RAMM PHARMA CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS ENDED APRIL 30, 2022 AND 2021

(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

MANAGEMENT'S RESPONSIBILITY STATEMENT

The management of RAMM Pharma Corp. (the "Company"), is responsible for preparing the condensed interim consolidated financial statements, the notes to the condensed interim consolidated financial statements and other financial information contained in these condensed interim consolidated financial statements (the "condensed interim consolidated financial statements").

Management prepares the condensed interim consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS"). The condensed interim consolidated financial statements are considered by management to present fairly the Company's financial position and results of operations.

The management, in fulfilling its responsibilities, has developed and maintains a system of internal accounting controls designed to provide reasonable assurance that management assets are safeguarded from loss or unauthorized use, and that the records are reliable for preparing the condensed interim consolidated financial statements.

Jackie P. Burnett, Chief Executive Officer
June 28, 2022

Notice of No Auditor's Review of Condensed Interim Consolidated Financial Statements

In accordance with National Instrument 51-102, the Company discloses that its external auditors have not reviewed the accompanying condensed interim consolidated financial statements of Entourage Health Corp.

The accompanying condensed interim consolidated financial statements (unaudited) of the Company have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company.

The Company's independent auditors have not performed a review of these unaudited condensed interim consolidated financial statements in accordance with the standards established by the Canadian Chartered Professional Accountants (CPA) Canada for a review of interim financial statements by an entity's auditors.

RAMM PHARMA CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended April 30, 2022 and 2021

(Unaudited)

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RAMM PHARMA CORP.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	Note	April 30, 2022	October 31, 2021
		$	$
Assets			
Current assets			
Cash and cash equivalents	5	**14,676,626**	17,155,453
Trade and other receivables	6	**3,992,740**	4,071,610
Inventories	7	**3,073,942**	3,049,466
Current tax assets		**8,111**	4,731
Total current assets		**21,751,419**	24,281,260
Non-current assets			
Property, plant and equipment	8	**17,738,732**	18,733,129
Intangible assets	9	**967,701**	1,130,430
Right-of-use assets	10	**11,109**	29,837
Goodwill		**13,669,432**	13,669,432
Receivables from related parties	12	**1,948,582**	1,863,573
Total non-current assets		**34,335,556**	35,426,401
Total assets		**56,086,975**	59,707,661
Equity and liabilities			
Liabilities			
Current liabilities			
Trade and other payables	11	**2,984,499**	3,280,643
Loans and borrowings	13	**897,197**	—
Lease liabilities	10	**11,012**	29,966
Current tax liabilities		**5,369**	4,803
Total current liabilities		**3,898,077**	3,315,412
Non-current liabilities			
Lease liabilities	10	**2,198**	2,198
Total non-current liabilities		**2,198**	2,198
Total liabilities		**3,900,275**	3,317,610
Equity			
Share capital	16	**62,918,954**	63,060,594
Equity contribution		**4,353,772**	4,353,772
Options reserve		**5,569,802**	5,337,086
Contributed surplus		**1,356,644**	1,356,644
Accumulated other comprehensive income		**3,772,939**	4,725,686
Accumulated deficit		**(25,785,411)**	(22,443,731)
Total equity		**52,186,700**	56,390,051
Total equity and liabilities		**56,086,975**	59,707,661

See accompanying notes to the condensed interim consolidated financial statements.

Commitments and contingencies - Note 18
Subsequent events - Note 21

Approved and authorized by the Board of Directors:

"Jackie P. Burnett"	*"Eric Klein"*
Jackie P. Burnett	Eric Klein

RAMM PHARMA CORP.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Unaudited - Expressed in Canadian Dollars)

	Note	For the three months ended		For the six months ended	
		April 30, 2022	April 30, 2021	**April 30, 2022**	April 30, 2021
				$	$
Revenue	14	**874,721**	1,063,415	**1,817,757**	2,070,581
Cost of sales	15	**(648,551)**	(934,321)	**(1,486,601)**	(1,805,494)
Gross profit		**226,170**	129,094	**331,156**	265,087
Selling, general and administrative expenses, excluding share-based compensation		**(1,935,682)**	(1,127,470)	**(3,891,980)**	(2,270,122)
Share-based compensation		**(122,024)**	(188,411)	**(232,716)**	(348,683)
Total selling, general and administrative expenses	15	**(2,057,706)**	(1,315,881)	**(4,124,696)**	(2,618,805)
Net loss from operating activities before equity method investee and fair value changes		**(1,831,536)**	(1,186,787)	**(3,793,540)**	(2,353,718)
Share of loss from equity method investee		**—**	(360,465)	**—**	(500,465)
Net changes in fair value of financial assets at fair value through profit or loss		**—**	750,000	**—**	660,000
Net loss from operating activities		**(1,831,536)**	(797,252)	**(3,793,540)**	(2,194,183)
Interest income		**38,473**	216,095	**57,092**	300,822
Other income		**15,461**	8,555	**18,903**	8,555
Finance income (expense)		**(499)**	(890)	**13,223**	(2,238)
Foreign currency translation gain (loss)		**338,571**	147,993	**342,157**	9,075
		392,006	371,753	**431,375**	316,214
Loss before income tax		**(1,439,530)**	(425,499)	**(3,362,165)**	(1,877,969)
Income tax expense		**—**	—	**—**	—
Net loss for the period		**(1,439,530)**	(425,499)	**(3,362,165)**	(1,877,969)
Exchange differences on translation		**(477,644)**	(477,187)	**(952,747)**	(656,584)
Comprehensive loss for the period		**(1,917,174)**	(902,686)	**(4,314,912)**	(2,534,553)
Net loss per share for the period					
Basic and diluted	16.3	**(0.0117)**	(0.0043)	**(0.0273)**	(0.0189)
Weighted average number of shares outstanding					
Basic and diluted	16.3	**122,900,317**	99,492,885	**123,059,934**	99,492,885

See accompanying notes to the condensed interim consolidated financial statements.

