TENET FINTECH GROUP INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis (MD&A) provides Management's point of view on the financial position and results of operations of Tenet Fintech Group Inc. on a consolidated basis, for the year ended December 31st, 2023 (fiscal 2023) and December 31st, 2022 (fiscal 2022).

Unless otherwise indicated or unless the context requires otherwise, all references in this MD&A to "Tenet", the "Company", "we", "us", "our" or similar terms refer to Tenet Fintech Group Inc. on a consolidated basis. This MD&A is dated April 29th, 2024 and should be read in conjunction with the Audited Consolidated Financial Statements and the notes thereto for the years ended December 31st, 2023 and December 31st, 2022. Unless specified otherwise, all amounts are in Canadian dollars.

The financial information contained in this MD&A relating to the Audited Consolidated Financial Statements for the years ended December 31st, 2023, and December 31st, 2022, has been prepared using accounting policies that are in accordance with International Financial Reporting Standards as issued by the International Accounting Standard Board (hereafter "IFRS Accounting Standards").

The Audited Consolidated Financial Statements and MD&A have been reviewed by our Audit and Risk Management Committee and approved by our Board of Directors as of April 29th, 2024.

Forward Looking Information

Certain statements included in this MD&A constitute "forward-looking statements" under Canadian securities law, including statements based on management's assessment and assumptions and publicly available information with respect to the Company. By their nature, forward-looking statements involve risks, uncertainties and assumptions. The Company cautions that its assumptions may not materialize and that current economic conditions render such assumptions, although reasonable at the time they were made, subject to greater uncertainty. Forward-looking statements may be identified by the use of terminology such as "believes," "expects," "anticipates," "assumes," "outlook," "plans," "targets", or other similar words.

