,336)
Unaudited balance March 31, 2022		84,088,918		12,005,845				1,032,779		(10,742,567)		2,296,057
Balance September 30, 2022		85,161,418	$	12,355,101	$	183,000	$	1,329,655	$	(12,816,967)	$	1,050,789
Issuances of Private Placement	15	6,257,999		1,371,305		(183,000)		260,218				1,448,523
Subscriptions received												
Stock based compensation expense	16							201,946				201,946
Net loss and comprehensive loss for the period										(2,230,540)		(2,230,540)
Unaudited balance March 31, 2023		91,419,417	$	13,726,406	$	-	$	1,791,819	$	(15,047,507)	$	470,718

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

Odd Burger Corporation (formerly operating as Globally Local) (formerly Black Lion Corporation)
Unaudited Condensed Interim Consolidated Statements of Cash Flow
For the six months ended March 31, 2023 and March 31, 2022
(Expressed in Canadian dollars)

	Note		Unaudited Six months ended March 31, 2023		Unaudited Six months ended March 31, 2022
OPERATING ACTIVITIES					
Net loss and comprehensive loss for the period		$	(2,230,540)	$	(2,211,336)
Adjustments					
Depreciation expense	9,10		322,010		276,406
Loss on disposal of property and equipment			57,456		
Gain on derecognition of right-of-use asset	10		(12,032)		-
Interest accretion on lease liabilities	14		138,166		74,666
Interest accretion on loans	13		1,193		2,202
Finance income on lease receivables	8		(27,884)		-
Share based compensation expense	16		201,945		408,313
Expected credit loss expense			15,369		-
		$	(1,534,317)	$	(1,449,749)
Changes in non-cash working capital	22		85,437		(448,730)
Cash flows used in operating activities		$	(1,448,880)		(1,897,479)
INVESTING ACTIVITIES					
Purchase of property and equipment	9		-		(792,783)
Disposal of property and equipment			7,920		8,984
Collection of lease receivable	8		19,909		-
Net cash provided by (used in) investing activities		$	27,829		(783,799)
FINANCING ACTIVITIES					
Proceeds from finance leases	14		-		403,906
Payments of lease liabilities	14		(267,080)		(148,034)
Repayment of loans payable	13		(25,974)		(32,478)
Proceeds from issuance of common shares and warrants for cash, net	15		1,448,525		500,000
Net cash provided by financing activities		$	1,155,471		723,394
Increase (decrease) in cash		$	(265,580)		(1,957,884)
Cash, beginning of period			436,085		2,753,343
Cash, end of period		$	170,505		795,459

Supplemental disclosure				
Cash interest paid (received), net	$	107,944	$	87,587
Cash taxes paid (received)		(449)-		(-)

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

1. Nature of Operations

Odd Burger Corporation, (formerly Black Lion Capital Corp.) ("Odd Burger" or the "Company") was incorporated under the Canada Business Corporations Act (British Columbia) on January 20, 2015. On April 13, 2021, the Company completed a transaction with 2204901 Ontario Inc. (operating as Globally Local) ("GL"), a private company continued under the Business Corporations Act (Ontario), which constituted a reverse takeover by GL and changed its name to "Globally Local Technologies Inc.". Because GL is considered to be the acquirer, these unaudited condensed consolidated interim financial statements are a continuation of the financial statements of GL adjusted to reflect the legal capital of the Company. On April 16, 2021, the Company commenced trading on the TSX Venture Exchange ("TSXV") under the symbol "GBLY". Subsequently, on June 16, 2021, Globally Local Technologies Inc. changed its name and rebranded as Odd Burger Corporation. With the subsequent name change, the Company now trades under the symbol "ODD." The Company's registered office is located at 505 Consortium Court, London, ON, N6E 2S8. References herein to "Odd Burger" or the "Company" refer to Odd Burger Corporation and its subsidiaries, unless specifically noted otherwise.

Odd Burger is a plant-based food technology company that manufactures and distributes industry-leading plant-based protein and dairy alternatives using locally sourced and sustainable ingredients. The Company distributes its products through a proprietary food service line to Company-owned and franchised fast-food restaurants. Its locations operate as smart kitchens, which use state-of-the art cooking technology and automation solutions to deliver a delicious food experience to customers craving healthier and more sustainable fast food. The Company operates with small store footprints optimized for delivery and takeout, advanced cooking technology, competitive pricing, and a vertically integrated supply chain.

Basis of measurement and going concern

These unaudited condensed interim consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to realize its assets and satisfy its liabilities in the normal course of business for the foreseeable future. Management is aware, in making its going concern assessment, of recurring losses and on-going negative cash flow that may cast significant doubt on the Company's ability to continue as a going concern.