RAMM PHARMA CORP.
Condensed Interim Consolidated Statements of Changes in Equity
(Unaudited - Expressed in Canadian Dollars)

	Note	Common Shares	Share Capital	Equity contribution	Option Reserve	Warrant Reserve	Contributed surplus	Accumulated other comprehensive income	Accumulated Deficit	Total
		#	$	$	$	$	$	$	$	$
As of November 1, 2020		99,722,552	41,373,236	4,353,772	4,786,538	1,208,006	—	(532,251)	(15,354,121)	35,835,180
Shares repurchased and cancelled under normal course issuer bid		(265,000)	(109,944)	—	—	—	—	—	17,194	(92,750)
Share-based compensation		—	—	—	340,329	—	—	—	8,354	348,683
Exchange differences on translation		—	—	—	—	—	—	(656,584)	—	(656,584)
Net loss for the period		—	—	—	—	—	—	—	(1,877,969)	(1,877,969)
As of April 30, 2021		99,457,552	41,263,292	4,353,772	5,126,867	1,208,006	—	(1,188,835)	(17,206,542)	33,556,560
As of November 1, 2021		**123,448,817**	**63,060,594**	**4,353,772**	**5,337,086**	**—**	**1,356,644**	**4,725,686**	**(22,443,731)**	**56,390,051**
Shares repurchased and cancelled under normal course issuer bid	**16.2**	**(548,500)**	**(141,640)**	**—**	**—**	**—**	**—**	**—**	**20,485**	**(121,155)**
Share-based compensation		**—**	**—**	**—**	**232,716**	**—**	**—**	**—**	**—**	**232,716**
Exchange differences on translation		**—**	**—**	**—**	**—**	**—**	**—**	**(952,747)**	**—**	**(952,747)**
Net loss for the period		**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(3,362,165)**	**(3,362,165)**
As of April 30, 2022		**122,900,317**	**62,918,954**	**4,353,772**	**5,569,802**	**—**	**1,356,644**	**3,772,939**	**(25,785,411)**	**52,186,700**

See accompanying notes to the condensed interim consolidated financial statements.

RAMM PHARMA CORP.
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited - Expressed in Canadian Dollars)

	For the six months ended	
	April 30, 2022	April 30, 2021
	$	$
Net loss for the period	**(3,362,165)**	(1,877,969)
Adjustments for Items not affecting cash:		
Unrealized effect of foreign currency	**40,168**	(300,250)
Allowance for impairment of trade receivables	**78,309**	123,099
Depreciation and amortization expense	**337,103**	327,685
Share-based compensation	**232,716**	348,683
Interest expense	**—**	2,238
Interest income	**(57,092)**	(96,991)
Interest expense on leases	**759**	—
Net changes in fair value of financial assets at fair value through profit or loss	**—**	(660,000)
Share of loss from equity method investees	**—**	500,465
	(2,730,202)	(1,633,040)
Net changes in non-cash working capital balances:		
Decrease in inventories	**(24,476)**	(261,573)
Decrease (increase) in trade and other receivables	**561**	46,352
Decrease (increase) in current tax assets	**(3,380)**	2,440
Decrease in trade and other payables	**(269,811)**	(306,302)
Increase (decrease) in current tax liabilities	**566**	(4,771)
Total net changes in non-cash working capital balances	**(296,540)**	(523,854)
Net cash flow used in operating activities	**(3,026,742)**	(2,156,894)
Cash flows from (used in) investing activities		
Purchase of investments in equity method investees	**—**	(7,000,000)
Purchase of financial assets at fair value through profit or loss	**—**	(3,000,000)
Interest received	**31,842**	203,831
Purchase of property, plant and equipment	**(147,474)**	(20,201)
Cash advances made to related parties	**(85,009)**	(1,464,980)
Cash receipts from repayment of advances made to related parties	**—**	1,965,562
Net cash flows used in investing activities	**(200,641)**	(9,315,788)
Cash flows from (used in) financing activities		
Repurchase of shares under normal course issuer bid	**(121,155)**	(92,750)
Loans and borrowings	**897,197**	—
Interest expense on leases	**(759)**	—
Lease payments	**(22,145)**	(51,505)
Net cash flows used in financing activities	**753,138**	(144,255)
Net decrease in cash and cash equivalents before effect of exchange rate changes	**(2,474,245)**	(11,616,937)
Effect of exchange rate changes on cash and cash equivalents	**(4,582)**	(12,018)
Net decrease in cash and cash equivalent	**(2,478,827)**	(11,628,955)
Cash and cash equivalents at beginning of the period	**17,155,453**	28,005,581
Cash and cash equivalents at end of the period	**14,676,626**	16,376,626

See accompanying notes to the condensed interim consolidated financial statements.

1. NATURE OF OPERATIONS

RAMM Pharma Corp. (the “Company” or “RAMM”) was incorporated under the laws of Canada by articles of incorporation dated July 21, 1987, as amended August 12, 1987 as MTC Growth Fund-I Inc. The registered office address of the Company is 82 Richmond St. E, Toronto, ON, M5C 1P1.

These condensed interim consolidated financial statements comprise the Company and its subsidiaries (together referred to as the “Group”) (See Note 2.4). The Group is primarily engaged in pharmaceutical and medical product business, including cannabinoid pharmacology and product formulation for cannabis-based pharmaceuticals and other cannabis-based products.

The common shares of the Company are listed on the Canadian Securities Exchange (CSE) under the ticker symbol “RAMM”.

2. BASIS OF PRESENTATION

2.1. Statement of compliance

These condensed interim consolidated financial statements (the “Interim Financial Statements”) have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

These Interim Financial Statements were approved for issuance by the Company’s Board of Directors on June 28, 2022.

2.2. Basis of measurement

These Interim Financial Statements have been prepared on the going concern basis, under historical cost convention except for certain financial instruments and options and warrants reserves, which are measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for the goods purchased and services provided.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Please refer to Note 19.2 for fair value considerations.

2.3. Basis of preparation

The condensed interim consolidated financial statements were prepared in accordance with International Accounting Standard (“IAS”) 34, Interim Financial Reporting as issued by the IASB.

Except as discussed in Note 3, the same accounting policies and methods of computation were followed in the preparation of the Interim Financial Statements as were followed in the preparation of the audited annual consolidated financial statements as at and for the years ended October 31, 2021 and 2020 (the “Annual Financial Statements”), prepared in accordance with IFRS as issued by the IASB.