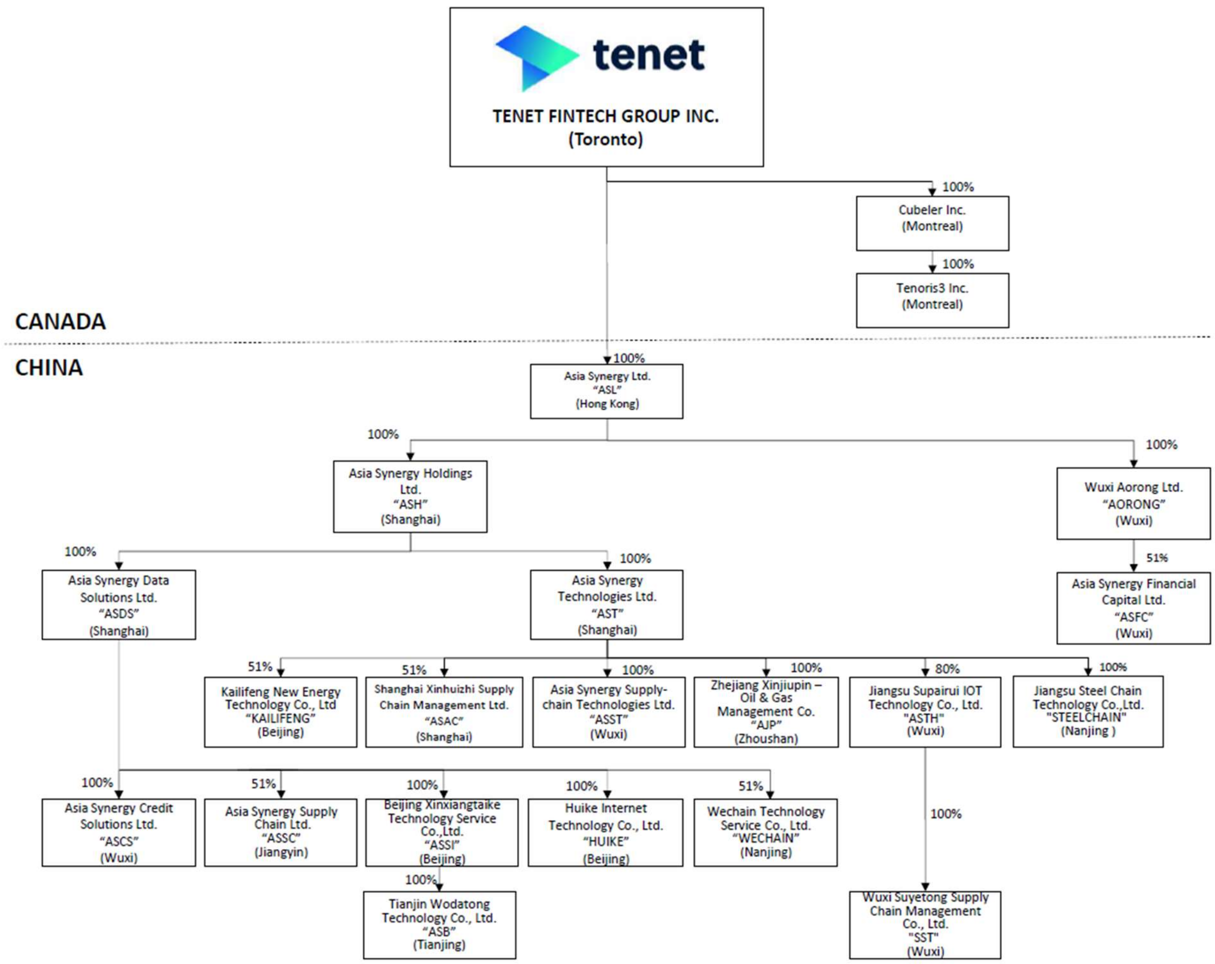
Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and other factors which may cause actual results, performance or achievements of the Company to be materially different from the outlook or any future results, performance or achievements implied by such statements. Accordingly, readers are advised not to place undue reliance on forward-looking statements. Important risk factors that could affect the forward-looking statements in this document include, but are not limited to, risks related to liquidity and capital resources; Tenet as a holding company with significant operations in China; the receipt of all required regulatory permissions; the repatriation of profits or other transfer of funds from our Chinese operating subsidiaries to Canada; operations in foreign jurisdictions and possible exposure to corruption, bribery or civil unrest; bankruptcy, dissolution or liquidation of Chinese subsidiaries; uncertainties regarding the growth and sustained profitability of e-commerce in China; illegality of digital asset transactions in China; increases in labor costs in China; regulation and censorship of information distribution over the Internet in China; oversight of The China Securities Regulatory Commission and other Chinese government agencies over foreign investment in China-based issuers; the consequences of the failure to make adequate contributions to various mandatory social security plans as required by Chinese regulations; the applications of Chinese labor contract law; uncertainties arising under the Chinese Enterprise Income Tax Law; Chinese governmental control of currency conversion; substantial doubt with respect to the ability of our Chinese operating subsidiaries to continue as a going concern; unauthorized use of the chops of our Chinese subsidiaries; difficulties for overseas regulators conducting investigations or collecting evidence within China;

the ability to effect service of legal process, enforcing foreign judgments or bringing actions in China; COVID-19 and other pandemic illnesses; risks relating to auditor oversight including China continuing to prevent CPAB from inspecting the audit work of Canadian public companies conducted in China; and other risks detailed from time to time in reports filed by the Company with securities regulators in Canada or other jurisdictions. We refer potential investors to the "Risks and Uncertainties" section of this MD&A. The reader is cautioned to consider these and other risks and uncertainties carefully and not to put undue reliance on forward-looking information.

Forward-looking statements reflect information as of the date on which they are made. The Company assumes no obligation to update or revise forward-looking statements to reflect future events, changes in circumstances, or changes in beliefs, other than as required by applicable securities laws.

Structure

The following chart summarizes the corporate structure of the Company as of April 29th, 2024.



BUSINESS OVERVIEW

Tenet (CSE: PKK) (OTC PINK: PKKFF), is the parent company of a group of innovative financial technology (Fintech) and artificial intelligence (AI) companies. Tenet's subsidiaries offer various analytics and AI-based products and services to businesses, capital markets professionals, government agencies, and financial institutions either through or by leveraging data gathered by the Cubeler® Business Hub, a global ecosystem where analytics and AI are used to create opportunities and facilitate B2B transactions among its members. Formally headquartered at 119 Spadina Avenue, Suite 705, Toronto, ON. M5V 2L1, the Company changed the location of its head office to 82 Richmond St. E., Suite 305, Toronto, ON, M5C 1P1 effective March 1st, 2024.