The continued operations of the Company are dependent on future profitable operations, management's ability to manage costs, and the future availability of equity or debt financing. Whether and when the Company can generate sufficient operating cash flows to pay for its expenditures and settle its obligations as they fall due is uncertain. These unaudited condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material.

These unaudited condensed interim consolidated financial statements were approved by the Company's Board of Directors on May 29, 2023.

Impacts of COVID-19

The COVID-19 pandemic has impacted Canadians and economies around the world. The restaurant and food services industry has experienced significant business disruptions since March 2020, as a result of mandated restaurant closures and other restrictive measures. While the length of this pandemic is uncertain and government-imposed restrictions continue to evolve, the Company remains focused on the health and safety of its customers, employees, and franchise partners.

In March 2020, the Company swiftly implemented remote work from home protocols for the corporate management team, focused on off-premises sales and delivery channels and strengthened online promotional and advertising campaigns. The Company is continuing to apply for government subsidies where applicable.

2. Basis of Presentation

Basis of preparation

These unaudited condensed interim consolidated Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board (IASB) and should be read in conjunction with the Company's consolidated financial statements as at and for the year ended September 30, 2022 ("last annual financial statements"). They do not include all the information and disclosures required for a complete set of financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

These unaudited condensed interim consolidated financial statements were prepared using the accounting policies described in Note 2 in the last annual financial statements. When preparing the financial statements, management makes estimates and judgments that impact the reported amounts of revenues and expenses, assets, and liabilities. These estimates are based on a number of factors, including historical experience, current events including but not limited to the COVID-19 pandemic and actions that the Company plans to undertake in the future, and other assumptions believed to be reasonable under the circumstances. By their nature, these estimates and judgments are subject to measurement uncertainty and actual results could differ.

Basis of presentation and consolidation

These unaudited condensed interim consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. Transactions and balances between the Company and its consolidated entities have been eliminated on consolidation. The principal wholly owned subsidiaries of the Company that have been consolidated are as follows:

Name of Entity	Incorporation Date
Odd Burger Ltd.	Amalgamated April 13, 2021
Odd Burger Franchise Inc.	May 31, 2019
Odd Burger Franchise (US) Inc.	April 7, 2022
Preposterous Foods Inc.	February 26, 2018
Globally Local Real Estate Inc.	November 9, 2020
Odd Burger Restaurants Inc.	November 23, 2020

These unaudited condensed interim consolidated financial statements have been prepared on an accrual basis and are based on historical costs, modified where applicable. The presentation and functional currency of the Company is the Canadian dollar. In the opinion of the Company's management, all adjustments considered necessary for a fair presentation have been included.

Significant estimates and assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, estimates, and assumptions that affect the application of accounting policies, the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses during the period. Actual results may differ from these estimates. The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

Seasonality

Results of operations for the interim period are not necessarily indicative of the results of operations of the full year. Sales are subject to seasonal fluctuations due to consumer spending patterns and the impact of COVID-19. The Company may also experience quarterly variances in its operating results as its revenues may be subject to fluctuations resulting from a number of factors such as economic conditions, the effect of severe weather and the number of restaurant locations.

3. Recently Adopted Accounting Standards

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's unaudited condensed interim consolidated financial statements.

4. Accounts receivable and other receivables

		(Unaudited) March 31, 2023		September 30, 2022
Trade receivable	$	158,674	$	62,032
Expected credit loss		(1,273)		686
	$	157,401	$	61,346
HST receivable		92,814		74,839
Lease receivable – current portion		10,971		17,029
Other receivable		6,727		2,976
	$	267,913	$	156,190

At March 31, 2023, other receivables include $1,600 (September 30, 2022- $1,377) on account with a supplier and $5,127 (September 30, 2022- $1,599) of sundry receivables.

5. Inventory

Inventories are comprised of the following:

		(Unaudited) March 31, 2023		September 30, 2022
Raw materials	$	26,339	$	68,327
Manufactured food		148,047		113,526
Packaging and supplies		42,646		46,850
	$	217,032	$	228,703

Inventories are stated at the lower of cost or net realizable value. The Company periodically reviews the value of items in inventory and provides write-downs or write-offs of inventory based on its assessment of saleability and quality. The Company has not recorded an obsolescence provision in the period ($Nil September 2022).

Raw materials, manufactured food and packaging and supplies recognized as cost of sales for the three and six month periods ended March 31, 2023, amounted to $323,003 and $615,968 (2022 $267,670 and $576,462).

