MANAGEMENT'S DISCUSSION AND ANALYSIS OF JASPER FOR THE NINE MONTH PERIOD ENDED APRIL 30, 2022

The following Management's Discussion and Analysis ("**MD&A**") for Jasper Commerce Inc. ("**Jasper**" or the "**Company**") should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements, and the accompanying notes, as at and for the 9 months ended April 30, 2022 and unaudited interim condensed consolidated financial statements, and the accompanying notes, as at and for the 9 months ended April 31, 2021. The financial statements, including the notes thereto, and the financial information presented in this MD&A have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are stated in Canadian currency unless otherwise indicated. Whenever used in this MD&A, the term "**Common Shares**" means Class A common shares in the capital of the Company.

The content of this MD&A has been approved by the board of directors of the Company (the "**Board**" or "**Board of Directors**") on June 21, 2022.

FORWARD LOOKING STATEMENTS AND DISCLAIMER

Certain information set out in this MD&A constitutes forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "hope", "plan", "continue", "estimate", "expect", "may", "will", "intend", "could", "might", "should", "scheduled", "believe" and similar expressions.

Forward-looking statements are based upon the opinions, expectations and estimates of management and, in some cases, information received from or disseminated by third parties, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or outcomes to differ materially from those anticipated or implied by such forward-looking statements. These factors include such things as the Company's current stage of development, the lack of a track record with respect to the generation of revenues from performance-based arrangements with users, its reliance on third parties and third party technology, the existence of competition, the availability of external financing, the inherent risks associated with research and development activities and commercialization of emerging technologies (such as lack of market acceptance), timing of execution of various elements of the Company's business plan, the availability of human resources, the emergence of competing business models, new laws (domestic or foreign), lack of acceptance by users, management's estimates of project requirements being incorrect, information received from third parties with respect to anticipated transaction volumes being incorrect, a lack of advertising sources for integration into the Company's platform, management's understanding of the competitive and regulatory environment being incorrect and the other risk factors noted below under the heading "Business Risks and Uncertainties". **Accordingly, readers should not place undue reliance upon the forward-looking information contained herein and the forward-looking statements contained in this MD&A should not be considered or interpreted as guarantees of future outcomes or results.**

The Company does not assume responsibility for the accuracy and completeness of the forward-looking statements set out in this MD&A and, subject to applicable securities laws, does not undertake any obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances. Jasper's forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statement.

COVID-19

Since January 2020, the outbreak of the novel strain of coronavirus, specifically identified as 'COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposing quarantine period and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown currently, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Corporation and its operating subsidiaries in the future period.

As a result of the significant increase in adoption of online shopping resulting from COVID-19, the pandemic has not had a material adverse effect on the business of the Company to date. However, the ongoing duration and effects of COVID-19 are still unknown and so the Company's business may be adversely impacted in the future.

INTRODUCTION AND OVERVIEW

Jasper's shares trade on the TSX Venture Exchange in Canada, under the symbol "JPIM". Jasper PIM is a leading Product Information Management ("PIM") solution empowering eCommerce retailers, wholesalers or distributors to: centralize, organize and richly merchandise their products from a single central repository. The PIM is a powerful supplement to a merchant's existing eCommerce storefront (for example, Shopify) or eCommerce marketplace (such as Amazon) that enables them to reach new consumer markets and increase their online sales.

Jasper PIM powered merchants also can save significant time and money using utilities that streamline product data management operations in a way that the other eCommerce systems do not.

With Jasper PIM, eCommerce merchants can schedule promotional pricing in advance, enrich product data with complex imagery, videos and marketing content, manage complex attribution, and setup product relationships between multiple products in order to upsell or cross-sell their goods and services. The PIM also supports the batch management of product information, including support for multiple languages, currencies and inventory locations as well as afford the merchant the ability to manage multiple storefronts or marketplaces quickly and accurately.

Jasper has forged distribution partnerships with some of the most widely used and well-known eCommerce shopping platforms including Shopify, BigCommerce and Magento [an Adobe Company]. These partnerships represent a significant distribution opportunity as the aggregate potential merchant base between them is reported to be well over 1,000,000 eCommerce merchants. Jasper announced its launch on the Square App Marketplace on May 24, 2022 which will expand its PIM's reach into a new distribution channel that has the potential to reach over 4 million merchants in the United States.

Jasper recently released a specialized plugin for the Shopify App Store in order to enable smaller eCommerce merchants a quick-and-easy pathway to install and discover the benefits of PIM. Jasper considers a small merchant to be one having less than $250,000 / year in revenues. It is expected that approximately 75% of this distribution channel's base includes very small merchants that Jasper is uniquely qualified to serve.