OPERATING HIGHLIGHTS FOR THE FOURTH QUARTER OF 2023

Canadian Operations

The Company's Canadian operations were still at the development stage during the fourth quarter of 2023, and very much centered on the Cubeler® Business Hub. The framework and technology stack selections for the Business Hub's Networking and Advertising modules were completed during the quarter with plans to make the features available to members by the end of May 2024. While the development of the new modules was progressing, Tenet continued to work on various business development initiatives. Those initiatives led to 1) a partnership with the Canadian Chamber of Commerce's SME Institute, giving Tenet the ability to market its service offering to over 200,000 member businesses; 2) a strategic alliance with SME bookkeeping service provider Blubooks; and 3) the arrival of the Business Hub's first international lending partner, eCapital, which can lend and extend credit to clients in Canada, the U.S. and the U.K.

Despite only having its Financing module operational in 2023 and not benefiting from the additional traffic that its Networking, Advertising, and Insights modules are expected to bring, the Business Hub still managed to reach and exceed the milestone of facilitating over $1,000,000 in loans via the platform in Canada during the quarter.

Also of significance during the quarter was the launch of the website of the Company's Tenoris3 data science subsidiary. Among other things, the website provides information on the data available to Tenoris3 through the Cubeler® Business Hub and on how it plans to monetize the data through a unique product offering. More on Tenoris3's upcoming data-driven product offering can be found in the "Business Plan and Outlook for 2024" section below.

Chinese Operations

After careful consideration and taking into account the events in the previous quarters of 2023 that disrupted its operations in both China and Canada, the Company used the fourth quarter of 2023 to reassess its operations in China to reduce expenses and accelerate the transition of its Chinese operations to a predominantly data-driven, recurring revenue business model. This by no means meant that the Company ceased allocating resources to some of its successful projects, such as the online purchase product distribution program, which surpassed 3,000 orders processed per day during the quarter and delivered over 10,000 orders on the Singles Day event in 2023. What it does mean is that the Company was very selective in its investment decisions and focussed on activities that would help position it for future data-driven revenues, which further impacted the revenue the Company was able to generate from its existing transaction-fee-based revenue sources during the quarter.

In summary, Tenet's Chinese operations generated $42,086,145 in revenue in 2023. While this represents a decrease of 62% compared to 2022, it is important to note that the Company's revenue diversification continued to trend in the right direction with supply-chain-related revenue accounting for only about 72% of total revenue in 2023 compared to over 81% in 2022. The Company believes that this is an indication that the Company is expanding its ability to service and gather data on businesses operating in an increasing number of industrial sectors, which positions the Company for greater success once it completes the transition of its Chinese operations from being predominantly transaction-fee-based to predominantly subscription-fee-based. More details about the Company's financial results for fiscal 2023 can be found in the "Select Annual Information" section below.

BUSINESS PLAN AND OUTLOOK FOR 2024

North American Operations

According to the Securities Industry and Financial Markets Association (SIFMA), there was over USD $120.4 trillion invested in equities markets around the world in 2021, with the U.S. and Canada accounting for USD $47.0 trillion and USD $3.2 trillion, respectively. Professional investors such as hedge funds and asset managers, who account for over 80% of trades in the equities markets, earn their livings by constantly making informed investment decisions on market-listed securities to achieve the best possible returns for their firms and clients. As the stakes continue to grow for these capital market professionals, so does their need for data and solutions to give them the ability to analyze various forms of information to gain insights into factors that may influence the performances of the market-listed companies in which they invest. The very stock exchanges that provide the markets used by these professionals for their craft have had a front-row seat to witness this growing demand for data and analytics on the part of their capital market professional clients. These exchanges have recently been positioning themselves to capitalize on this growing demand through a series of acquisitions of companies offering various financial data and data analysis-related solutions, which they have integrated into their service offering to capital market professionals. The acquisition spree began with the NASDAQ's acquisition of content and analytics provider eVestment in October 2017, while the latest acquisition as of the date of this MD&A was the TMX Group's purchase of financial data indexing provider VettaFi in January 2024, which the TMX Group states will increase the depth and value of data-driven insights it provides to its clients, increase the proportion of revenue derived from its Global Solutions, Insights and Analytics segment and from recurring sources. The following table provides a summary of the recent acquisitions concluded by some of the world's leading exchanges:

Acquisition Date	Buyer	Seller	About Seller	Acquisition Price
October 2017	NASDAQ	eVestment	An Atlanta-based content and analytics provider with a database for both traditional and alternative investment strategies, including up to 2,800 individual data points on more than 74,000 investment vehicles	USD $705 Million
December 2018	NASDAQ	Quandl	A Toronto-based provider of alternative data and core financial data from over 350 sources to more than 30,000 active monthly users, counting 8 of the top 10 hedge funds and 14 of the top 15 largest banks among its clients.	Undisclosed
January 2021	London Stock Exchange Group	Refinitiv	A New York-based global provider of financial market data with more than 40,000 corporate clients in 190 countries.	USD $27.0 Billion

February 2021	NASDAQ	Verafin	A St-John's Newfoundland and Labrador-based provider of a cloud-based platform that monitors and analyzes data to help detect, investigate and report money laundering and financial fraud to more than 2,000 financial institutions in North America.	USD $2.75 Billion
January 2024	TMX Group	VettaFi	A financial data indexing, digital distribution, analytics and thought leadership company based in New York.	CAD $1.4 Billion

Just like the world's leading exchanges and the data and analytics companies they have acquired, Tenet recognized several years ago the growing demand for data, analytics and insights on the part of capital market professionals. However, the Company also saw an opportunity to serve a rapidly growing base of individual self-directed investors with specific products to address their needs. While most data and analytics solution providers aggregate, analyze, and package data obtained from third parties and capital markets data readily available to all, Tenet sought to uniquely position itself with proprietary data sources able to provide never-before-seen insights to the capital markets. The Company believes it is well on its way to achieving that objective through its Cubeler® Business Hub.

ie-Pulse Product Offering

With access to data taken directly from the accounting software systems of the small and medium-sized enterprise (SME) members of the Cubeler® Business Hub, including data on sales, inventory, accounts payable, cash balances and more, the Company's Tenoris3 data science subsidiary is expected to be able to offer capital market professionals, insights, data feeds, and over 1,000,000 SME derived indexes to choose from in North America alone through its ie-Pulse product offering. ie-Pulse is designed to allow capital market professionals to draw parallels between hundreds or thousands of SMEs and publicly traded companies operating in the same industrial sectors, and other prospective clients such as economists and government entities, to keep their fingers on the pulse of industrial and economic activity wherever the Cubeler® Business Hub operates. The Company is planning to launch ie-Pulse in the third quarter of 2024 with monthly subscription plans ranging from $500 to $10,000.

Equity Insider Product Offering

The number of individuals who manage their own investment portfolios has dramatically increased in recent years. A joint study conducted after the COVID-19 pandemic by Leger Marketing and the Ontario Securities Commission stated that "*The demand for self-directed investment accounts surged so rapidly that Order Execution Only dealers struggled to meet the demand at times.*" According to Statista, approximately 115 million individuals were using Order Execution Only, also known as discount brokerage accounts, to manage their own investment portfolios in 2021. Unlike capital market professionals, these investors are typically not equipped with sophisticated systems and cannot afford to spend thousands of dollars per month for insights to get an edge on the trades they make. Instead, they generally use affordable data and analytical tools, conduct their own research and consider the forecasts and recommendations made by financial analysts in their decision-making process. Those analysts use the information they gather from closely following the companies they cover to provide investors with revenue and earnings estimates. Unfortunately, for a variety of reasons, the numbers the analysts forecast may understate or overstate a company's actual results. When the revenue and/or profit that a company reports exceeds or falls short of analysts' estimates, an earnings surprise occurs, which according to Chris Markoch, Editor & Contributing Writer, MarketBeat Media, usually has a proportionate effect on a company's stock price. That means the larger the beat or miss, the higher or lower the stock price can move. Tenet's Equity Insider product offering is designed specifically to help self-directed investors identify and take advantage of potential earnings surprises. Unlike financial analysts burdened with trying to forecast and predict publicly traded companies' financial results several months in advance, Equity Insider proposes to use a combination of data, analytics, and AI to infer publicly traded companies' results, with a reasonable degree of confidence, during the 30 to 60 day period after the results have occurred for a particular filing period but before they are made public by the companies. The table below provides a simple real-world example of an earnings surprise resulting from the filing of the year-end 2023 financial results of Canadian discount retailer Dollarama Inc.:

Dollarama Inc.*							
Ticker	**Exchange**	**Forecasted EPS**	**Actual EPS**	**Filing Period**	**Period End Date**	**Day Before Filing Date**	**Filing Date**
DOL	TSE	$1.05	$1.15	Q4-2023	January 28, 2024	April 3, 2024	April 4, 2024

Dollarama Inc.* Stock Price Information		
	Closing Stock Price	**Trading Volume**
January 28, 2024 (Period End Date)	$99.49	492,000 shares
April 3, 2024 (Day Before Filing Date)	$100.28	513,300 shares
April 4, 2024 (Filing Date)	$110.28	1,553,700 shares

*Dollarama Inc. earnings and stock data provided by TradingView Inc. and Yahoo Finance.

In the Dollarama Inc. example above, had Equity Insider been able to infer EPS results for Dollarama higher than the forecasted EPS of $1.05 at some point between January 28, 2024, and April 3, 2024, Equity Insider subscribers would have had an opportunity to purchase Dollarama's stock for between $99.49 and $100.28 with the expectation that Dollarama's stock price would go up on April 4, 2024. Other examples of recent earnings surprises as of the date of this MD&A would include Chipotle Mexican Grill, Inc. (NYSE: CMG), Cascades Inc. (TSE: CAS), and Target Corporation (NYSE: TGT) among others.

Equity Insider is not expected to be able to identify earnings surprise opportunities for publicly traded companies operating in all industrial sectors. The initial version of the product will focus on publicly traded companies operating in sectors such as retail, manufacturing, and accommodation and food services where the Company believes that the data at its disposal and the state of AI and analytics will make identifying such opportunities possible. The Company is aiming to launch Equity Insider sometime in the fourth quarter of 2024. Tenet will look to partner with discount brokerage companies for the sale and marketing of Equity Insider subscription plans to allow partnering discount brokerage companies to offer subscription plans to their existing clients at considerable discounts while sharing the revenue generated by their sales. Equity Insider monthly subscription plans sold by Tenet's Tenoris3 subsidiary directly to individual investors are currently expected to range from $10 to $20.

Completion and Expansion of Cubeler® Business Hub

The key to Tenet's long-term success remains the Cubeler® Business Hub. The Company's ie-Pulse and Equity Insider product offerings are both expected to leverage the unique datasets gathered through the platform, which makes its completion and expansion to the U.S. a top priority for Tenet in 2024. The Company is currently planning to allow Business Hub members to begin using the platform's networking and advertising features to make connections, explore new business opportunities, and promote their products and services by the end of May 2024. Tenet also plans to continue to recruit partners such as bookkeeping service providers, accounting software makers, and business associations with large numbers of SME clients or members, to help accelerate the rate of membership growth on the Cubeler® Business Hub and the amount of data available to the Company.

Capital Markets Strategy

In addition to the completion and expansion of the Cubeler® Business Hub, accessing capital in a timely manner will play a key role in the Company's long-term success and will therefore be a focal point for Tenet in 2024. While 2022 and 2023 have been challenging years for development-stage technology companies such as Tenet in terms of their ability to raise capital, market sentiments appear to be shifting in 2024. As of the date of this MD&A, the Company has conducted a brokered "best efforts" private placement financing that has raised a total of $4,625,000 as of April 16, 2024. Assuming the Company is able to raise additional financing of approximately $5,000,000, the Company believes it will have the necessary capital to launch its ie-Pulse product offering and plans to shift its capital market strategy to an awareness campaign. The Company's public communications will aim to keep its shareholders informed of operational developments. However, there can be no assurances that the Company will be able to raise any additional capital, either on the terms to date or at all, and investors should not place undue reliance on these expectations.