(Unaudited - Expressed in Canadian Dollars)

The notes presented in the Interim Financial Statements include, in general, only significant changes and transactions occurring since October 31, 2021. As such, certain disclosures included in the Interim Financial Statements have been condensed or omitted. Accordingly, the Interim Financial Statements should be read in conjunction with the Annual Financial Statements.

The Interim Financial Statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

2.4. Principles of consolidation

The Interim Financial Statements represent accounts of the Company and its subsidiaries. Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the Interim Financial Statements from the date on which control commences until the date on which control ceases.

The wholly owned subsidiaries of RAMM are as follows:

Name	Description
Medic Plast S.A. ("Medic Plast") (Uruguay)	Incorporated pursuant to Law 16.060 under the Business Companies Act (Uruguay) on October 26, 1988, Medic Plast is a pharmaceutical and medical product business. Medic Plast developed medically registered and approved plant derived cannabinoid pharmaceutical products. Its registered office, pharmaceutical laboratory and main warehouse facility address is Belloni 3027, Montevideo, Uruguay, and its secondary warehouse facility address is Justo Alonso 3115, Montevideo, Uruguay. Medic Plast has an average team of 63 employees.
Yurelan S.A. ("Yurelan") (Uruguay)	Incorporated pursuant to Law 16.060 under the Business Companies Act (Uruguay) on May 3, 2018, Yurelan is a Uruguayan company established for the purpose of growing and cultivating hemp and cannabis for medicinal purposes at its cultivation facility. Yurelan owns agricultural land and greenhouses in the Province of Salto, Uruguay (See Note 9 "Agricultural Land and Greenhouses"). As of January 31, 2022, due to oversupply in the market Yurelan has not carried any operations related to hemp or cannabis growing and cultivation. The Group is evaluating the future set up of the agricultural operations, including a partnership or joint venture operation.
RAMM Pharma Holdings Corp. (Canada)	RAMM Pharma Holdings Corp. was formed on March 1, 2019 pursuant to the OBCA for the sole purpose of entering into the Master Agreement, to complete the Convertible Debenture Offering and the Subscription Receipts Financing and the Business Combination to form the Issuer and effect the listing of the Issuer Shares on the CSE.
Glediser S.A. ("Glediser") (Uruguay)	Incorporated pursuant to Law 16.060 under the Business Companies Act (Uruguay), Glediser is a Uruguayan company established for the purpose of formulating and producing animal nutrition and veterinary products which contain hemp and cannabis for medicinal purposes.
Canapar Corp. (Canada)	Canapar is a federally incorporated Canadian company and Italian manufacturer and processor of CBD oil and isolates from industrial hemp. Canapar holds a 100% investment in Canapar Srl a Socio Italy ("Canapar Srl"). Through Canapar Srl, Canapar also holds 100% of other Italian companies, Canapar Farming Societa Agricola Srl a Socio Unico ("Canapar Farming"), Canapar Marishanti Srl. and Canapar Iberica SL.

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated upon consolidation and preparation of these Interim Financial Statements. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

2.5. Functional and presentation currency

These Interim Financial Statements are presented in Canadian dollars, which is RAMM Pharma Corp.'s functional currency. References to $ are to Canadian dollars, unless otherwise stated.

As of April 30, 2022 and October 31, 2021, the functional currency was determined to be the Uruguayan Peso for the Group's subsidiaries, Medic Plast and Glediser, the US Dollar for the Group's subsidiary Yurelan and the Canadian Dollar for the Group's subsidiaries, RAMM Pharma Holdings Corp and Canapar Corp.

The assets and liabilities of foreign operations are translated into Canadian dollars at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Canadian dollars at the average exchange rates during the period. Foreign currency differences are recognized in other comprehensive income ("OCI") and accumulated in the exchange differences on translation account.

Exchange rates used are as follows:

	Period end rates		Average three months ended		Average six months ended	
	April 30, 2022	October 31, 2021	April 30, 2022	April 30, 2021	April 30, 2022	April 30, 2021
	$	$	$	$	$	$
1 Uruguayan Peso	0.0313	0.0280	0.0300	0.0288	0.0293	0.0295
1 US Dollar	1.2792	1.2384	1.2668	1.2592	1.2667	1.2729
1 European Euro	1.3492	1.4338	1.3996	1.5080	1.4180	1.5304

3. SIGNIFICANT ACCOUNTING POLICIES AND CHANGES IN ACCOUNTING POLICY

The significant accounting policies used in preparing these Interim Financial Statements are unchanged from those disclosed in the Annual Financial Statements and have been applied consistently to all periods presented in these Interim Financial Statements.

Certain new standards, amendments, and interpretations have been issued, but are not yet effective for the Company's Interim Financial Statements for the periods presented. The Company has not early adopted any standards, amendments, or interpretations that are issued but not yet effective. These standards, amendments, and interpretations are not expected to have a material impact on the Company's Interim Financial Statements.

4. USE OF JUDGMENTS AND ESTIMATES

In preparing these condensed interim consolidated financial statements, management has made judgments and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expense. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the Annual Financial Statements.

Information about assumptions made in measuring fair values is included in Note 19.2.

(Unaudited - Expressed in Canadian Dollars)

5. CASH AND CASH EQUIVALENTS

	April 30, 2022	October 31, 2021
	$	$
Cash in hand	**33,871**	6,441
Cash at banks	**14,642,755**	17,149,012
Cash and cash equivalents	**14,676,626**	17,155,453

6. TRADE AND OTHER RECEIVABLES

	April 30, 2022	October 31, 2021
	$	$
Trade account receivables	**1,168,534**	1,406,396
Allowance for impairment of trade receivables	**(254,861)**	(232,459)
Advances to suppliers	**19,746**	59,549
Other receivables	**745,048**	445,356
Government remittances recoverable	**2,247,565**	2,329,039
Prepaid expenses	**66,708**	63,729
Total trade and other receivables	**3,992,740**	4,071,610

The movement in the reserve for allowance for impairment of trade receivables during the period was as follows:

	April 30, 2022	October 31, 2021
	$	$
Opening balances	**232,459**	152,854
Net remeasurement of loss allowance	**78,451**	104,651
Effect of movements in exchange rates	**(56,049)**	(25,046)
Allowance reserve for impairment of trade receivables	**254,861**	232,459

(Unaudited - Expressed in Canadian Dollars)