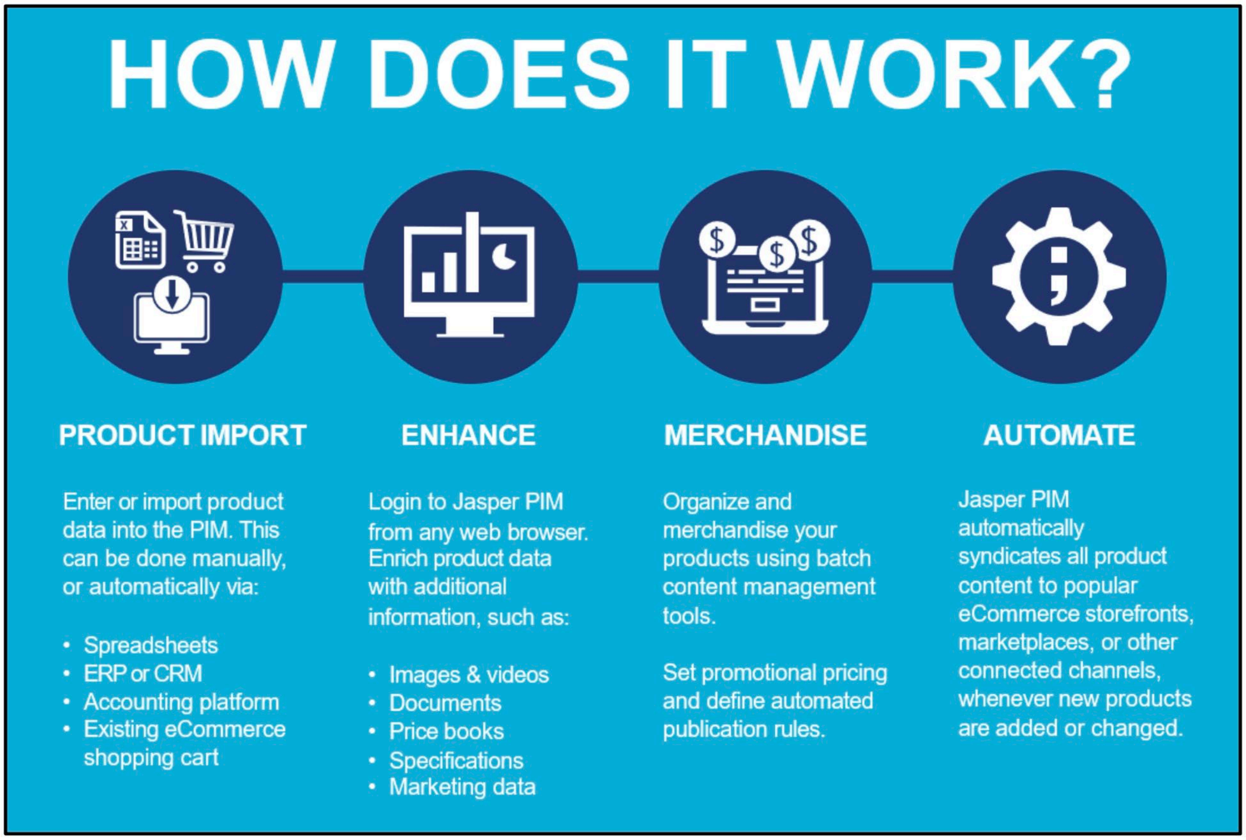
Jasper's primary revenue model is subscription based, where customers sign up for a month-to-month or annual term, agreeing to pay Jasper monthly (or annually) for utilization of the PIM platform. Jasper also helps merchants through professional services to assist them with the setup, management and optimization of their PIM.

PRODUCT AND SERVICES

Jasper PIM is a Software-as-a-service ("SaaS") Product Information Management ("PIM") solution empowering eCommerce retailers, wholesalers or distributors to centralize, organize and richly merchandise their products from a single source of truth. Jasper's customers use the PIM as a powerful supplement to their existing eCommerce storefront (for example, Shopify) or marketplace (such as Amazon) to reach new consumer markets and increase their online sales and to save significant time and money using utilities within the PIM that streamline product data management operations.

Jasper's customers have indicated that they can spend anywhere from 40-60% of their time managing their product or services information as they prepare them for online sale. Products require a name, descriptions, pricing information, attributes, images and video assets, inventory quantities, marketing information, and much more before they're ready to list on an eCommerce storefront or marketplace (such as Amazon or Walmart).

With Jasper PIM, eCommerce merchants can schedule promotional pricing in advance, enrich product data with complex imagery, videos, and marketing content, manage complex attribution, and setup product relationships between multiple products in order to upsell or cross-sell their goods and services. Many Jasper PIM customers enjoy a deep integration between the PIM itself and their existing inventory management, customer relationship management or accounting platform. (the "back-office systems").



Jasper PIM supports the batch management of product information, including multiple languages, currencies, and inventory/warehouse locations as well, affording the customer utility not found in their other eCommerce storefront or other back-office systems.

Jasper offers five different product lines from a single and scalable software stream, each serving a specific segment of the overall addressable online merchant market, ranging from very small merchants (i.e., those having less than $250K USD / annum of aggregate revenues) all the way to multi-billion-dollar enterprises. Jasper's addressable market is extensive as its product lines serve the breadth of the global PIM market

Feature / Detail	Ultralite	Lite	Standard	Plus	Enterprise
Monthly Cost Per Jasper PIM License (MRR, USD)	$99/mo.	$299/mo.	$750/mo.	$1,750/mo.	$3,750+/mo.
Customer Target Market - Aggregate Annual Revenues (USD)	< $1M	$1M-5M	$5M-10M	$10M-50M	$50M+
Number of Addressable cart Installations (Sweet Spot Segment)	750,000+	175,000+	55,000+	12,500+	5,000+

PARTNERSHIPS

Jasper has forged important strategic partners with industry leading eCommerce agencies, system integrators, and other digital service providers that provide supplemental listing capability to speciality marketplaces (such as Wayfair, Costco, Home Depot, Target, etc.). Jasper's largest distribution opportunities lie within each of its eCommerce platform relationships (i.e., Shopify, BigCommerce and Magento [an Adobe Company]) whereby the aggregate possible user base between them is greater than a million eCommerce merchants. Jasper announced its launch on the Square App Marketplace on May 24, 2022 which will expand its PIM's reach into a new distribution channel that has the potential to reach over 4 million merchants in the United States.