6. Prepaid expenses and deposits

	Unaudited March 31, 2023				September 30, 2022			
		Current		Non-current		Current		Non-current
Prepaid expenses	$	210,094	$	12,034	$	32,761	$	26,589
Security deposits		65,274		44,926		63,250		46,950
	$	275,368	$	56,960	$	96,011	$	73,539

7. Deferred charges

		Unaudited March 31, 2023		September 30, 2022
Current	$	159,317	$	79,140
Non-current		97,835		57,579
	$	257,152	$	136,719

Deferred charges represent incremental costs to incur contracts with customers $109,551 (September 30, 2022 - $64,119) and other deferred charges $147,600 with respect to preparing for Nasdaq public offering (September 30, 2022 $ 72,600).

8. Lease Receivable

		(Unaudited) March 31, 2023		September 30, 2022
Lease receivable	$	905,056	$	433,053
Expected credit losses		29,211		14,205
	$	875,845	$	418,848
Current portion		40,181		17,029
	$	835,663	$	401,819

The Company is considered an intermediate lessor on two restaurant premises subleased commencing in fiscal 2022. The following table presents the contractual undiscounted cash inflows for lease receivables at March 31, 2023:

		Unaudited March 31, 2023
Within one year	$	141,798
1 to 2 years		155,678
2 to 3 years		156,678
3 to 4 years		157,178
4 to 5 years		161,157
Thereafter		820,436
Total undiscounted lease receivable	$	1,592,925
Unearned finance income		(687,870)
Expected credit losses		(29,211)
Total lease receivable	$	875,845

9. Note Receivable

		(Unaudited) March 31, 2023		September 30, 2022
Note Receivable	$	58,818	$	-

The Company franchised a location that it has started to construct originally as a corporate restaurant. The Franchisee was given a $75,000 note to pay for the assets, to be repaid over 10 years at an interest rate of 4.5%. Management assessed the valuation of this financial instrument to fall under the fair value hierarchy level 2, using inputs that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices) from observable market data, and has estimated the implicit interest rate to be 10% and the note to be valued at $58,818.

		Unaudited March 31, 2023
Within one year	$	9,327
1 to 2 years		9,327
2 to 3 years		9,327
3 to 4 years		9.327
4 to 5 years		9.327
Thereafter		46,640
Total undiscounted lease receivable	$	93,275
Unearned finance income		34,457
Total note receivable	$	58,818

10. Property and Equipment

		Computers		**Furniture and Equipment**		**Leaseholds**		**Vehicles**		**Total**
Cost:										
Balance September 30, 2021	$	57,166	$	966,027	$	1,513,964	$	38,000	$	2,575,157
Additions		14,928		245,849		948,866		-		1,209,643
Impairment		(42)		(3,133)		(42,040)		-		(45,215)
Reclassification to assets held for sale		(307)		(22,675)		(304,300)		-		(327,282)
Disposals		-		(4,190)		-		-		(4,190)
Balance September 30, 2022	$	71,745	$	1,181,878	$	2,116,490	$	38,000	$	3,408,113
Additions										
Disposals		-		9,899		114,296		-		124,195
Unaudited balance March 31, 2023		71,745		1,171,979		2,002,194		38,000		3,283,918
Accumulated Depreciation:										
Balance September 30, 2021	$	22,742	$	142,162	$	73,609	$	33,721	$	272,234
Depreciation		19,676		219,860		184,135		2,737		426,408
Disposals		-		(2,025)		-		-		(2,025)
Balance September 30, 2022	$	42,418,	$	359,997	$	257,744	$	36,458	$	696,617
Depreciation		8,579		114,451		104,865		479		228,374
Disposals		-		-		-		-		-
Unaudited balance March 31, 2023	$	50,997		474,448		362,609		36,937		924,991
Net book value September 30, 2022	$	29,327	$	821,881	$	1,858,746	$	1,542	$	2,711,496
Net book value March 31, 2023 (unaudited)	$	20,748	$	697,531	$	1,639,585	$	1.063	$	2,358,927

At March 31, 2023, capital assets in the course of construction amounted to $NIL (September 30, 2022 $136,098). Commitments for the acquisition of capital assets amounted to $644,250 (September 30, 2022 $644,250).

10. Right-of-use Asset

The Company's leased assets include restaurant premises, its production facility and restaurant equipment. Lease liabilities are measured at the present value of the remaining base rent payments, discounted using the Company's incremental cost of borrowing at the date of initial recognition. Right-of-use assets are measured at an amount equal to the lease liabilities at inception and adjusted by the amount of any prepaid or accrued lease payments.

In calculating the underlying right-of-use assets and corresponding lease liabilities, management utilized an average incremental cost of borrowing of 12.3%.

The following schedule shows the movement in the Company's right-of-use assets during the period.