7. INVENTORIES

	April 30, 2022	October 31, 2021
	$	$
Finished goods and resale inventories	**1,093,589**	1,040,607
Raw materials	**2,740,455**	2,831,651
In-transit inventories	**50,384**	44,770
Reserve for excess and obsolete inventory	**(810,486)**	(867,562)
Total inventories	**3,073,942**	3,049,466

The cost of goods is measured by acquisition costs for resale inventory and raw materials which include costs of purchase, non-recoverable taxes, transport and handling, costs of conversion and other costs to bring inventory into its present condition and location. With respect to finished products, the costs above are included, plus labor. The formula used for all the inventory is FIFO (first in, first out). The resale inventory is the one sold in its current condition, as it was purchased. Raw material is used to produce the Issuer's pharmaceutical, cosmetics and medical supplies products. The finished products are the ones produced in the issuer's factory, such as pharmaceutical formulations, cosmetics, and medical supplies. The in-transit inventory includes goods that have already been shipped by the supplier but have not yet arrived at the port of destination.

See Note 15 for the amount of inventories expensed in "Cost of Sales".

The movement in the reserve for excess and obsolete inventory during the period was as follows:

	April 30, 2022	October 31, 2021
	$	$
Opening balances	**867,562**	320,695
Net remeasurement of loss allowance	**—**	518,082
Effect of movements in exchange rates	**(57,076)**	28,785
Reserve for excess and obsolete inventory	**810,486**	867,562

(Unaudited - Expressed in Canadian Dollars)

8. PROPERTY, PLANT AND EQUIPMENT

The following tables outline the changes in the Group's property, plant and equipment for the period ended April 30, 2022:

	Land and buildings	Agricultural land and greenhouses	Plant and equipment	Vehicles	Fixtures and fittings	Assets under construction (Plant)	Total
Cost							
Balance at 1 November 2020	740,931	1,478,581	1,376,758	231,712	201,963	32,488	4,062,433
Additions	1,740,995	—	2,895,704	55,207	168,531	12,504,304	17,364,741
Disposals	—	—	—	(27,279)	—	—	(27,279)
Reclassifications	32,488	—	—	—	—	(32,488)	—
Effect of movements in exchange rates	(56,016)	(101,684)	102,058	(2,911)	20,211	(330,084)	(368,426)
Balance at October 31, 2021	**2,458,398**	**1,376,897**	**4,374,520**	**256,729**	**390,705**	**12,174,220**	**21,031,469**
Balance at 1 November 2021	2,458,398	1,376,897	4,374,520	256,729	390,705	12,174,220	21,031,469
Additions	—	—	—	147,108	366	—	147,474
Effect of movements in exchange rates	(21,290)	45,363	(11,643)	10,426	6,824	(718,328)	(688,648)
Balance at April 30, 2022	**2,437,108**	**1,422,260**	**4,362,877**	**414,263**	**397,895**	**11,455,892**	**20,490,295**
Accumulated depreciation							
Balance at 1 November 2020	(176,552)	(210,182)	(1,228,994)	(81,320)	(165,413)	—	(1,862,461)
Depreciation	(19,868)	(153,318)	(72,643)	(33,120)	(15,727)	—	(294,676)
Disposals	—	—	—	27,279	—	—	27,279
Effect of movements in exchange rates	(51,682)	32,994	(108,696)	(8,173)	(32,925)	—	(168,482)
Balance at October 31, 2021	**(248,102)**	**(330,506)**	**(1,410,333)**	**(95,334)**	**(214,065)**	**—**	**(2,298,340)**
Balance at 1 November 2021	(248,102)	(330,506)	(1,410,333)	(95,334)	(214,065)	—	(2,298,340)
Depreciation	(22,704)	(43,356)	(65,974)	(31,988)	(8,550)	—	(172,572)
Effect of movements in exchange rates	(15,137)	(67,565)	(179,119)	(4,971)	(13,859)	—	(280,651)
Balance at April 30, 2022	**(285,943)**	**(441,427)**	**(1,655,426)**	**(132,293)**	**(236,474)**	**—**	**(2,751,563)**
Carrying amounts							
Balance at October 31, 2021	2,210,296	1,046,391	2,964,187	161,395	176,640	12,174,220	18,733,129
Balance at April 30, 2022	**2,151,165**	**980,833**	**2,707,451**	**281,970**	**161,421**	**11,455,892**	**17,738,732**

(Unaudited - Expressed in Canadian Dollars)

9. INTANGIBLE ASSETS

The following tables outline the changes in the Group's intangible assets for the period ended April 30, 2022:

	Software	Animal nutrition formulas and authorizations	Total
Cost	$	$	$
Balance at 1 November 2020	55,873	1,552,941	1,608,814
Effect of movements in exchange rates	(5,316)	—	(5,316)
Balance at October 31, 2021	**50,557**	**1,552,941**	**1,603,498**
Balance at 1 November 2021	50,557	1,552,941	1,603,498
Effect of movements in exchange rates	5,969	—	5,969
Balance at April 30, 2022	**56,526**	**1,552,941**	**1,609,467**
Accumulated amortization			
Balance at 1 November 2020	(18,624)	(128,779)	(147,403)
Balance at October 31, 2021	**(33,704)**	**(439,364)**	**(473,068)**
Balance at 1 November 2021	(33,704)	(439,364)	(473,068)
Amortization	(9,234)	(155,297)	(164,531)
Effect of movements in exchange rates	(4,167)	—	(4,167)
Balance at April 30, 2022	**(47,105)**	**(594,661)**	**(641,766)**
Carrying amounts			
At October 31, 2021	16,853	1,113,577	1,130,430
Balance at April 30, 2022	**9,421**	**958,280**	**967,701**

(Unaudited - Expressed in Canadian Dollars)

10. LEASES

The following tables outline the changes in the Group's leases for the period ended April 30, 2022:

Right-of-use assets (land and buildings)	**Lease 1**	**Lease 2**	**Lease 3**	**Total**
	$	**$**	**$**	**$**
As of November 1, 2020	31,012	63,776	—	94,788
Additions	—	—	164,479	164,479
Depreciation charge for the year	(14,350)	(59,491)	(6,309)	(80,150)
Closing Contract	—	—	(142,360)	(142,360)
Effect of movements in exchange rates	(303)	(4,285)	(2,332)	(6,920)
As of October 31, 2021	**16,359**	—	**13,478**	**29,837**
As of November 1, 2021	**16,359**	—	**13,478**	**29,837**
Depreciation charge for the period	(7,780)	—	—	**(7,780)**
Closing Contract	—	—	(13,404)	**(13,404)**
Effect of movements in exchange rates	2,530	—	(74)	**2,456**
As of April 30, 2022	**11,109**	—	—	**11,109**