Jasper recently released a specialized application plugin for the Shopify App Store, in order to enable smaller eCommerce merchants with a quick-and-easy pathway to discover and install the Jasper PIM. Once installed, Shopify merchants can enjoy a 14-day free trial and can self-serve their own setup and support in the form of: online/contextual help, watching how-to-videos, submitting, and reviewing support tickets, live chat in real-time with a Jasper staff member and the ability to book a demo with a sales-person or qualified Jasper solutions engineer for additional paid help (i.e., "white glove service").

Jasper's primary revenue model is subscription based, whereby customers sign up for a month-to-month term, annual term or multi-year contract term, agreeing to pay Jasper monthly (or annually) for ongoing usage of the PIM platform. Jasper also earns revenue from carefully curated strategic professional services, offered by qualified Jasper staff to assist Jasper PIM customers, including the setup of the product, training on best-practices, and solution planning with the intent of integrating the PIM with other business systems (including and not limited to: ERPs, CRMs, inventory or warehouse management systems, POS (point of sale) systems, search indexing tool, etc.).

SALES AND MARKETING ACTIVITIES

Jasper identifies two primary user personas (i.e., customer demographics) and has created marketing strategies to address each segment separately.

- The small business owner/operator craves simplicity, ease of use and high-value (for low cost). They are resilient and prefer to self-serve (versus speak to sales reps) when given the preference.

- The marketing or eCommerce manager craves ease of use but also values powerful and configurable features to improve staff workflow efficiency and the ability to connect to many different types of selling channels such as bespoke commerce technologies or boutique sales marketplaces.

Jasper has established an internal marketing and communications function with creative production capability. Higher level branding/marketing/advertising strategies are provided by its primary Canadian marketing partner of record, Treefrog.

Jasper employs a mix of traditional marketing, digital marketing, and channel partnership strategies to develop and cultivate its sales pipeline. Quality transactional inbound leads are obtained through Jasper's self-serve provisioning platform.

DISTRIBUTION

Jasper has established three primary product discovery/distribution channels among three leading eCommerce platforms, specifically Shopify (including Shopify Plus), Bigcommerce, and Magento (an Adobe Company). Notably, the Shopify app store is the largest present-day distribution opportunity given its installed base and merchant activity level. A report published by Shopify in 2020 indicated that 87% of Shopify merchants make use of the Shopify App Store, and Jasper's recently released Ultralite product is expected to be of significant interest to smaller merchants.

PARTNER	Magento	BigCommerce	shopify
Customer Base	250,000	60,000	1,000,000
Product Tier	PIM Lite	PIM Lite	PIM Ultralite
Intro Price (USD)	$350/mo.	$299/mo.	$99/mo.

Jasper plans to continue to refine its Ultralite product making it increasingly easier for Shopify app store merchants to onboard the solution on their own. Jasper announced its launch on the Square App Marketplace on May 24, 2022, which makes Jasper's Ultralite PIM available for its own app store users. This is a significant green-field opportunity for Jasper. Square sought out Jasper's PIM after learning of the Ultralite PIM in the Shopify app store. Square had approximately 2 million customers as of 2017, which has since grown, and could now present an opportunity for over 4 million SMB merchants, as per a recent Square investor presentation. We are optimistic about this new App Marketplace launch as Square's app store is considered vibrant and heavily utilized by its merchants.

Jasper expects to further evolve its PIM platform by periodically introducing new seamless automation capabilities in the future. For example, Jasper intends to develop a strategic partnership with Intuit Quickbooks Inc., in order to plan and launch a Quickbooks Online ("QBO") PIM integration and app store release with a projected launch date of July 2022.

QBO has approximately 4.5 million customers, and its platform largely caters to SMBs that demand flawless integration experiences with other digital service providers, such as Jasper PIM. Jasper believes that its own PIM, combined with QBO (operating as the SMBs accounting/inventory management back-office) and combined with Shopify or Square eCommerce storefronts will introduce small business eCommerce merchants to a trifecta solution that will bring them unparalleled consumer value and an intuitive user experience.

SIGNIFICANT EVENTS

On February 16, 2022, Jasper completed an RTO transaction pursuant to an agreement between Jasper Interactive Studios Inc. ("JISI") and SaaSquatch Capital Corp. ("SCC") whereby JISI amalgamated with a subsidiary of SCC. The amalgamation constituted a reverse acquisition of SCC by JISI (the subsidiary for legal purposes and the acquirer for accounting purposes). SCC then changed its name to Jasper Commerce Inc. The historical operations, assets, and liabilities of JISI, which is deemed to be the continuing entity for financial reporting purposes, are included as the comparative figures as at and for the period ended April 30, 2021.

Immediately prior to the completion of the transaction: (i) SCC consolidated its issued and outstanding SCC common shares on the basis of one post-consolidation SCC common share for every 2 pre-consolidation SCC common shares and (ii) JISI shares were exchanged for shares of jasper Commerce Inc, ona 13.95 for one basis..