Right-of use assets (ROU)		**Premises**		**Equipment**		**Total**
Balance as of September 30, 2021	$	1,342,514	$	-	$	1,342,514
Additions		229,322		15,855		245,177
Disposals		(229,887)		-		(229,887)
Remeasurement of leases		(40,147)		-		(40,147)
Balance as of September 30, 2022	$	1,301,802	$	15,855	$	1,317,657
Additions		256,011				256,011
Disposals		(260,180)				(260,180)
Remeasurement		80,903				80,903
Balance as of March 31, 2023 (unaudited)	$	1,378,536	$	15,855	$	1,394,391
Accumulated Depreciation						
Balance as of September 30, 2021	$	160,579	$	-	$	160,579
Depreciation		173,652		3,966		177,618
Disposals		(2,951)		-		(2,951)
Remeasurement of leases		(1,088)		-		(1,088)
Balance as of September 30, 2022	$	330,192	$	3,966	$	334,158
Depreciation		90,330		3,305		93,635
Dispositions		(6,398)				(6,398)
Balance as of March 31, 2023 (unaudited)	$	414,124	$	7,271	$	421,395
Net book value, September 30, 2022	$	971,611	$	11,889	$	983,500
Net book value, March 31, 2023 (unaudited)	$	964.414	$	8,584	$	972,998

The right-of-use assets are depreciated on a straight-line basis over the lease terms which range from 2 to 10 years.

11. Accounts Payable and Accrued Liabilities

		(Unaudited) March 31, 2023		September 30, 2022
Trade payables	$	722,181	$	609,469
Accrued liabilities and other payables		1,188,511		896,464
	$	1,910,692	$	1,505,933

12. Deferred Revenue

		(Unaudited) March 31, 2023		September 30, 2022
Franchise fees and deposits	$	445,015	$	380,274
Other		10,971		5,353
Deferred revenue	$	455,986	$	385,627

Under the terms of the franchise agreements a portion of the funds pertaining to pre-opening support services are to be recognized upon a franchisee's initial operational commencement. The remainder of the funds are to be amortized over the life of the franchise agreements which range from 5 to 10 years.

13. Loans Payable

The following schedule shows the movement in Loans payable for the six months ended December 31, 2022:

Balance as of September 30, 2022	$	195,349
Interest expense		8,103
Payments		(32,884)
Balance as of March 31, 2023 (unaudited)	$	170,569

Loans payable were comprised of the following:

Loans Payable		**Unaudited March 31, 2023**		**September 30, 2022**
Floating base rate plus 4.7%, amortized over 6 years. Secured by first interest in certain equipment.	$	57,005	$	69,233
Floating base rate plus 1%, amortized over 5 years. Secured by guarantee of CEO and COO.		3,750		6,000
Prime rate plus 3%, amortized over 5 years. First ranking and specific security interest in equipment and leaseholds.		49,814		61,309
Canadian Emergency Business Account, two loans of $30,000 each, interest free until December 31, 2023.		60,000		58,807
Subtotal	$	170,569	$	195,349
Less: current portion of loans payable		111,197		51,947
Non-current loans payable	$	59,372	$	143,402

14. Lease Liabilities

The following schedule shows the movement in the Company's lease liability related to premise and equipment leases during the six months ended March 31, 2023:

Lease Liabilities		**Right of Use Assets**		**Equipment Finance Leases**		**Total**
Balance September 30, 2022	$	1,577,465	$	508,899	$	2,086,364
Interest expense		108,885		29,281		138,166
Lease payments		(167,609)		(99,471)		(267,080)
Remeasurement		73,801		-		73,801
Additions		461,330		-		461,330
Balance March 31, 2023 (unaudited)	$	2,053,870	$	438,709	$	2,492,581
Less current portion of lease liabilities		189,197		148,750		337,947
Lease liabilities	$	1,864,673	$	289,959	$	2,154,634

The Company has equipment leases with terms varying from 3 to 5 years and implicit interest rates between 4.0% to 17.43%. The Company has chosen not to recognise a lease liability for leases with an expected term of twelve months or less or for leases of low value assets.

The following table sets forth the undiscounted future lease payments to be made:

Future Lease Payments	**Right of Use Assets**	**Equipment Finance Leases**	**Total**
Within one year	$ 409,094	$ 194,459	$ 603,533
1 to 2 years	434,603	186,958	621,561
2 to 3 years	362,774	141,081	503,855
3 to 4 years	335,054	47,283	382,337
4 to 5 years	341,297	1,866	343,183
After 5 years	1,450,552	-	1,450,552
Total	$ 3,324,999	$ 571,667	$ 3,905,041

15. Share Capital

Authorized share capital

The Company is authorized to issue an unlimited number of common shares.

Outstanding share capital

On March 31, 2022, the Company issued 1,250,000 common shares in a private placement. The private placement proceeds of $500,000 was allocated to the common shares and warrants issued based on their relative fair values.

On May 10, 2022, the Company issued 822,500 common shares in a private placement. The private placement proceeds of $329,000 was allocated to the common shares and warrants issued based on their relative fair values.