Lease liabilities	**Lease 1**	**Lease 2**	**Lease 3**	**Total**
	$	**$**		**$**
As of November 1, 2020	32,911	67,516	—	100,427
Additions	—	—	175,241	175,241
Interest expense	1,562	1,606	—	3,168
Lease payments	(16,214)	(65,398)	(6,309)	(87,921)
Closing Contract	—	—	(164,479)	(164,479)
Effect of movements in exchange rates	427	(3,724)	9,025	5,727
As of October 31, 2021	**18,686**	—	**13,478**	**32,164**
As of November 1, 2021	18,686	—	13,478	32,164
Interest expense	759	—	—	759
Lease payments	(8,741)	—	(13,404)	(22,145)
Effect of movements in exchange rates	2,506	—	(74)	2,432
As of April 30, 2022	**13,210**	—	—	**13,210**

11. TRADE AND OTHER PAYABLES

	April 30, 2022	October 31, 2021
	$	$
Trade accounts payable	**2,082,343**	1,930,539
Salaries and employees benefit payable	**442,011**	478,341
Other payables	**442,070**	827,355
Governmnet remittances payable	**18,075**	44,408
Total current trade and other payables	**2,984,499**	3,280,643

12. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties are defined as management, directors, and principal shareholders of the Group and/or members of their immediate family and/or other companies and/or entities in which a principal shareholder, director or senior officer is a principal owner or senior executive.

(Unaudited - Expressed in Canadian Dollars)

12.1. Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing, and controlling activities of the entity, directly or indirectly. The key management personnel of the Company are the members of the Company's executive management team and Board, who control approximately 25% of the Shares of the Company on a fully diluted basis as of April 30, 2022.

Compensation provided to key management personnel is as follows:

	For the six months ended		For the three months ended	
	April 30, 2022	April 30, 2021	April 30, 2022	April 30, 2021
	$	$	$	$
Share-based compensation	94,332	348,683	46,385	188,411
Management fees	407,809	403,013	238,503	202,659
Salaries	40,915	51,328	12,524	21,891
Director fees	70,000	25,000	60,000	10,000
	613,056	828,024	357,412	422,961

As at April 30, 2022 and October 31, 2021, dues to key management personnel amounted to $93,348 and $121,284, respectively, included in "trade and other payables".

12.2. Other transactions

a) On November 2, 2020, the Company entered into a secured loan arrangement with Mr. Jack Burnett (CEO, Director and a Shareholder of the Company who controls approximately 16% of the Shares of the Company on a fully diluted basis as of October 31, 2021) pursuant to which the Company has loaned to Mr. Burnett US$1,100,000, equivalent to $1,464,980, (the "First Burnett Loan"). The First Burnett Loan accrues interest at the rate of 2.75% per annum, with a maturity date on November 2, 2023 that can be extended by one year at the option of Mr. Burnett. The First Burnett Loan is secured by a pledge of securities, consisting of 3,000,000 RAMM common shares owned by Mr. Burnett. The terms of the agreement were negotiated between the Company and Mr. Burnett. The Company classified the First Burnett Loan as a financial asset at amortized cost, recognizing an initial fair value of $1,464,980.

   On April 30, 2022, the First Burnett Loan amounted to $1,462,896 (October 31, 2021: $1,398,038) and is included in "Receivables from related parties".

   For the six and three months ended April 30, 2022, interest income recognized in relation to the First Burnett Loan under the effective interest method amounted to $18,615 and $9,183 (April 30, 2021: $18,019 and $8,892)

b) On March 17, 2021, the Company entered into a secured loan arrangement with Mr. Burnett pursuant to which the Company loaned to Mr. Burnett $460,000 (the "Second Burnett Loan"). The Second Burnett Loan accrues interest at the rate of 5% per annum, with a maturity date of December 31, 2022. The Second Burnett Loan is secured by a pledge of securities, consisting of 1,000,000 RAMM common shares owned by Mr. Burnett. The terms of the agreement were negotiated between the Company and Mr. Burnett.

   On April 30, 2022, the Second Burnett Loan amounted to $485,686 and is included in "Receivables from related parties".

   For the six and three months ended April 30, 2022, interest income recognized in relation to the Second Burnett Loan under the effective interest rate method amounted to $11,539 and $5,709 (April 30, 2021: $2,698).

c) For the six and three months ended April 30, 2022 and 2021, the Company provided salaries for an amount of $225,649 (April 30, 2021: $192,233) and $Nil (April 30, 2021: $90,413) respectively, to Mr. Blankleider in his capacity of Senior Management of Medic Plast. Mr. Blankleider resigned from his position at Medic Plast on January 12, 2022.

(Unaudited - Expressed in Canadian Dollars)

13. LOANS AND BORROWINGS

On April 21, 2022, Canapar Corp. a subsidiary of the Company entered into a short term loan arrangement of $897,197 with an Italian financial institution to meet its short term operating cash requirements. The loan was unsecured, carried an interest rate of 4.2% per annum and was fully discharged on June 10, 2022.

14. REVENUE

The Group generates revenue primarily from the sale of medical devices and consumables, sale of pharmaceutical products and sale of cosmetics. Other sources of revenue include immaterial amounts related to medical devices sterilization services.

