Unaudited condensed consolidated interim financial statements of
MAV Beauty Brands Inc.

For the three and six months ended June 30, 2023 and 2022
(in US dollars)

MAV Beauty Brands Inc.

Unaudited consolidated interim statements of operations and comprehensive income (loss)
(Expressed in thousands of US dollars, except for share and per share amounts, unaudited)

	Notes	**Three months ended June 30, 2023**	Three months ended June 30, 2022	**Six months ended June 30, 2023**	Six months ended June 30, 2022
		$	$	**$**	$
Revenue	4	**20,671**	25,373	**39,926**	46,510
Cost of sales	7	**11,356**	14,616	**22,772**	26,436
Gross profit		**9,315**	10,757	**17,154**	20,074
Expenses					
Selling and administrative	12	**6,822**	7,622	**13,689**	14,347
Loss on modification of term loan	10	**—**	—	**1,502**	—
Amortization and depreciation		**772**	1,097	**1,548**	2,197
Interest and accretion	8	**2,823**	1,802	**5,208**	3,493
Foreign exchange (gain) loss		**31**	(144)	**(5)**	(76)
Integration, restructuring, and other	9	**1,083**	173	**1,297**	788
Total expenses		**11,531**	10,550	**23,239**	20,749
Income (loss) before income taxes		**(2,216)**	207	**(6,085)**	(675)
Income tax recovery					
Deferred		**—**	(57)	**—**	(307)
Net income (loss) for the period		**(2,216)**	264	**(6,085)**	(368)
Other comprehensive income, net of tax					
Unrealized change in fair value - cash flow hedge		**(530)**	423	**(1,008)**	1,277
Comprehensive income (loss) for the period		**(2,746)**	687	**(7,093)**	909
Earnings (loss) per common share					
Basic	5	**(0.06)**	0.01	**(0.17)**	(0.01)
Diluted	5	**(0.06)**	0.01	**(0.17)**	(0.01)
Weighted average number of common shares outstanding					
Basic	5	**36,897,400**	36,764,669	**36,875,522**	36,764,669
Diluted	5	**43,089,243**	43,394,567	**43,067,365**	43,064,613

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

MAV Beauty Brands Inc.

Unaudited consolidated interim statements of financial position

(Expressed in thousands of US dollars, except for share and per share amounts, unaudited)

	Notes	**As at June 30, 2023**	As at December 31, 2022
		$	$
Assets			
Current assets			
Cash		**8,212**	10,483
Trade and other receivables	6	**14,361**	14,586
Inventories	7	**26,104**	31,573
Prepaid expenses		**2,566**	2,134
Total current assets		**51,243**	58,776
Non-current assets			
Property and equipment		**1,941**	2,218
Derivative financial assets	10	**63**	1,071
Right-of-use asset		**1,990**	2,145
Intangible assets		**60,056**	61,024
Total assets		**115,293**	125,234
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**10,072**	11,408
Current portion of borrowings	10	**6,425**	6,425
Current portion of lease liability		**256**	256
Total current liabilities		**16,753**	18,089
Non-current liabilities			
Lease liability		**2,094**	2,204
Borrowings	10	**116,384**	118,215
Total liabilities		**135,231**	138,508
Shareholders' deficiency			
Share capital	11	**230,690**	230,543
Accumulated other comprehensive income (loss)		**(60)**	948
Equity-settled employee benefits reserve	12	**10,447**	10,165
Deficit		**(261,015)**	(254,930)
Total shareholders' deficiency		**(19,938)**	(13,274)
Total liabilities and shareholders' deficiency		**115,293**	125,234

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

MAV Beauty Brands Inc.