On closing, Jasper: (iii) is deemed to have issued 6,500,000 common shares valued at $2,604,300 and 100,000 common share warrants valued at $34,676 in exchange for all the issued and outstanding common shares of SCC, (iv) issued 1,440,784 common shares valued at 577,267 as a finders' fee for the RTO transaction, (v) converted $3,483,000 principal amount of debentures plus $125,942 accrued interest into 11,104,447 common shares, and (vi) issued 12,000,000 common shares and 6,000,000 common share warrants for gross proceeds of $6,000,000 in a concurrent financing.

The RTO transaction did not constitute a business combination as SCC did not meet the definition of a business under IFRS 3, Business Combinations. As a result, the transaction is accounted for as an asset acquisition, JISI is identified as the acquirer and the equity consideration is accounted for in accordance with IFRS 2, Share-based payments, and measured at fair value. Accordingly, there is no goodwill recognized, and the difference between the consideration and fair value of the net assets acquired results in an RTO listing expense of $2,292,750. The non-cash listing expense was determined as follows:

Consideration:	
Fair value of 6,500,000 common shares	$ 2,604,300
Fair value of 100,000 common share warrants	34,676
Fair value of 1,440,784 finder's shares	577,267
Total consideration	**$ 3,216,243**

Net assets acquired (liabilities assumed):	
Cash	$ 995,269
Accounts payable and accrued liabilities	(71,776)
Total net assets acquired	**$ 923,493**
Listing expense	**$ 2,292,750**

OUTLOOK

Jasper has started to invest the capital raised that resulted from the RTO transaction. Employees are being added in Sales, Research and Development and Customer Support. It will take a number of quarters for this additional investment to significantly impact Company development.

Looking forward to fiscal 2023, management expects the revenue growth of the SaaS PIM Subscription business to accelerate. Revenue from professional services will likely decline as a percentage of overall revenue.

Management does not yet have sufficient visibility into the impact of increased spending to provide more precise sales guidance for fiscal 2023.

OVERALL PERFORMANCE

In the 9 months ended April 30, 2022, Jasper had revenues of $1,306,291 (2021 - $1,007,331), an increase of 30% on 2021 and had a net loss of $6,999,584 (2021 - $1,423,021). In the 3 months ended April 30, 2021, Jasper had revenues of $383,297 (2021 - $335,661), and an increase of 14% on 2021 and had a net loss of $683,971 (2021 – 683,971).

On February 16, 2022, the Company reduced a material amount of non-Government debt by converting $3,483,000, principal amount, of unsecured debentures plus $125,942 accrued interest into 11,104,447 common shares.

SELECTED FINANCIAL INFORMATION

The following table sets out selected financial and share information of the Company for the periods then ended.

KEY FINANCIAL METRICS	3 months ended April 30, 2022 (unaudited)	3 months ended April 30, 2021 (unaudited)	9 months ended April 30, 2022 (unaudited)	9 months ended April 30, 2021 (unaudited)
Revenue	383,297	335,661	1,306,291	1,007,331
Expenses				
General and Administrative	709,958	340,231	1,689,567	767,818
Research and development	360,765	304,569	896,847	885,412
Selling and marketing	344,731	46,439	830,042	112,306
Hosting	86,428	33,698	221,596	94,854
Customer Support	314,820	55,095	664,682	156,182
Stock-based compensation	148,297	22,914	289,262	48,331
Loss on settlement	-	-	19,426	-
Depreciation	2,700	2,421	9,419	7,343
Foreign exchange loss (gain)	4,867	1,802	3,731	4,462
Finance costs	3,210,371	212,463	3,681,303	353,644
	5,182,937	1,019,632	8,303,875	2,430,352
Net Loss	(4,799,640)	(683,971)	(6,999,584)	(1,423,021)
Weighted Average number of Shares Outstanding	52,519,220	27,069,259	35,366,133	27,064,004
Loss per share (weighted)	(0.09)	(0.03)	(0.20)	(0.05)
	As at April 30, 2022	**As at July 31, 2021**		
Total Assets	4,492,650	1,931,969		
Total Current Liabilities	792,535	1,104,108		
Total Non-Current Liabilities	240,611	3,802,272		

RESULTS OF OPERATIONS

Revenues

Jasper's primary revenue model is subscription based, whereby customers sign up for a month-to-month or annual term, agreeing to pay Jasper monthly (or annually) for ongoing usage of the PIM platform.

The secondary revenue model is from carefully curated strategic professional services, offered by qualified Jasper staff to assist Jasper PIM customers with the setup of the product, training on best-practices, solution planning with the intent of integrating the PIM with other business systems.

Revenues for the 3 months ended April 30, 2022, were $383,297 (2021 revenues were $335,661). Revenues from subscriptions were up 33% year-on-year to $312,092, compared to $234,306 in 2021. Revenues from professional services were down 30% year-on-year to $71,205 in 2022, from $101,355 in 2021, due to a slipping of a project.

Revenues for the 9 months ended April 30, 2022, were $1,306,291 (2021 revenues were $1,007,331). Revenues from subscriptions were up 50% year-on-year to $888,540, compared to $591,570 in 2021. Revenues from professional services were flat year-on-year at $417,751 in 2022 compared to $415,761 in 2021.