	For the three months ended		For the six months ended	
	April 30, 2022	April 30, 2021	**April 30, 2022**	April 30, 2021
	$	$	**$**	$
Medical devices and consumables	**377,261**	623,163	**822,860**	1,145,004
Pharmaceutical formulations	**422,756**	378,447	**819,249**	791,653
Cosmetics Products	**58,093**	41,367	**89,309**	98,642
Services	**(13,717)**	2,476	**17,951**	17,320
Veterinarian products	**30,328**	17,962	**68,388**	17,962
Total Revenue	**874,721**	1,063,415	**1,817,757**	2,070,581

15. EXPENSES BY NATURE

	For the three months ended April 30, 2022			For the three months ended April 30, 2021		
	Cost of Sales	SGA	Total	Cost of Sales	SGA	Total
	$	$	$	$	$	$
Raw materials, consumables and cost of resale inventories	467,747	—	467,747	605,663	—	605,663
Salaries and employees' benefits	151,331	426,570	577,901	222,629	335,042	557,671
Management fees	—	238,503	238,503	—	202,659	202,659
Directors fees	—	60,000	60,000	—	10,000	10,000
Professional fees	1,875	385,627	387,502	3,814	201,266	205,080
Allowance for impairment of trade receivables	—	(48,422)	(48,422)	—	57,150	57,150
Other taxes	11,735	5,550	17,285	12,551	5,323	17,874
Repair and maintenance	—	25,693	25,693	10,529	916	11,445
Utilities	—	71,501	71,501	13,921	6,126	20,047
Advertising and promotion	—	349,461	349,461	—	26,575	26,575
Insurance	—	29,543	29,543	—	40,180	40,180
Bank charges	—	1,937	1,937	—	3,691	3,691
Freights	—	8,126	8,126	110	7,085	7,195
Contracted services	—	53,927	53,927	43,149	21,715	64,864
Registrations and habilitations	—	7,678	7,678	2,208	—	2,208
Share-based compensation	—	122,024	122,024	—	188,411	188,411
Depreciation and amortization	8,531	218,815	227,346	6,244	147,876	154,120
Office supplies	6,184	20,077	26,261	6,974	6,771	13,745
Other expenses	1,148	81,096	82,244	6,529	55,095	61,624
Total	**648,551**	**2,057,706**	**2,706,257**	**934,321**	**1,315,881**	**2,250,202**

(Unaudited - Expressed in Canadian Dollars)

	For the six months ended April 30, 2022			For the six months ended April 30, 2021		
	Cost of Sales	SGA	Total	Cost of Sales	SGA	Total
	$	$	$	$	$	$
Raw materials, consumables and cost of resale inventories	1,052,314	—	1,052,314	1,135,522	—	1,135,522
Salaries and employees' benefits	332,848	1,164,620	1,497,468	409,134	669,000	1,078,134
Management fees	—	407,906	407,906	—	403,013	403,013
Directors fees	—	70,000	70,000	—	25,000	25,000
Professional fees	6,716	677,087	683,803	5,476	417,128	422,604
Allowance for impairment of trade receivables	—	78,309	78,309	—	123,099	123,099
Other taxes	19,369	8,428	27,797	28,801	8,017	36,818
Repair and maintenance	6,280	28,952	35,232	24,079	1,222	25,301
Utilities	13,183	219,437	232,620	26,983	13,056	40,039
Advertising and promotion	—	385,450	385,450	—	31,304	31,304
Insurance	—	48,260	48,260	—	81,884	81,884
Bank charges	—	4,346	4,346	—	8,638	8,638
Freights	—	15,182	15,182	189	13,420	13,609
Contracted services	22,370	68,814	91,184	70,599	36,797	107,396
Registrations and habilitations	2,227	7,678	9,905	66,647	—	66,647
Share-based compensation	—	232,716	232,716	—	348,683	348,683
Depreciation and amortization	16,346	320,757	337,103	12,868	314,817	327,685
Office supplies	9,135	22,390	31,525	10,836	14,439	25,275
Other expenses	5,813	364,364	370,177	14,360	109,288	123,648
Total	**1,486,601**	**4,124,696**	**5,611,297**	**1,805,494**	**2,618,805**	**4,424,299**

16. EQUITY

16.1. Share capital

The Company is authorized to issue unlimited number of common shares. As of April 30, 2022, there were 122,900,317 common shares issued and outstanding.

16.2. Normal course issuer bid ("NCIB")

Between December 17, 2021 and December 21, 2021, the Company repurchased 548,500 Common Shares pursuant to the NCIB program for at an aggregate cost of $121,155. The total amount allocated to share capital on the cancellation date was $141,640 and the residual amount of $20,485 has been allocated to accumulated deficit.

16.3. Loss per share

The calculation of basic loss per share has been based on the loss attributable to common shareholders and weighted-average number of common shares outstanding.

The calculation of diluted loss per share has been based on the loss attributable to common shareholders and weighted-average number of common shares outstanding after adjustment for the effects of all potentially dilutive common shares. On April 30, 2022, all 5,268,055 options (April 30, 2021: 4,910,000) were excluded from the diluted weighted-average number of common shares calculation because their effect would have been anti-dilutive.

(Unaudited - Expressed in Canadian Dollars)

Weighted-average number of common shares (basic and diluted)

	For the three months ended		For the six months ended	
	April 30, 2022	**April 30, 2021**	**April 30, 2022**	**April 30, 2021**
Shares outstanding at the beginning of the period	123,448,817	99,722,552	123,448,817	99,722,552
Effect of shares repurchased during the period	(548,500)	(229,667)	(388,883)	(229,667)
Weighted-average number of common shares outstanding at the end of the period	**122,900,317**	**99,492,885**	**123,059,934**	**99,492,885**

16.4. Stock Options

In October 2019, the Company adopted a stock option plan under which it is authorized to grant options to officers, directors, employees, or eligible contractors of the Group (all together "eligible grantees") enabling them to acquire common shares of the Company. The maximum number of common shares reserved for issuance of stock options that may be granted under the plan is 10% of the issued and outstanding common shares (on a non-diluted basis) of the Company. The options granted can be exercised and vest as determined by the Board of Directors. The exercise price of each option may not be less than the market price of the common shares on the date of grant.

In determining the amount of share-based compensation, the Company uses the Black-Scholes option pricing model to establish the fair value of options granted during the year, based on various assumptions and estimates. Expected life is estimated based upon the effects of non-transferability, exercise restrictions (including the probability of meeting market conditions attached to the options), and behavioral considerations. The risk-free rate is estimated based upon zero coupon Government of Canada bond yields with a term approximately equal to the expected life of the options. Volatility is estimated based on the historical price volatility of comparable companies.