Unaudited consolidated interim statements of changes in shareholders' equity (deficiency)

(Expressed in thousands of US dollars, except for share and per share amounts, unaudited)

	Notes	Share capital	Equity-settled employee benefits reserve	Accumulated other comprehensive income (loss)	Deficit	Total shareholders' equity (deficiency)
		$	$	$	$	$
Opening balance as at January 1, 2022		230,354	8,825	(545)	(99,091)	139,543
Net loss for the period		—	—	—	(368)	(368)
Other comprehensive income, net of tax		—	—	1,277	—	1,277
Share-based compensation	12	—	601	—	—	601
Balance as at June 30, 2022		230,354	9,426	732	(99,459)	141,053
Opening balance as at January 1, 2023		**230,543**	**10,165**	**948**	**(254,930)**	**(13,274)**
Net loss for the period		**—**	**—**	**—**	**(6,085)**	**(6,085)**
Other comprehensive loss, net of tax		**—**	**—**	**(1,008)**	**—**	**(1,008)**
Share-based compensation	12	**147**	**282**	**—**	**—**	**429**
Balance as at June 30, 2023		**230,690**	**10,447**	**(60)**	**(261,015)**	**(19,938)**

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

MAV Beauty Brands Inc.

Unaudited consolidated interim statements of cash flows

(Expressed in thousands of US dollars, except for share and per share amounts, unaudited)

Cash flows provided by (used in):	Notes	Three months ended June 30, 2023	Three months ended June 30, 2022	Six months ended June 30, 2023	Six months ended June 30, 2022
		$	$	$	$
Operating activities					
Net income (loss) for the period		**(2,216)**	264	**(6,085)**	(368)
Adjustments to net income for non-cash items					
Amortization and depreciation		**772**	1,097	**1,548**	2,197
Amortization and accretion related to borrowings	8, 10	**138**	189	**380**	385
Loss on modification of term loan	10	**—**	—	**1,502**	—
Payable in-kind interest expense	10	**348**	—	**348**	—
Accretion of lease liability	8	**28**	43	**75**	88
Share-based compensation	12	**191**	338	**456**	601
Unrealized foreign exchange (gain) loss		**75**	(140)	**84**	(54)
Deferred income tax recovery		**—**	(57)	**—**	(307)
Cash flow from operations		**(664)**	1,734	**(1,692)**	2,542
Net changes in non-cash working capital	13	**2,665**	(442)	**3,630**	2,478
Cash provided by operating activities		**2,001**	1,292	**1,938**	5,020
Investing activities					
Purchase of property and equipment		**(70)**	(39)	**(112)**	(86)
Purchase of intangible assets		**(17)**	(20)	**(36)**	(27)
Payment of deferred consideration	3	**—**	—	**—**	(875)
Cash used in investing activities		**(87)**	(59)	**(148)**	(988)
Financing activities					
Repayment of borrowings and revolving facilities	10	**(1,606)**	(3,213)	**(3,212)**	(4,819)
Deferred financing costs	10	**(349)**	—	**(849)**	—
Cash used in financing activities		**(1,955)**	(3,213)	**(4,061)**	(4,819)
Decrease in cash		**(41)**	(1,980)	**(2,271)**	(787)
Cash, beginning of period		**8,253**	13,175	**10,483**	11,982
Cash, end of period		**8,212**	11,195	**8,212**	11,195
Supplemental cash flow information	13				

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

1. Description of the business

MAV Beauty Brands Inc. (the "Company") is a global personal care company selling hair care, body care and beauty products in Canada, the United States, and internationally. The Company offers various products through retail partners and distributors. The Company is headquartered at 100 New Park Place, Suite 810, Vaughan, Ontario, Canada, L4K 0H9.

The Company's common shares are listed on the Toronto Stock Exchange ("TSX") under the stock symbol "MAV".

The Company's fiscal year end is December 31. These unaudited condensed consolidated interim financial statements ("Interim Financial Statements") include the accounts and results of the Company and its wholly owned subsidiaries.

2. Significant accounting policies

Basis of presentation

The Interim Financial Statements are prepared in accordance with IAS 34 – *Interim Financial Reporting* ("IAS 34"). These Interim Financial Statements do not include all the information required for annual financial statements and should be read in conjunction with the Company's annual consolidated financial statements as at and for the year ended December 31, 2022. These Interim Financial Statements and the accompanying notes have been prepared using the accounting policies described in Note 2 to the 2022 annual consolidated financial statements.

The Interim Financial Statements were approved by the Board of Directors on August 8, 2023.