General and Administration
General and administration consist primarily of the salaries of the CEO, CFO, COO/CTO and administrative support, office costs, various professional services, and advisory. Total expenses were $709,958 (2021 - $340,231) for the 3 months ended April 30, 2022, and $1,689,567 (2021 - $767,818) for the 9 months ending April 30, 2022. Increases in expenditure from 2021 to 2022 were primarily in professional services and salaries. Looking ahead there would be an increase in investor relation expense but a marked reduction in professional services spend.

Research and Development,
Research and development consist of employee salaries and fees from contractors. These costs totaled $360,765 (2021 - $304,569) for the 3 months ended April 30, 2022, and $896,847 (2021 - $885,412) for the 9 months ended April 30, 2022. The number of employees remained relatively flat year-on-year although in the 3 months ended April 30, 2022, there was an increase in headcount. The Company continues to invest in employee headcount after April 30, 2022.

Selling and marketing
Selling and marketing spend was $344,731 (2021 - $46,439) in the 3 months ending April 30, 2022 and $896,847 (2021 - $112,306) in the 9 months ending April 30, 2021. The Company now has a dedicated sales team which was not the case for most of 2021. The Company continued to invest in employee headcount after April 30, 2022.

Hosting
Hosting in the 3 months and 9 months ending April 30, 2022 was up respectively to $86,428 (2021 – $33,698) and $221,596 (2021 - $94,854). The year-on-year increase was due both to an increase in the subscription revenue and more investment being made in the infrastructure. The company was looking to optimize its current infrastructure so as to reduce spend as percentage of growing subscription revenue.

Customer support
Customer support spend was $314,820 (2021 - $55,095) in the 3 months ending April 30, 2022, and $664,682 (2021 - $156,182) in the 9 months ending April 30, 2022. The Company now has a dedicated internal customer support team which was not the case in the same period in 2021.

Stock based compensation
Stock-based compensation increased to $148,297 in the 3 months ending April 30, 2022 (2021 - $22,914) and to $289,262 in the 9 months ending April 30, 2022 (2021 - $48,331). The increase was due to new stock options being issued in 2022.

Depreciation
Depreciation remained relatively flat year-on-year in the 3 months and 9 months ending April 30, 2022. The Company has started to update its computer stock and coupled with an increase in headcount the depreciation amount is going to increase next quarter.

Finance costs
Finance costs increased to $3,210,371 in the 3 months ending April 30, 2022 (2021 - $212,463) and to $3,681,303 in the 9 months ending April 30, 2022. The primary cause of the large increase in cost year-on-year was due to the one-time non-cash listing expense, $2,292,750, resulting from the RTO transaction.

Net Loss
Jasper’s net loss for the 3 months and 9 months ending April 30, 2022 were $4,799,640 (2021 - $683,971) and $6,999,584 (2021 - $1,423,021), respectively.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The reported financial position of the Company presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. As at April 30, 2022, the Company has incurred accumulated deficit of $15,292,063 since the Company commenced operations in 2010. On April 30, 2022, the Company had a cash balance of $3,949,688 and a working capital surplus of $3,680,716.

Cash flows from operating activities primarily consist of the Company's loss before adjusting for certain non-cash items such as depreciation, stock-based compensation and finance costs, and changes in working capital.

Net cash outflows from operating activities for the 9 months ended April 30, 2022, increased to $3,042,144 compared to $560,352 in the 9 months ending April 30, 2021. The increase was due to an uplift in expenditures.

There was cash inflow from financing activities for the 9 months ending April 30, 2022 of $4,718,123 compared to $2,249,199 of cash inflows in the 9 months ending April 30, 2021. The Company raised $5,378,854 from a common share financing, net of issue costs, in the 9 months ending April 30, 2022 (2021 - $0). The Company raised $100,000 of new debt in the 9 months ending April 30, 2022 (2021 - $2,632,650). In the 9 months ending April 30, 2022, the Company: agreed to pay a secured debenture holder such that the amount paid, $50,000, will constitute full and indefeasible payment of all principal, interest and any other obligations owing to the debenture holder; and settled the balance owing to another secured debenture made up of $240,000 in principal and the balance of interest owed.

The Company's ability to continue operations remains dependent upon its ability to: 1) raise additional funds; 2) realize transaction revenues from existing users; and 3) secure new users that provide the Company with adequate funds to cover projected expenditures (or a combination of the foregoing). If the Company does not generate sufficient funds from existing or new customer relationships and is unable to raise additional financing, the Company will have to consider strategic alternatives, which may include, among other things, exploring the monetization of certain intangible assets, modification of planned operating expenditures, or the sale of the Company.

DEBT OBLIGATIONS

In the 3 months ending April 30, 2022, the Company reduced a material amount of non-Government debt including:

- Converted $3,483,000, principal amount, of unsecured debentures plus $125,942 accrued interest into 11,104,447 common shares.

- Settled the balance owing on a secured debenture, $240,000 principal amount plus $76,142 accrued interest.