<u>Chinese Operations</u>

The Company's Cubeler® Business Hub has been in operation in China since the second half of 2018. While its operating and revenue model in China differs from how it operates and will generate revenue in North America, the main objective of the Business Hub remains the same, which is to gather data on SMEs to develop and commercialize products and services aimed at global capital market participants, economists, and governmental entities. Tenet is looking for 2024 to be the year that its Chinese operations take the first major step to transition from featuring a predominantly transaction-fee-based revenue model to a subscription-fee-based revenue model. This means that the Company will need to position itself to commercialize a Chinese version of its ie-Pulse product offering, a task that is not expected to be simple given China's Data Security Law ("DSL"). The DSL came into effect on September 1, 2021, and contains measures that set out detailed requirements regarding data storage, processing, disclosure, disposal, and cross-border data transfer (CBDT). While those measures would not necessarily prevent the Company's Chinese subsidiaries from sending data collected on the Business Hub in China to Tenet's Tenoris3 subsidiary in Canada, the Company believes that the best initial approach to be able to quickly commercialize its data in China would be to create a Tenoris3 data science subsidiary in China and avoid having to deal with the CBDT requirements until it becomes more familiar with the DSL. To that end, Tenet plans to utilize part of the funds still in China stemming from the private placement financing of convertible debentures closed by the Company back in the summer of 2023. As with the creation of Tenet's financial services subsidiary, Asia Synergy Financial Capital in 2018 when it faced regulations related to the foreign ownership of financial service companies in China, the Company plans to work with consulting professionals, advisors, and counselors to ensure the prompt establishment of its proposed new Chinese data science subsidiary.

When it comes to the Company's existing operations in China, it plans to spend most of 2024 continuing to pursue data source diversification and partnerships with accounting software makers and business associations to increase SME membership on the Business Hub and gain access to a continuously growing and diversified pool of data. Tenet expects data coming from the Business Hub in China and the Company's Chinese ie-Pulse product offering to be particularly valuable given the global role that China plays in sectors like retail and manufacturing, which are known to be leading macroeconomic indicators prized by capital market participants.

Selected Annual Information

	FISCAL 2023	FISCAL 2022	FISCAL 2021
Revenues	$42,086,645	$109,878,515	$103,632,774
Expenses before finance costs, tax, depreciation and amortization	$110,139,436	$158,748,557	$150,953,374
EBITDA (1)	**($68,052,791)**	**($48,870,042)**	**($47,320,600)**
Change in fair value of contingent consideration payable	$110,984	($591,220)	($3,556,574)
Change in fair value of debentures conversion options	$175,008	$ –	$ –
Impairment of goodwill	$26,609,797	$35,697,890	$41,386,422
Impairment of intangible assets	$14,842,393	$6,954,055	$11,978,283
Gain on bargain purchase	$ –	($109,605)	$ –
Loss on investment in associate company	$51,314	$34,253	$ –
Impairment on investment in associate company	$13,582	$ –	$ –
Loss on legal settlement	$1,632,000	$ –	$ –
Adjusted EBITDA (2)	**($24,617,713)**	**($6,884,669)**	**$2,487,531**
Finance costs, tax, depreciation, amortization, change in fair value of contingent consideration payable, change in fair value of debentures conversion options, impairment of goodwill, impairment of intangible assets, gain on bargain purchase, loss on investment in associate company, impairment on investment in associate company, loss on legal settlement	$53,709,629	$46,128,516	$51,049,499
Net loss	($78,327,342)	($53,013,185)	($48,561,968)
Net profit (loss) attributable to:			
Non-controlling interest	($1,495,367)	$79,260	$1,195,102
Owners of the parent	($76,831,975)	($53,092,445)	($49,757,070)
Basic and diluted loss per share	($0.695)	($0.536)	($0.657)

(1) EBITDA is a non-IFRS financial measure provided to assist readers in determining the Company's ability to generate cash-flows from operations and to cover finance charges. It is also widely used for business valuation purposes. This measure does not have a standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies.

EBITDA equals the results before income taxes, depreciation of property and equipment, depreciation of right-of-use assets, amortization of intangible assets, amortization of financing issuance costs and finance costs, as defined in Note 24.4 of the Audited Consolidated Financial Statements for the years ended December 31st, 2023 and December 31st, 2022.