On June 9, 2022, the Company issued 250,000 common shares in a private placement. The private placement proceeds of $100,000 was allocated to the common shares and warrants issued based on their relative fair values.

On October 7, 2022, the Company issued 979,999 common shares in a private placement. The private placement proceeds of $343,000 was allocated to the common shares and warrants issued based on their relative fair values.

On February 3rd, 2023 the Company completed a private placement and issued 5,278,000 common shares. The placement proceeds of $1,319,500 was allocated to common shares and warrants issued based on their relative fair values. The Company paid a commission to agent so of cash of $5,950 and23,800 finders' options, for the purchase of unit at the exercise price of $0.25, for a period of 24 months from the closing date.

16. Stock Options

Stock Options

The Company's Board of Directors approved a stock incentive plan in accordance with the policies of the Canadian Securities Exchange (the "Exchange"). The Board of Directors is authorized to grant options to directors, officers, consultants, or employees to acquire up to 10% of the issued and outstanding common shares of the Company. The exercise price will not be less than $0.10 per share and the market price of the common shares on the trading day immediately preceding the date of the grant, less applicable discounts permitted by the Exchange. The options that may be granted under this plan must be exercisable for over a period not exceeding 5 years. The Company records an expense and credits contributed surplus for all options granted. The stock options granted to employees, directors, and officers vest as one third on the first anniversary of the date of the grant; one third on the second anniversary of the date of the grant and one third on the third anniversary of the date of the grant.

The following table summarizes the continuity of the Company's stock options at March 31, 2023, and the changes for the period then ended:

	Number of Options		**Weighted Average Exercise Price**
Outstanding September 30, 2022	4,821,952	$	0.56
Granted	150,000		0.40
Forfeited or Expired	(233,333)		1.14
Outstanding March 31, 2023	4,738,619	$	0.53

As at March 31, 2023, the weighted average remaining life of stock options was 3.43 years.

Grant Date		Exercise Price	Stock Options Outstanding	Stock Options Exercisable	Expiry Date
April 13, 2021	$	0.40	3,572,619	1,201,983	April 13, 2026
April 27, 2021	$	1.20	100,000	33,333	April 27, 2026
June 4, 2021	$	1.22	481,000	160,333	June 4, 2026
August 31, 2021	$	1.00	90,000	30,000	August 31, 2026
December 31, 2021	$	0.75	195,000	65,000	December 31,2026
August 22, 2022	$	0.40	150,000	-	August 22, 2027
October 11, 2022	$	0.4	150,000	-	October 11, 2027
			4,738,619	1,490,649	

The weighted average price of stock options vesting in the six months ended March 31, 2023, was $0.75. Stock options may expire at an earlier date upon termination of services.

Share based compensation expense is determined using the Black-Scholes option pricing model. During the six months ending March 31, 2023, the Company recognized share-based compensation expense of $201,945 (2022 – $408,314) in equity reserves, of which $176,627 (2022 -- $367,104 pertains to directors and officers of the Company. The assumptions used in calculating the fair value of share-based compensation expense for the options granted to directors, officers and employees are as follows: Risk free interest rate of between 0.83% to 3.62%, dividend yield of 0%, expected volatility of 55% to 66%, and expected life of 5 years.

Warrants

	Expiry Date	Exercise Price	Outstanding September 30, 2022	Issued	Exercised	Outstanding March 31, 2022
Broker's warrants	April 13, 2023	$ 0.40	515,500	-	-	515,500
Private placement, March 31, 2022	March 31, 2024	$ 0.60	1,250,000	-	-	1,250,000
Private placement, May 10, 2022	May 10, 2024	$ 0.60	822,500	-	-	822,500
Private placement, June 9, 2022	June 9, 2024	$ 0.60	250,000	-	-	250,000
Private placement October 7, 2022	October 7, 2024	$0.55	-	979,999	-	979,999
Private Placement January 24, 2023	January 24, 2025	$ 0.40		3,318,000		3,318,000
Broker's Warrants	January 24, 2025	$ 0.40		23,800		23,800
Broker's Warrants	January 24, 2025	$0.25		23,800		23,800
Private Placement February 3, 2023	February 3, 2025	$ 0.40		1,960,000		1,960,000
			2,838,000	6,305,599	-	9,143,599

	Expiry Date	Exercise Price	Outstanding September 30, 2021	Issued	Exercised	Outstanding September 30, 2022
Broker's warrants	April 13, 2023	$ 0.40	515,500	-	-	515,500
Private placement, March 31, 2022	March 31, 2024	$ 0.60		1,250,000	-	1,250,000
Private placement, May 10, 2022	May 10, 2024	$ 0.60		822,500	-	822,500
Private placement, June 9, 2022	June 9, 2024	$ 0.60		250,000	-	250,000
			515,500	2,322,500	-	2,838,000

The fair value of the broker's warrants issued for agents' services was determined to be $122,640 by using the Black Scholes Option Pricing model and the following assumptions: Risk free interest rate of 0.75%; dividend yield of 0%, expected volatility of 66%, expected life of 2 years, forfeiture rate of 0%.