On October 28, 2019, 4,000,000 options to purchase Common Shares of RAMM Pharma Holdings Corp. issued on April 24, 2019 were replaced on a one-to-one basis with options to purchase RAMM Common Shares with the following terms:

- 3,000,000 options to purchase Common Shares at an exercise price of $0.16 per common share. The options vested in full on October 28, 2020 provide that the grantee remains a senior officer, director, employee, management company employee, or a person providing consulting services or investor relations activities to the Company on the relevant date.
- 1,000,000 options to purchase Common Shares at an exercise price of $0.16 per common share. The options vested as to one-third (⅓) of the number granted on October 28, 2020 and as to one-third (⅓) of the number of options granted on October 28, 2021, and one-third (⅓) of the number of options granted are to vest on October 28, 2022, provided that the grantee remains an eligible grantee on the relevant date.

On October 28, 2019, the Company issued 130,000 options to purchase Common Shares to Officers and consultants of the Group at an exercise price of $1.35 per common share. The options vested as to one-third (⅓) of the number granted on October 28, 2020 and as to one-third (⅓) of the number of options granted on October 28, 2021, and as to one-third (⅓) of the number of options granted are to vest on October 28, 2022, provided that the grantee remains an eligible grantee on the relevant date.

All options issued on October 28, 2019 expire on the earlier of: (i) October 28, 2024 and (ii) 90 days after the grantee is no longer an eligible grantee, unless the grantee is terminated by the Company for cause, in which case all unexercised options shall be cancelled on the date of termination of the grantee.

On August 27, 2020, the Company issued 1,000,000 options to purchase Common Shares to Directors and Officers of the Group at an exercise price of $0.65 per common share. The options vested as to one-third (⅓) of the number granted on August 27, 2020 and as to one-third (⅓) of the number of options granted on August 27, 2021, and as to one-third (⅓) of the number of options granted are to vest on August 27, 2022, provided that the grantee remains an eligible grantee on the relevant date. All options expire on August 27, 2025.

Subsequent to the acquisition of Canapar Corp, all unvested and outstanding Canapar stock options were cancelled and 1,090,104 RAMM replacement options were issued.

(Unaudited - Expressed in Canadian Dollars)

The following assumptions were used in determining the fair value of the options at their dates of grant (the options are not subsequently remeasured):

	Initial recognition		
Issue date	28-Oct-2019	27-Aug-2020	15-Jun-2021
Share price	$1.35	$0.65	$0.90
Exercise price	$0.16 - $1.35	$0.65	$0.92
Risk-free interest rate	1.66%	0.34%	0.73%
Dividend yield	0%	0%	0%
Volatility	87%	115%	119%
Expected life	5.0 years	5.0 years	3.72 years
Forfeiture rate	0%	0%	0%

The following tables summarize information about options outstanding as of April 30, 2022 and October 31, 2021:

	Options Outstanding				Options Exercisable		
April 30, 2022	Weighted-average exercise price	Number of Options Outstanding	Weighted Average Remaining Contractual Life	Weighted Average Fair Value per Share (1)	Weighted-average exercise price	Number of Options Exercisable	Weighted Average Fair Value per Share (1)
	$	#	# (years)	$	#	$	$
Officers and Directors	0.309	5,236,458	2.64	1.091	0.262	4,785,116	1.125
Consultants	0.920	31,597	2.84	0.673	0.923	13,542	0.673
	0.313	**5,268,055**	**2.64**	**1.088**	**0.264**	**4,798,658**	**1.124**

	Options Outstanding				Options Exercisable		
October 31, 2021	Weighted-average exercise price	Number of Options Outstanding	Weighted Average Remaining Contractual Life	Weighted Average Fair Value per Share (1)	Weighted-average exercise price	Number of Options Exercisable	Weighted Average Fair Value per Share (1)
	$	#	# (years)	$	#	$	$
Officers and Directors	0.309	5,236,458	3.13	1.091	0.232	4,498,636	1.149
Consultants	0.920	31,597	3.34	0.673	0.920	4,514	0.673
Employees	0.920	15,799	3.34	0.673	0.920	2,256	0.673
	0.314	**5,283,854**	**3.13**	**1.087**	**0.233**	**4,505,406**	**1.148**

(1) Note: Weighted average fair value per share is based on the estimated fair value of each option at the time of grant for options that are not remeasured each year.

The following table is a summary of the changes in the Company's outstanding options during the period:

	# of Options	Weighted-average exercise price
Balance as of November 1, 2021	5,283,854	0.314
Forfeited	(15,799)	0.673
Balance as of April 30, 2022	**5,268,055**	**0.313**

17. INCOME TAX

Income tax expense is recognized at an amount determined by multiplying the profit (loss) before tax for the interim reporting period by management's estimate of the weighted-average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognized in full in the interim period, if any. As such, the effective tax rate in the condensed interim consolidated financial statements may differ from management's estimate of the effective tax rate for the annual consolidated financial statements.

The Company's combined Canadian federal and provincial statutory income tax rate is 26.5% for the six and three months ended April 30, 2022 (six and three months ended April 30, 2021 – 26.5%). The rate is expected to apply for the full year and is applied to the pre-tax income of the three-month period.

Current income tax asset included in the condensed interim consolidated statements of financial position comprises Medicplast income tax advances and income tax recovery certificates.

Current income tax liability included in the condensed interim consolidated statements of financial position comprises Medicplast income tax advances payable.

During the six and three months ended April 30, 2022 and 2021, the Company has not recognized deferred tax assets or liabilities.

18. COMMITMENTS AND CONTINGENCIES

From time to time, the Group may be involved in litigation relating to claims arising out of operations in the normal course of business. As of April 30, 2022, there were no pending or threatened lawsuits that could reasonably be expected to have a material effect on the results of the Group's operations. There are also no proceedings in which any of the Group's directors, officers or affiliates is an adverse party or has a material interest adverse to the Group's interest.

19. FINANCIAL INSTRUMENTS

19.1. Financial risk management

The Group is exposed to credit, liquidity, and market risks (including foreign exchange risks, interest rates risks and price risks). The Group's management oversees the management of these risks.

19.1 (a) Credit Risk

The Company is moderately exposed to credit risk from its cash and cash equivalents, receivables from related parties and trade and other receivables. The risk exposure is limited to their carrying amounts reflected on the condensed interim consolidated statements of financial position. The risk for cash and cash equivalents is mitigated by holding these instruments with highly rated financial institutions. Trade and other receivables primarily consist of trade accounts receivable with State-owned Hospitals, Private Hospitals, Pharmacies, and other customers. The Company provides credit to customers in the normal course of business and the Management continually evaluates and monitors credit to customers to mitigate its credit risk.