Basis of consolidation

The Interim Financial Statements incorporate the financial information of the Company and the subsidiaries over which the Company has control. An entity is controlled when the Company has the ability to direct the relevant activities of the entity, has exposure or rights to variable returns from its involvement with the entity and is able to use its power over the entity to affect its returns from the entity.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control as prescribed by IFRS 10 – *Consolidated Financial Statements*.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the unaudited consolidated interim statements of operations and comprehensive income (loss) from the date the Company gains control until the date when the Company ceases to control the subsidiary. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Company's accounting policies.

All intercompany assets and liabilities, equity, income, expenses and cash flows are eliminated in full.

(Expressed in thousands of US dollars except for share and per share amounts unless otherwise noted)

2. Significant accounting policies (continued)

Critical accounting estimates and judgments

The preparation of the Interim Financial Statements in conformity with IAS 34 requires management to make estimates, assumptions and judgments that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Such estimates relate to unsettled transactions and events as at the date of the Interim Financial Statements. Accordingly, actual results may differ from estimated amounts. Estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are applied prospectively.

3. Business combinations

Acquisition in 2019

On November 12, 2019, the Company acquired 100% of the outstanding units of The Mane Choice Hair Solutions LLC ("The Mane Choice"), a personal care product company, for a total consideration of $46,391. The consideration includes cash of $28,058, plus 2,463,963 exchangeable shares in the amount of $9,295, plus an earnout based on operating profit and revenue from continuing and new business in the amount of up to $10,038, less settlement of certain working capital accounts in the amount of $1,000, received in the second quarter of 2020.

Deferred consideration

During the six months ended June 30, 2022, the Company paid $875 of deferred consideration relating to The Mane Choice.

4. Segment information

The Company has one reportable and operating segment, which provides personal care products to consumers via retailers, distributors, and directly to consumers. This single reportable segment derives its revenue from the sale of such products.

The Company operates in two principal geographical areas, Canada/United States of America ("US"), and International ("International"), which represents all markets outside of Canada and the US.

The Company's revenue from external customers by location are detailed below:

	Revenue from external customers		Revenue from external customers	
	Three months ended June 30, 2023	Three months ended June 30, 2022	**Six months ended June 30, 2023**	Six months ended June 30, 2022
	$	$	**$**	$
Canada/US	**18,859**	22,920	**36,870**	42,771
International	**1,812**	2,453	**3,056**	3,739
	20,671	25,373	**39,926**	46,510

(Expressed in thousands of US dollars except for share and per share amounts unless otherwise noted)

4. Segment information (continued)

The Company's non-current assets by location of assets are detailed as below:

	Property and equipment	
	As at June 30, 2023	As at December 31, 2022
	$	$
Canada/US	**1,941**	2,218
International	**—**	—
	1,941	2,218

The Company's intangible assets are common across all locations. Therefore, management does not classify intangible assets on a location basis.

5. Income (loss) per share

Basic income (loss) per share is computed by dividing the net income (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted loss per share is computed similarly to basic income (loss) per share except that the weighted average number of shares outstanding is increased to include additional shares for the assumed conversion of preference shares, Proportionate Voting Shares, and exchangeable shares and exercise of stock options, if dilutive. The weighted average number of shares is calculated by assuming that outstanding conversions were exercised and that the proceeds from such exercises were used to acquire common shares at the average market price during the three and six months ended June 30, 2023.

Basic weighted average shares outstanding are reconciled to diluted weighted average shares outstanding, as follows:

	Three months ended June 30, 2023	Three months ended June 30, 2022	**Six months ended June 30, 2023**	Six months ended June 30, 2022
	#	#	**#**	#
Number of shares				
Weighted average common shares outstanding - Basic	**36,897,400**	36,764,669	**36,875,522**	36,764,669
Excluded from the diluted loss per share calculation are the following options and units as their effect would have been anti-dilutive:				
Common shares deemed to be issued in respect of share-based payments	**549,880**	987,935	**549,880**	657,981
Weighted number of exchangeable shares	**2,463,963**	2,463,963	**2,463,963**	2,463,963
Weighted number of Proportionate Voting Shares	**3,178,000**	3,178,000	**3,178,000**	3,178,000
	43,089,243	43,394,567	**43,067,365**	43,064,613

(Expressed in thousands of US dollars except for share and per share amounts unless otherwise noted)

6. Trade and other receivables

Trade and other receivables consist of the following:

	June 30, 2023	December 31, 2022
	$	$
Trade and other receivables	14,526	14,713
Provision for expected credit losses	(165)	(127)
	14,361	14,586

7. Inventories

Inventories consist of the following:

	June 30, 2023	December 31, 2022
	$	$
Raw materials	8,808	9,354
Finished goods	18,813	23,769
Provision for inventory obsolescence	(1,517)	(1,550)
	26,104	31,573

Inventories are carried at the lower of cost and net realizable value. During the three and six months ended June 30, 2023, inventories recognized as an expense within cost of sales amounted to $9,926 and 19,086, respectively (for the three and six months ended June 30, 2022, $12,178 and 21,868, respectively).

8. Interest and accretion

Interest and accretion consist of the following:

	Three months ended June 30, 2023	Three months ended June 30, 2022	Six months ended June 30, 2023	Six months ended June 30, 2022
	$	$	$	$
Interest on borrowings and revolving facilities	2,556	1,570	4,652	3,020
Amortization of deferred financing costs	239	189	481	385
Accretion of lease liability	28	43	75	88
	2,823	1,802	5,208	3,493

(Expressed in thousands of US dollars except for share and per share amounts unless otherwise noted)

9. Integration, restructuring, and other

Integration, restructuring, and other consist of the following:

	Three months ended June 30, 2023	Three months ended June 30, 2022	**Six months ended June 30, 2023**	Six months ended June 30, 2022
	$	$	**$**	$
Restructuring	**132**	142	**160**	425
Other	**951**	31	**1,137**	363
	1,083	173	**1,297**	788

During the six months ended June 30, 2023, the Company incurred restructuring and other costs in the amount of $225 that were paid or payable to certain officers and directors of the Company (six months ended June 30, 2022 – $331 were paid or payable to certain officers and former officers).

10. Borrowings

	June 30, 2023	December 31, 2022
	$	$
Non-revolving term loan	**118,657**	120,469
Revolving credit facility	**5,000**	5,000
Payable in-kind interest	**348**	—
	124,005	125,469
Deferred financing fees	**(1,196)**	(829)
Total borrowings	**122,809**	124,640

In 2018, concurrent with its initial public offering (the "IPO"), the Company, along with its subsidiaries, Marc Anthony Cosmetics Ltd. and MAC Pure Holdings, Inc., entered into a credit agreement with our direct and indirect subsidiaries, as guarantors, and the lenders from time to time party thereto, which comprises: (a) a revolving credit facility in the aggregate principal amount of $20.0 million: (i) to pay certain costs relating to the IPO and the entering into of the credit facility; (ii) to finance working capital and operational needs of our business; and (iii) for general corporate purposes (the "Revolving Facility"); and (b) a non-revolving term loan credit facility in the aggregate amount of up to $107.5 million: (i) to repay the indebtedness under the Financing Agreement and the Note Purchase Agreement; and (ii) to pay certain costs relating to the IPO and the credit facility (the "Term Facility", and together with the Revolving Facility, constitute the "Credit Facility"). The Credit Facility includes an accordion feature in the amount of $50.0 million for working capital and general corporate purposes.

Pursuant to an amended and restated first amendment to the Credit Facility dated November 13, 2019, the aggregate principal amount of the Term Facility was increased to $138.5 million, the proceeds of which were used to consummate The Mane Choice acquisition. The Credit Facility was further amended on June 11, 2021, September 30, 2021, September 29, 2022 and December 27, 2022 to, among other things, provide for the repayment of the Term Facility at a rate at 5% per annum, in quarterly installments commencing on March 31, 2022.

10. Borrowings (continued)

On March 30, 2023, the Credit Facility was further amended pursuant to a sixth amendment, to, among other things, (i) extend the maturity date to July 10, 2024, (ii) increase the interest rate for outstanding borrowings to SOFR plus 5.1% per annum, with 1.6% per annum of incremental interest payable-in-kind and added to the principal amount, (iii) limit drawdowns under the Revolving Facility to $5.0 million, (iv) provide for mandatory pre-payments of the Revolving Facility, with certain excess liquidity, (v) replace the net leverage covenant with new financial covenants, and (vi) provide for additional reporting requirements with respect to operating performance and cash flows.