The following table sets out the next three years and thereafter of payments of Jasper's debt obligations:

	Payments Due by Year ending April 30				
Debt Obligations as at April 30, 2022	**Total**	**2023**	**2024**	**2025**	**After 3 years**
Business Development Bank of Canada ("BDC") loan	278,670	136,340	88,270	35,800	18,260
Canada Emergency Business Account ("CEBA")	60,000		60,000		
Total	**338,670**	**136,340**	**148,270**	**35,800**	**18,260**

OFF-BALANCE SHEET ARRANGEMENTS

The Company did not have any off-balance sheet arrangements as of April 30, 2022. The Company did not have any commitments for capital expenditures as of April 30, 2022 nor any financing sources arranged, but not yet used.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

On April 30, 2022 and July 31, 2021, the Company holds various forms of financial instruments as follows:

Financial assets/liabilities	Designation	Measurement	2022	2021
Cash and cash equivalents	FVTPL	Fair value	3,949,688	1,289,325
Accounts receivable (excluding commodity tax)	Loans and receivables	Amortized cost	246,602	127,513
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost	590,442	531,974
CEBA loan	Other financial liabilities	Amortized cost	60,000	60,000
BDC	Other financial liabilities	Amortized cost	278,670	345,605
Secured Debentures	Other financial liabilities	Amortized cost	-	307,786
Unsecured Convertible Debentures	Other financial liabilities	Amortized cost	-	2,001,957
Warrants	FVTPL	Fair value	-	540,279
Conversion feature	FVTPL	Fair value	-	904,359

The nature of these financial instruments and the Company's operations exposes Jasper to a number of financial risks, including credit risk, liquidity risk, foreign currency risk and interest rate risk. The Company manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

Financial assets that are exposed to credit risk consist primarily of cash and cash equivalents and accounts receivable. At April 30, 2022, all of the Company's cash and cash equivalents were held at a major Canadian bank.

Accounts receivables are subject to normal credit risks. Any amounts not provided for would be considered fully collectible.

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. Senior management is also actively involved in the review and approval of planned expenditures. See the section titled "Liquidity and Capital Resources" above for further discussion.

The Company operates internationally and is exposed to risk from changes in foreign currency rates. Foreign currency risk arises from the fluctuation of foreign exchange rates and the degree of volatility of these rates relative to the Canadian dollar. The Company sells PIM software subscriptions and consulting services in both Canadian and foreign currencies. The sale of software and services in foreign currencies gives rise to the risk that the Company's income and cash flows may be adversely impacted by fluctuations in foreign exchange rates. Certain purchases of services and equipment are also made in non-Canadian currencies. The Company does not actively manage this risk and uses its natural hedge to mitigate, to the extent possible, the impact of foreign exchange fluctuations.

The Company is primarily exposed to foreign exchange risk from transactions in U.S. dollars. The sensitivity analysis of its exposure to currency risk has been determined based on a hypothetical change in the foreign exchange rates taking place at the reporting date. Fluctuations of 10% in the exchange rates for these currencies, when compared to the Canadian dollar, are not expected to individually have a material effect on the Company's results of financial performance.

The carrying values of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities and debenture approximate their fair values due to the immediate or short-term maturity of these financial instruments.

BUSINESS RISKS AND UNCERTAINTIES

The business of the Company is subject to numerous risk factors, including those more particularly described below. An investment in or ownership of Common Shares should be considered highly speculative due to the nature of the Company's business, its current stage of development and the potential requirement for additional financing.

COVID-19

The outbreak of the novel strain of the coronavirus, specifically identified as the COVID-19 pandemic, has caused governments worldwide to enact emergency measures to combat the spread of the virus. The Company applied for and received certain government funding which was integral to the Company's financial condition. The full extent of the impact of this outbreak and related containment measures on the Company's operations cannot be reliably estimated at the date these financial statements were approved, and the Company continues to seek available government support.

Substantial Capital Requirements; Liquidity; Going Concern

Because of the costs associated with further development of Jasper's technology and business, and the fact that Jasper's ability to generate revenue will depend on a variety of factors (including the ability of Jasper to meet its development schedule and consumer acceptance of Jasper technologies), additional funds may be required to support Jasper's business. Jasper has accumulated a substantial deficit and continues to have operating losses. These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Additional funds (whether through additional equity financing, debt financing or other sources) may not be available (at all or on terms acceptable to Jasper) or may result in significant dilution to Jasper shareholders or significant interest obligations. The inability to obtain additional funds in the short term will have a material adverse effect on Jasper's business, results of operations, and financial condition and could result in the Company ceasing operations.

No Record of Profit

Jasper has incurred significant losses to date, and there can be no assurance that the future business activities of Jasper will be profitable. Since its organization, Jasper has incurred costs to develop and enhance its technology, to establish strategic relationships and to build administrative support systems. Jasper has incurred negative operational cash flow to date. Jasper incurred losses of $4,799,640 for the 3 months ending April 30, 2022 and $683,971 for the 3 months ending April 30, 2021. Jasper's ability to operate profitably and generate positive cash-flow in the future will be affected by a variety of factors (including its ability to further develop and test its technology on schedule and on budget, the pace at which it secures additional users, the time and expense required for the roll-out of its technology, its success in marketing its applications, the intensity of the competition experienced by Jasper and the availability of additional capital to pursue its business plan, including development of new solutions and services). An inability to generate sufficient funds from operations will have a material adverse effect on Jasper's business, results of operations and financial condition.

Developing Market

Jasper is engaged in the development and marketing of an application that is relatively new and, as such, the primary market for Jasper's applications is underdeveloped and continues to evolve. As is typical in the case of a new evolving industry segment, the demand for the Company's applications is subject to a high level of uncertainty. If the markets for the Jasper applications fail to develop, develop more slowly than expected or become saturated with competitors, or if the Company's applications do not achieve and maintain market acceptance, the Company's business, results of operations and financial condition will be materially adversely affected.