The fair value of the warrants issued in connection with the March 31, 2022, private placement was determined to be $147,375 by using the Black Scholes Option Pricing model and the following assumptions: Risk free interest rate of 2.27%, dividend yield of 0%, expected volatility of 66.6%, and expected life of 2 years.

The fair value of the warrants issued in connection with the May 10, 2022, private placement was determined to be $71,393 by using the Black Scholes Option Pricing model and the following assumptions: Risk free interest rate of 2.67%, dividend yield of 0%, expected volatility of 65.5%, and expected life of 2 years.

The fair value of the warrants issued in connection with the June 9, 2022, private placement was determined to be $20,175 by using the Black Scholes Option Pricing model and the following assumptions: Risk free interest rate of 3.07%, dividend yield of 0%, expected volatility of 63.4%, and expected life of 2 years.

The fair value of the warrants issued in connection with the October 7, 2022, private placement was determined to be $80,850 by using the Black Scholes Option Pricing model and the following assumptions: Risk free interest rate of 3.55%, dividend yield of 0%, expected volatility of 57.0%, and expected life of 2 years.

The fair value of the warrants and broker's warrants issued in connection with the January 24, 2023, private placement was determined to be $170,635 by using the Black Scholes Option Pricing model and the following assumptions: Risk free interest rate of 2.93%, dividend yield of 0%, expected volatility of 53.5%, and expected life of 2 years.

The fair value of the warrants issued in connection with the February 3, 2023, private placement was determined to be $72,128 by using the Black Scholes Option Pricing model and the following assumptions: Risk free interest rate of 3.05%, dividend yield of 0%, expected volatility of 53.5%, and expected life of 2 years.

The weighted average exercise price of warrants outstanding at March 31, 2023 was $0.47.

17. Commitments and Contingencies

The Company has been named as a defendant in an employment matter. The amount claimed is $320,000. A trial date has not been set, therefore it is not possible to estimate the timing of payment, if any. While not admitting guilt, the Company has offered a $20,000 settlement in the case and has recorded a similar amount as a provision in these financial statements.

The Company is subject to various claims by third parties arising out of the normal course and conduct of its business, including, but not limited to, labour and employment, regulatory, franchisee related, COVID-19 related rent concessions and environmental claims. In addition, the Company is potentially subject to regular audits from federal and provincial tax authorities relating to income, commodity, and capital taxes and as a result of these audits may receive assessments and reassessments. Although such matters cannot be predicted with certainty, management currently considers the Company's exposure to such claims and litigation, to the extent not covered by the Company's insurance policies or otherwise provided for, not to be material to these unaudited condensed interim consolidated financial statements.

Since 2020, the Canadian federal government made certain government support programs available to eligible entities as part of its COVID-19 economic response plan. The Company applied and received support under the CanExport for business (SMEs), Canada Emergency Wage Subsidy ("CEWS"), Canada Emergency Commercial Rent Assistance ("CECRA") and Canada Emergency Business Account ("CEBA") programs. Each applicant's eligibility for these programs is subject to validation and detailed verification by the federal government. Due to nature of the eligibility requirements and related calculations, it is possible that the eligibility requirements may not be considered to be met upon validation, and as such the benefits received may be repayable.

18. Related Party Transactions

The Company's policy is to conduct all transactions with related parties to align with market terms and conditions. Key management personnel are those persons who have the authority and the responsibility for planning, directing, and controlling the activities of the Company and/or its subsidiaries directly or indirectly, including any external director of the Company and/or its subsidiaries. Key management includes the Company's Chief Executive Officer, Chief Operating Officer and Chief Financial Officer and its external directors.

Compensation of key management during the period is as follows:

	Unaudited Three months ended March 31, 2023	**Unaudited Three months ended March 31, 2022**	**Unaudited Six months ended March 31, 2023**	**Unaudited Six months ended March 31, 2022**
Salaries, social charges and other personnel expenses	$ 122,510	$ 134,927	$ 259,839	$ 251,200
Share based payments*	-	-	27,855	55,110
	$ 122,510	$ 134,927	$ 287,694	$ 306,310

*Black-Scholes fair value at time of issue

In March 2022, in connection with a private placement, the company issued 1,250,000 common shares and 1,250,000 warrants to purchase the company's common stock to two Officers of the Company (Notes 15 and 16).