Pursuant to the terms of the sixth amendment to the Credit Facility, the Company is required to satisfy various affirmative and negative covenants and to meet certain financial tests. The Credit Facility also includes customary events of default, including payment and covenant breaches, bankruptcy events and the occurrence of a change of control. As at June 30, 2023, the Company was in compliance with these covenants.

As a result of the changes in the interest rate and payment terms in the sixth amendment of the Credit Facility, the Company has recalculated the carrying amount of the borrowings based on the modified contractual cash flows, discounted by the effective rate of 8.1%. The Company recorded a loss on modification totaling $1,502 on the statements of operations and comprehensive income (loss) during the three months ended March 31, 2023.

During the three months ended March 31, 2023, the Company incurred deferred financing charges in the amount of $500 as a result of the amendments made to its Credit Facility, dated March 30, 2023.

The Company uses interest rate swaps as a cash flow hedging instrument to mitigate interest rate risk of its borrowings. The interest rate swaps are initially recognized at fair value on the date on which a contract is entered and are subsequently remeasured at fair value through OCI. The swaps are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. As at June 30, 2023, the Company had derivative financial assets of $63 (December 31, 2022 – derivative financial assets of $1,071).

11. Share capital

Authorized

The authorized share capital consisted of an unlimited number of common shares, an unlimited number of Proportionate Voting Shares, and an unlimited number of preferred shares, issuable in series.

Issued

As at June 30, 2023, the Company had 36,964,620 common shares, 3,178 Proportionate Voting Shares and 2,463,963 exchangeable shares issued and outstanding.

As at December 31, 2022, the Company had 36,853,401 common shares, 3,178 Proportionate Voting Shares and 2,463,963 exchangeable shares issued and outstanding.

12. Equity-settled employee benefits reserve

The Company has a legacy Share Option Plan and an omnibus long-term incentive plan (the "LTIP") (collectively, the "Plans") applicable to executive officers, employees, consultants and members of the Board of Directors. Pursuant to a March 22, 2022 amendment to the LTIP, which was approved by shareholders of the Company on June 15, 2022, the maximum number of common shares that may be reserved for issuance under the Plans increased from 10% to 25% of the total issued and outstanding common shares from time to time (assuming the conversion of all issued and outstanding Proportionate Voting Shares and non-voting exchangeable shares to common shares).

(Expressed in thousands of US dollars except for share and per share amounts unless otherwise noted)

12. Equity-settled employee benefits reserve (continued)

The Company recorded equity settled employee benefits of $191 and $456 for three and six months ended June 30, 2023, respectively ($338 and $601 for the three and six months ended June 30, 2022, respectively) to reflect the share based compensation expense relating to the Company's Plans, which is included in selling and administrative expense.

On March 30, 2023, the Board of Directors authorized share-based compensation to be awarded to employees with an estimated value of $931 which will be recorded over the vesting period. The estimated fair value may be revised in subsequent reporting periods based on the final grant date fair value of the equity instruments awarded.

Stock options

The option exercise price is the fair market value (or greater) of the common shares of the Company at the date of granting the options as determined and approved by the Board of Directors in accordance with the Plans. Option terms shall be no more than 10 years from the date of option grant.

Options generally vest over a 60 month period from the date of grant, with 20% vesting on the 12 month anniversary of the date of grant, and an additional 5% of the options vesting on each subsequent quarter. However, options granted starting in 2020 vest 25% on each anniversary of the date of grant.

The following table summarizes the number and the weighted average exercise price of the stock options:

	Number of options	Average exercise price
	#	CAD$
Options outstanding as at December 31, 2022 and June 30, 2023	**3,680,818**	**8.43**

The following table summarizes information about share options outstanding and exercisable as at June 30, 2023:

	Number of options	Weighted average remaining life (in years)	Number exercisable
	#		#
Exercise price (in CAD)			
0.89 to 4.72	**1,689,488**	**7.32**	**748,540**
6.23 to 7.79	**101,310**	**4.67**	**101,311**
9.44 to 12.46	**84,425**	**4.37**	**84,425**
14.00	**1,721,170**	**5.17**	**1,635,112**
14.16 to 23.37	**84,425**	**4.37**	**84,425**
	3,680,818	**6.10**	**2,653,813**

During the three and six months ended June 30, 2023, the Company recognized stock option expense of $81 and $202, respectively (three and six months ended June 30, 2022 – $226 and $418, respectively) in selling and administrative expense.