Current Enterprise Value assigned by the Market; Liquidity

The actions of all stakeholders in the business may be adversely affected by the current market capitalization of the Company. These stakeholders include users, potential users, competitors, and current or prospective employees. These stakeholders may ascribe a higher business risk to the Company due to its relatively low market capitalization, and any perception of higher risks may have a material adverse effect on Jasper's business, results and financial condition.

Third Party Technology

In providing its solutions and services, Jasper is, and will continue to be, dependent on technologies and infrastructure that are beyond Jasper's control, including smartphones, computers, cellular telephone networks, cloud computing services, and payment systems. There can be no assurance that, if weaknesses or errors in third party software or hardware are detected, Jasper will be able to correct or compensate for such weaknesses or errors. If Jasper is unable to address weaknesses or errors and the Company's technology is therefore unable to meet consumer needs or expectations, Jasper's business, results of operations and financial condition will be materially adversely affected. In addition, there can be no assurance that the Company will continue to have access to required third-party technology on terms acceptable to Jasper. If Jasper is unable to obtain third party technology on acceptable terms, Jasper's business, results of operations and financial condition will be materially adversely affected.

Rapid Technological Change

The technology industry is subject to rapid change, and the inability of Jasper to adapt to such change may have an adverse effect on Jasper's business, results of operations and financial condition. The effect of new developments and technological changes on the business sector in which Jasper is active cannot be predicted. Such developments would include, but are not limited to, change in web browser technology, how mobile advertising is delivered by advertisers and transacted with potential consumers, changes to or the development of alternative payment systems, changes to smartphone technology, a change in the success rate on the application of analytics in advertising, consumer backlash resulting from the collection and use of demographic intelligence, and industry consolidation. Jasper's failure to adapt to any of the above could have a material adverse effect on Jasper's business, results of operations and financial condition.

Competition

Jasper is subject to competition from other organizations (many of which have substantially greater human and financial resources) and there can be no assurance that Jasper will be able to compete effectively in its target markets. Technologies do exist that are competitive with the Company's offerings. Certain organizations with substantially greater financial and human resources than the Company have active research and development initiatives involving the development and implementation of consumer online and mobile buy/sell/trade solutions. The inability of Jasper to preserve existing users and secure additional users due to competitive technologies will have a material adverse effect on Jasper's business, results of operations and financial condition.

In addition, advances in communications technology as well as changes in the marketplace and the regulatory environment are constantly occurring and any such change could have a material adverse effect on Jasper.

Need for Research and Development

To achieve its business objectives and obtain market share and profitability, Jasper will need to continually research, develop and refine the Company's applications. Many factors may limit Jasper's ability to develop and refine required technologies or to create, acquire or negotiate access to new technologies. Jasper may also be exposed to marketplace resistance to new technology and services. Any failure of Jasper to develop new technologies or refine its existing technologies or offer new applications could have a material adverse effect on Jasper's business, results of operations and financial condition.

Defects and Liability

The software utilized to deliver the Company's applications is complex and sophisticated and may contain design defects or software errors that are difficult to detect and correct. There can be no assurance that the Company's technologies will be free from errors or defects, or, if discovered, that Jasper will be able to successfully correct such errors in a timely manner or at all. Errors or failures in the Company's technologies could result in loss of or delay in market acceptance and usage of the Company's applications and correcting such errors and failures could require significant expenditures. Because of the competitive nature of the marketplace in which the Company’s applications is delivered, the reputational harm resulting from errors and failures could be very damaging to Jasper. The consequences of such errors and failures could have a material adverse effect on Jasper's businesses, results of operations and financial condition.

Patents and Other Intellectual Property

Competitors may have filed patent applications or hold issued patents relating to services or processes competitive with those of Jasper. Others may independently develop similar services or duplicate unpatented elements of the Company's technologies.

Jasper's success will be largely dependent upon its ability to protect its proprietary technologies. Jasper relies upon copyrights, trademarks, and trade secrets to protect its intellectual property. Where appropriate, Jasper also enters into non-disclosure agreements with persons to whom it reveals proprietary information. Any failure or inability on the part of Jasper to protect its intellectual property could have a material adverse effect on Jasper's business, results of operations and financial condition.

Jasper may be required to engage in litigation in the future to enforce or protect its intellectual property rights or to defend against claims of invalidity and Jasper may incur substantial costs as a result. Any claims or litigation initiated by Jasper to protect its intellectual property could result in significant expense to Jasper and diversion of the efforts of Jasper's technical and management resources, whether or not the claims or litigation are determined in favor of Jasper.

Ability to Manage Growth

Responding to consumer demands, expansion into other geographical markets and targeted growth in Jasper's business has placed, and is likely to continue to place, significant strains on Jasper's administrative and operational resources and increased demands on its management, internal systems, procedures and controls. If Jasper experiences rapid acceptance of its applications, the need to manage such growth will add to the demands on Jasper's management, resources, systems, procedures and controls. There can be no assurance that Jasper's administrative infrastructure, systems, procedures and controls will be adequate to support Jasper's operations or that Jasper's officers and personnel will be able to manage any significant expansion of operations. If Jasper is unable to manage growth effectively, Jasper's business, operating results and financial condition will be materially adversely affected.