The Group uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small balances.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics – geographic region, age of customer relationship and type of product purchased.

(Unaudited - Expressed in Canadian Dollars)

The following table provides information about the exposure to credit risk and ECLs for trade receivables from customers as of April 30, 2022 and October 31, 2021:

	April 30, 2022			October 31, 2021		
	Weighted-average loss rate	Gross Carrying amount	Loss allowance	Weighted-average loss rate	Gross Carrying amount	Loss allowance
		$	$		$	$
Current (not past due)	0.9%	640,330	5,852	0.9%	919,897	8,407
1-30 days past due	4.3%	88,855	3,827	4.3%	89,128	3,839
31-60 days past due	8.4%	78,861	6,604	8.4%	68,770	5,759
61-90 days past due	16.9%	33,464	5,659	16.9%	36,066	6,099
More than 90 days past due	71.2%	327,024	232,919	71.2%	292,535	208,355
	21.8%	**1,168,534**	**254,861**	**16.5%**	**1,406,396**	**232,459**

The movement in the allowance for impairment in respect of trade receivables during the period was as follows:

	April 30, 2022	October 31, 2021
	$	$
Opening balances	**232,459**	152,854
Net remeasurement of loss allowance	**78,451**	104,651
Effect of movements in exchange rates	**(56,049)**	(25,046)
Allowance reserve for impairment of trade receivables	**254,861**	232,459

19.1 (b) Liquidity Risk

The Group's cash is currently invested in business accounts with high-credit quality financial institutions which are available on demand by the Group. The following are the remaining contractual maturities of financial instruments at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments:

April 30, 2022	**Under 1 year**	**Between 1-2 years**	**Between 2-3 years**	**Between 3-4 years**	**Over 5 years**
	$	$	$	$	$
Financial assets					
Cash and cash equivalents	14,676,626	—	—	—	—
Trade and other receivables (i)	1,725,429	—	—	—	—
Receivables from related parties	1,948,582	—	—	—	—
	18,350,637	—	—	—	—
Financial liabilities					
Trade and other payables	2,984,499	—	—	—	—
Lease liabilities	11,012	2,198	—	—	—
	2,995,511	**2,198**	—	—	—

	Under 1 year	**Between 1-2 years**	**Between 2-3 years**	**Between 3-4 years**	**Over 5 years**
Contractual obligations	$	$	$	$	$
Trade and other payables	2,984,499	—	—	—	—
Lease liabilities	11,012	2,198	—	—	—
	2,995,511	**2,198**	—	—	—

(i) Does not include VAT Credits and advances to suppliers.

19.1 (c) Foreign Currency Risk

The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables, and payables are denominated and the respective functional currencies of Group companies. The functional currencies of Group companies are primarily the Uruguayan Peso (UYU) and the US Dollar (USD). Currently, the Group does not use derivative instruments to reduce its exposure to foreign currency risk.

A 10% change in the value of the USD, UYU or the Euro (EUR) would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular, interest rates remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss		Equity	
Effect in thousands of Canadian dollars	**Strengthening**	**Weakening**	**Strengthening**	**Weakening**
	$	**$**	**$**	**$**
April 30, 2022				
EUR (10% movement)	85	(85)	—	—
UYU (10% movement)	12	(12)	(644)	644
USD (10% movement)	141	(141)	(148)	148
October 31, 2021				
EUR (10% movement)	(18)	18	16	(16)
UYU (10% movement)	—	—	104	(104)
USD (10% movement)	(92)	92	216	(216)

19.1 (d) Other market risks

The Company is exposed to interest rate and price risks on certain financial instruments but has determined that the risk is not significant.

19.2. Fair Values

Financial instruments recorded at fair value on the condensed interim consolidated statements of financial position are classified using a fair value hierarchy that reflects the observability of significant inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 inputs are observable inputs other than quoted prices included within Level 1, such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical assets or liabilities in markets that are not active, or other inputs that are observable directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability that reflect the reporting entity’s own assumptions and are not based on observable market data.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

(Unaudited - Expressed in Canadian Dollars)

The carrying amount of cash and cash equivalents, trade and other receivables, interest receivable, trade and other payable and provisions approximate their respective fair values due to their short-term nature. The carrying amounts of the receivables from related parties approximate their respective fair values due to consistency of current market rates and credit risk.

The following table provides information about how the fair values as of April 30, 2022, of the Company's other financial instruments are determined:

			Carrying values / Fair values	
Financial assets			**April 30, 2022**	**October 31, 2021**
			$	**$**
Cash	FVTPL	Level 1	14,676,626	17,155,453
Trade and other receivables (i)	Amortized cost		1,725,429	1,683,021
Receivables from related parties	Amortized cost		1,948,582	1,863,573
			18,350,637	20,702,047

		Carrying values / Fair values	
Financial liabilities		**January 31, 2022**	**October 31, 2021**
		$	**$**
Trade and other payables	Amortized cost	2,984,499	3,289,643
Lease obligations	Amortized cost	13,210	32,164
		2,997,709	3,321,807

The Group has determined that there have been no transfers between levels in the hierarchy by re-assessing categorization at the reporting dates.

The Company has performed a sensitivity analysis over key inputs to Level 3 investments and has determined that there is no potential corresponding impact on total comprehensive income.

(Unaudited - Expressed in Canadian Dollars)

20. SUPPLEMENTAL CASH FLOWS INFORMATION

Reconciliation of movements of liabilities to cash flows arising from financing activities for the three months period ended April 30, 2022 is as follows:

	Lease liabilities
	$
Opening balance as of November 1, 2021	32,164
Changes from financing cash flows	
Lease payments	(22,145)
Total changes from financing cash flows	**10,019**
The effect of changes in foreign exchange rates	**2,433**
Liability-related other changes	
Interest expense	759
Total liability-related other changes	**759**
Balance as of April 30, 2022	**13,210**

21. SUBSEQUENT EVENTS

The Company has evaluated subsequent events from April 30, 2022 through the date these condensed interim consolidated financial statements were issued and has determined that there is no significant event to report.