12. Equity-settled employee benefits reserve (continued)

Deferred Share Units

The Company also has a Deferred Share Unit ("DSU") Program. Each eligible director receives a portion of his or her annual director retainer in DSUs. The grant of DSUs does not entitle any eligible director to dividends or other distributions on the Company's common shares, or to exercise voting rights or any other rights attaching to the ownership of the common shares, provided that in the event that dividends become payable on the common shares after the date of grant, DSUs will entitle the non-employee director to dividend share units in the form of additional DSUs. DSUs vest when granted but are not redeemable for cash settlement until the eligible director ceases to be a member of the Board. DSUs are granted quarterly, and the Company is required to record a liability for the potential future settlement of the DSUs at each reporting date by reference to the fair value of the liability. The Company records grants and changes in value of the DSUs in selling and administrative expense. As at June 30, 2023, there were 846,552 DSUs issued and outstanding (December 31, 2022 – 580,255).

Restricted Stock Units

The Company is entitled to issue restricted stock units ("RSUs") under the LTIP. Each RSU entitles the grantee to acquire common shares at a purchase price (which may be zero) subject to any terms and conditions, including time and/or performance vesting conditions, determined by the Board of Directors. The grant of RSUs does not entitle the grantee to dividends or other distributions on the Company's common shares, or to exercise voting rights or any other rights attaching to the ownership of the common shares, provided that in the event that dividends become payable on the common shares after the date of grant, the RSUs will entitle the grantee to dividend share units in the form of additional RSUs, as applicable.

For the three and six months ended June 30, 2023, equity-settled employee benefits in connection with the issuance of RSUs to eligible participants were $50 and $138, respectively (three and six months ended June 30, 2022 – $112 and $183, respectively). These amounts were included in selling and administrative expense.

As at June 30, 2023, the Company had 549,880 RSUs outstanding, with a choice of settlement at the option of the Company (787,935 RSUs as at December 31, 2022). The Company has determined that it is not expecting to settle any RSUs in cash.

Performance Share Units

The Company is entitled to issue performance share units ("PSUs") under the LTIP. The terms and conditions, including time and/or performance vesting conditions, are determined by the Board of Directors. As at June 30, 2023, the Company had 488,122 PSUs to certain officers of the Company. The PSUs entitle the grantee to a variable number of common shares, ranging from 0% to 200% of the number of PSUs, depending on the Company's share price three years from the date of the grant.

Equity settled employee benefits in connection with the issuance of PSUs to eligible participants were $58 and $114 for the three and six months ended June 30, 2023, respectively (three and six months ended June 30, 2022 – $nil). These amounts were included in selling and administrative expenses.

(Expressed in thousands of US dollars except for share and per share amounts unless otherwise noted)

13. Supplemental cash flow information

The changes in non-cash working capital items comprises the following:

	Three months ended June 30, 2023	Three months ended June 30, 2022	**Six months ended June 30, 2023**	Six months ended June 30, 2022
	$	$	**$**	$
Increase (decrease) in assets				
Trade and other receivables	**(766)**	922	**(225)**	(2,556)
Inventories	**(2,633)**	435	**(5,469)**	89
Prepaid expenses	**87**	(569)	**432**	5
	(3,312)	788	**(5,262)**	(2,462)
Increase (decrease) in liabilities				
Accounts payable and accrued liabilities	**(647)**	346	**(1,632)**	16
	(2,665)	442	**(3,630)**	(2,478)

The supplemental cash flow information comprises the following:

	Three months ended June 30, 2023	Three months ended June 30, 2022	**Six months ended June 30, 2023**	Six months ended June 30, 2022
	$	$	**$**	$
Interest paid	**2,310**	1,570	**4,406**	3,020

14. Contingencies

In the normal course of business activities, the Company is subject to a number of claims and legal actions that may be made by customers, suppliers or others. The Company is actively defending these actions, and management believes the possibility of any outflow in settlement is remote and thus no provisions have been recognized.