In June 2022, in connection with a private placement, the company issued 250,000 common shares and 250,000 warrants to purchase the company's common stock to two Officers of the Company (Notes 15 and 16).

In October 2022, in connection with a private placement, the company issued 285,714 common shares and 285,714 warrants to purchase the company's common stock to two Officers of the Company (Notes 15 and 16).

In October 2022, in connection with a private placement, the company issued 142,857 common shares and 142,857 warrants to purchase the company's common stock to an entity controlled by a director of the Company.

In January 2023, in connection with a private placement 400,000 common shares and 400,000 warrants to purchase the Company's common stock were issued to an entity controlled by a director of the Company.

In February, 2023, in connection with a private placement, 350,000 common shares and 350,000 warrants to purchase the Company's common stock were issued to a director of the Company.

In March 2022, the Company entered into an area representative agreement with Sai-Ganesh Enterprises (SGE). Subsequent to this, on September 29, 2022, Utsang Desai, President of SGE was appointed to the Board of Directors of the Company. Included in accounts payable and accrued liabilities at March 31, 2023 is an amount of $73,500

(September 30, 2022 - $33,451) representing SGE's share, pursuant to the area representative agreement, of initial franchise fees collected during the period. The related costs are recognized over the term of the franchise agreements.

19. Capital Management

The Company's objective in managing capital is to ensure a sufficient liquidity to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Company defines capital as net equity and debt, comprised of issued common shares, warrants, contributed surplus and accumulated deficit, as well as mortgages and loans payable. The Company seeks to ensure that it has sufficient cash resources to maintain its ongoing operations and finance its corporate and administration expenses, working capital and overall capital expenditures. The Company historically has relied on private placements of common shares and debt and more recently equity markets, to fund its activities.

There have been no changes to the Company's objectives and what it manages as capital since the prior fiscal year. The Company is not subject to externally imposed capital requirements.

20. Financial Instruments and Risk Management

Financial Instruments

The Company initially recognizes cash, accounts receivable, and accounts payable and accrued liabilities on the date they originate. All other financial assets and financial liabilities are initially recognized on the trade date when the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability. The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company measures financial instruments by grouping them into classes upon initial recognition, based on the purpose of the individual instruments. The Company initially measures all financial instruments at fair value plus, in the case of financial instruments not classified as FVTPL, transaction costs that are directly attributable to the acquisition or issuance of the financial instruments.

Fair Value

As at March 31, 2023 the carrying amounts of the Company's financial instruments which include cash, accounts receivable and other receivables, accounts payable and accrued liabilities are approximately equivalent to their fair values due to the relatively short periods to maturity of these instruments.

Fair Value Hierarchy

Financial instruments recorded at fair value are classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The hierarchy is summarized as follows:

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.

Level 3 – inputs for assets and liabilities not based upon observable market data.

Financial Risk Factors

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

Credit risk and concentration

Financial instruments that potentially subject the Company to credit risk consist primarily of cash, accounts receivable and other receivables and lease receivables. Cash is maintained at Canadian financial institutions, and accounts receivable and other receivables primarily comprise amounts due from customers and sales tax refunds. Lease receivables are due from franchisees. The Company has no significant concentration of credit risk arising from operations.

The aging of the company's trade receivables and lease receivables as at March 31, 2023 and September 30, 2022 was as follows:

March 31, 2023	Current	1-30 days	30-60 days	>60 days	Total
Trade receivable	$ 22,451	$ 67,932	$ 11,172	$ 455	$ 102,010
Expected loss rate	0.5%	0.8%	3.0%	8.0%	
Loss provision	112	567	355	34	1,049
Lease receivable	905,056				
Expected loss rate	3.2%				
Loss provision	29,211				

September 30, 2022	Current	1-30 days	30-60 days	>60 days	Total
Trade receivable	$ 37,612	$ 22,940	$ 678	$ 802	$ 62,032
Expected loss rate	1.0%	1.0%	3.0%	7.5%	
Loss provision	376	229	21	60	686
Lease receivable	433,053	-	-	-	-
Expected loss rate	3.3%	-	-	-	-
Loss provision	14,205	-	-	-	-

Liquidity risk

Liquidity risk relates to the risk the Company will encounter difficulty in meeting its obligations associated with financial liabilities. The financial liabilities on its unaudited interim consolidated statements of financial position consist of accounts payable and accrued liabilities, loans payable and lease liabilities. Management closely monitors cash flow requirements and future cash flow forecasts to ensure it has access to funds from operations to meet operational and financial obligations. The continuing operations of the Company are dependent on its ability to raise adequate financing and to commence profitable operations in the future.