Personnel Resources

Jasper is (and will continue to be) reliant upon its management and technical personnel in all aspects of its business, including to anticipate and address consumer demands in areas such as software development, customer service, marketing, finance, strategic planning and management. There can be no assurance that qualified management or technical personnel will be available to Jasper in the future. The loss of services of any of the Company's management or technical personnel could have a material adverse effect on its business, results of operations and financial condition.

Potential Fluctuations in Quarterly Operating Results

Jasper expects to be exposed to significant fluctuations in quarterly operating results caused by many factors, including changes in the demand for and or usage of the Company's applications, the introduction of competing technologies, market acceptance of enhancements to the Company's applications, delays in the introduction of enhancements to the Company's applications, changes in Jasper's pricing policies or those of its competitors, the mix of solutions and services sold, foreign currency exchange rates and general economic conditions. Such fluctuations could have a material adverse effect on Jasper's business, results of operations and financial condition.

Risk of Industry Consolidation

Jasper may have established working relationships that are undermined by a business combination or other transaction with another business in the marketplace. This could have a material adverse effect on Jasper's business, results of operations and financial conditions.

Government Regulation

The marketplace within which Jasper operates is in constant flux in relation to government regulation. Areas being regulated include regulation relating to online payments, privacy, restricted category (or class) of goods for resale, consumer protection laws, and opt-in requirements for mobile applications. Regulation is also being considered for use and application of consumer demographic information for mobile advertising purposes and other areas impacting on mobile advertising. The consequences of such regulation or changes to such regulation could have a material adverse effect on Jasper’s business, results of operations and financial condition.

OUTSTANDING SHARE DATA

Jasper's outstanding share capital consists of common shares. The Company is authorized to issue an unlimited number of common shares. As at April 30, 2022, the Company had 58,079,619 (July 31, 2021 – 27,069,258) common shares outstanding.

- On February 16, 2022, immediately prior to an RTO transaction, Jasper split its issued and outstanding common shares on the basis of one pre-split common share for approximately 13.95 post-split common shares, which resulted in a change in the number of common shares outstanding from 1,940,681 to 27,069,258. The issued and outstanding common shares, warrants and options have been retroactively restated to reflect this share split.
- On February 16, 2022, as part of an RTO transaction, Jasper issued 6,500,000 common shares and 100,000 common share purchase warrants in exchange for all the issued and outstanding common shares of SCC. In addition, the Company issued 1,440,784 common shares as a finder's fee for the RTO transaction.
- On February 16, 2022, concurrent with the RTO transaction, Jasper completed a brokered private placement for aggregate gross proceeds of $6,000,000 at a price of $0.50 per unit. Each unit consisted of one common share and one-half common share purchase warrant, resulting in an issuance of 12,000,000 common shares.
- On February 16, 2022, a total $3,483,000 principal amount of convertible debentures and $125,942 accrued interest automatically converted into equity as part of the RTO transaction at a price equal to the price of new equity offered concurrently less a 35% discount. This resulted in an issuance of 11,104,447 common shares at a conversion price of $0.325.
- On March 25, 2022 Jasper paid $15,000 to repurchase 34,870 common shares from a former shareholder.

As at April 30, 2022 Jasper had 14,383,933 (July 31, 2021 – 7,341,773) share purchase warrants outstanding with an approximate weighted average exercise price of $0.53.

- On February 16, 2022, in connection with the RTO transaction Jasper issued 100,000 warrants to shareholders of SCC with each warrant exercisable for approximately 5 years at a price of $0.20.
- On February 16, 2022, concurrent with the RTO transaction, Jasper completed a brokered private placement for aggregate gross proceeds of $6,000,000 at a price of $0.50 per unit. Each unit consisted of one common share and one-half common share purchase warrant, resulting in an issuance of 6,000,000 warrants, with each warrant exercisable for 2 years at a price of $0.70.
- On February 16, 2022, in connection with the brokered private placement, Jasper issued 942,160 broker warrants with each warrant exercisable for 2 years at a price of $0.50

As at April 30, 2022 Jasper had 3,321,218 (July 31, 2021 – 1,185,610) stock options outstanding with an approximate weighted average exercise price of $0.49 per share.

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RELATED PARTY TRANSACTIONS

One director owns approximately 1% of Jasper's issued common shares and has a controlling interest in a business that provided consulting services. For the 9 months ended April 30, 2022, amounts billed, excluding disbursements, totaled $nil (2021 - $94,125).

A shareholder that owns approximately 6% of Jasper's issued share capital also has a controlling interest in three of Jasper's customers. During the nine months ended April 30, 2022, Jasper earned revenue of $181,228 (2021 – $338,556) from those customers. As of April 30, 2022, Jasper was owed $32,911 (July 31, 2021 – $10,170) from those customers.

Key management compensation	**2022**	2021
Salaries	**$ 556,667**	$ 397,500
Stock-based compensation	**97,496**	68,581
	$ 654,163	$ 466,081

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Company's unaudited interim condensed consolidated financial statements for the 9 months ended April 30, 2022 and April 30, 2021 were prepared in accordance with IFRS, as issued by the International Accounting Standards Board ("IASB"). Please refer to Note 2 of the Company's audited financial statements for a detailed discussion regarding the significant accounting policies relied upon in the preparation of the financial statements, the application of critical estimates and judgements in the preparation of the financial statements and recent accounting pronouncements.