The following are the remaining contractual cash flows at the reporting date:

As at March 31, 2023 (unaudited)		**Within 1 year**	**Between 1 – 2 years**	**Between 2 – 5 years**	**Beyond 5 years**	**Total**
Trade and other payables	$	1,910,692				1,910,692
Loans payable		121,276	51,870	12,195		185,341
Lease liabilities		603,533	621,561	1,229,395	1,450,552	3,905,041
	$	2,653,501	673,431	1,241,590	1,450,552	6,001,074
As at September 30, 2022						
Trade and other payables	$	1,505,933	-	-	-	1,505,933
Loans payable		63,664	115,445	37,268	-	216,377
Lease liabilities		494,740	508,782	1,059,581	1,156,329	3,219,432
	$	2,064,337	624,227	1,096,849	1,156,329	4,941,742

Interest rate risk

The Company is subject to interest rate risk from its variable rate bank borrowings. As at March 31, 2023, a 1% change in prevailing interest rates would change the annualized interest charges incurred by $1,106 (September 30, 2022 - $1,365).

Commodity price risk

The Company is exposed to increases in the prices of commodities in operating its Company-owned restaurants. To manage this exposure, the Company uses purchase arrangements for a portion of its needs for certain consumer products that may be commodities based.

21. Expenses

Cost of goods sold is made up of the following items:

	Unaudited Three months ended March 31, 2023	Unaudited Three months ended March 31, 2022	Unaudited Six months ended March 31, 2023	Unaudited Six months ended March 31, 2022
Materials and services	$ 323,003	$ 267,670	$ 615,968	$ 576,462
Salaries and wages	195,894	311,519	546,412	608,460
Depreciation	61,108	59,661	129,835	112,935
	$ 580,005	$ 638,850	$ 1,292,215	$ 1,297,857

Selling, general and administrative expenses are made up of the following items:

	Unaudited Three months ended March 31, 2023	Unaudited Three months ended March 31, 2022	Unaudited Six months ended March 31, 2023	Unaudited Six months ended March 31, 2022
Advertising and investor relations	$ 97,630	$ 128,740	$ 201,139	$ 253,146
Depreciation	99,392	82,711	198,332	163,471
Rent and other occupancy costs	90,137	53,109	166,470	120,920
Other	194,629	111,951	377,704	253,906
	$ 481,788	$ 376,511	$ 943,645	$ 791,443

22. Non-Cash Working Capital

The change in non-cash working capital is comprised of the following:

		Unaudited Six months ended March 31, 2023		Unaudited Six months ended March 31, 2022
Accounts receivable and other receivables	$	(118,144)	$	279,172
Inventory		11,671		(63,398)
Prepaid expenses and deposits		(162,776)		97,559
Deferred charges		(120,433		-
Accounts payable and accrued liabilities		404,760		(894,851)
Deferred revenue		70,359		132,788
	$	85,437	$	(448,730)

23. Comparative amounts

Certain comparative figures have been reclassified to conform to current period presentation.

24. Subsequent events

In May, 2023 the Company cancelled its agreement to purchase a parcel of land from the City of London.

On May 10, 2023 the Company announced it has signed a non-binding letter of intent ("LOI") with 14728696 Canada Inc . o/a Earthlings Canada Inc. (the "Developer") to open 145 locations in India and 5 locations in Singapore over a period of 10 years. The Developer group is led by Utsang Desai, a director of the Company. On May 10, 2023 the Company announced it has started the process of transitioning its corporately owned restaurant locations to franchise operators. Odd Burger has signed a Consulting Agreement with Starke Corporation to act as its exclusive advisor to sell 6 corporate-owned Odd Burger locations to franchise operators. Odd Burger is expected to realize minimum net proceeds of CAD $1.5M in cash from the sale, after commissions. In connection with the Consulting Agreement, Odd Burger will issue Starke Corporation 1,800,000 stock options at a price of $0.15 , which will vest in tranches of 300,000 options as each location is sold. Starke Corporation will have 18 months to complete the sale, whereon any unexecuted options will expire, and unsold locations will continue to be operated by Odd Burger.

On May 10, 2023, the Company announced it has issued 150,000 stock options at a price of $0.15 to each Odd Burger board member and its corporate secretary, Trevor Wong-Chor . The board of directors is comprised of James McInnes (Chairman), Vasiliki McInnes , Edward (Ted) Sehl , Michael Fricker , Utsang Desai, Francois Arbour and Marc Goodman . The stock options shall vest in 1/3 increments on each of the 12-, 24- and 36-month anniversaries of grant.

On April 26, 2023 the Company announced it has signed a non-binding letter of intent ("LOI") with Zoglo's Food Corp. ("Zoglo's") (CNSX: ZOG) to acquire 100% of its issued and outstanding common shares and combine the businesses (the "Proposed Transaction"). Subsequently, on May 25, 2023 the Company announced that it could not reach an acceptable agreement with Zoglo’s and proposed transaction was cancelled.