(2) Adjusted EBITDA equals EBITDA as described above adjusted for change in fair value of contingent consideration payable, change in fair value of debenture conversion options, impairment of goodwill, impairment of intangible assets, gain on bargain purchase, loss on investment in associate company, impairment on investment in associate company and loss on legal settlement.

Reconciliation of EBITDA to net profit	FISCAL 2023	FISCAL 2022	FISCAL 2021
Net loss for the period	**($78,327,342)**	**($53,013,185)**	**($48,561,968)**
Add:			
Income tax	($1,445,525)	($3,549,246)	($1,611,819)

Finance costs	$1,922,142	$194,033	$181,943
Depreciation of property and equipment	$168,025	$89,664	$90,139
Depreciation of right-of-use assets	$616,533	$615,179	$286,850
Amortization of intangible assets	$8,920,333	$6,764,493	$2,267,281
Amortization of financing issuance costs	$93,043	$29,020	$26,974
EBITDA	**($68,052,791)**	**($48,870,042)**	**($47,320,600)**
Add (less):			
Change in fair value of contingent consideration payable	$110,984	($591,220)	($3,556,574)
Change in fair value of debentures conversion options	$175,008	$ –	$ –
Gain on bargain purchase	$ –	($109,605)	$ –
Impairment of goodwill	$26,609,797	$35,697,890	$41,386,422
Impairment of intangible assets	$14,842,393	$6,954,055	$11,978,283
Loss on investment in associate company	$51,314	$34,253	$ –
Impairment on investment in associate company	$13,582	$ –	$ –
Loss on legal settlement	$1,632,000	$ –	$ –
Adjusted EBITDA	**($24,617,713)**	**($6,884,669)**	**$2,487,531**

	FISCAL 2023	**FISCAL 2022**	**FISCAL 2021**
Total assets	$81,922,720	$141,267,467	$195,293,123
Total liabilities	$34,040,699	$23,659,599	$29,702,757
Long-term liabilities	$12,480,611	$7,653,747	$9,376,157
Total equity	$47,882,021	$117,607,868	$165,590,366
To Non-controlling interest	$13,656,428	$15,261,978	$14,320,381
To Owners of parent	$34,225,593	$102,345,890	$151,269,985

Results of Operations

Revenue for year ended December 31st, 2023

The Company generated $42,086,645 in revenue during the year ended December 31st, 2023, compared to $109,878,515 in 2022.

Supply-chain services led all segments, accounting for approximately 72% of Tenet's revenue for the year ended December 31st, 2023 compared to 81% in 2022.

The decrease in supply-chain revenues continued to be impacted by the lower transactional volume and demand (ASST & AJP) caused by overall market conditions in China and internal liquidity constraints that limit the Company's ability to leverage the capital that is lent by financial institutions to SMEs which help generate transactions on the GoldRiver platform.

Additionally, in late 2022, through and with the financial support of its lending partner, ASST leveraged its "Deposits made for transactions on platforms" and funds were made available to third parties for the establishment and expansion of distributional networks of off-line stores in major cities in China with the intent of benefiting from orders coming from a major Chinese E-commerce platform.

Considering that the above mentioned initiative reduced the residual funds available to drive transactional volume on the GoldRiver Platform, the Company continued to seek the necessary additional financial support needed in China to scale-up the transactions flowing through these off-line stores. Assuming that additional funding can be secured, the Company will be in a better position to work towards increasing the ASST supply chain revenues. There can be no assurances that such funding will be available, either on terms acceptable to the Company or at all.

Despite the above-mentioned financial and economic constraints, the Company continued to positively benefit from the acquisition of Steelchain that took place in the last quarter of 2022, and which generated approximately $19.9 million in supply-chain related revenues during the period ended December 31, 2023 compared to $2.9 million in 2022 (since they day of acquisition on October 1st 2022 to December 31st, 2022).

Non-supply-chain related services, including but not limited to loans made by the Company's ASFC financial services subsidiary (ASFC) and insurance related services from the Heartbeat acquisition combined generated $11,792,892 in revenue compared to $20,544,451 in 2022.

The decrease in non-supply-chain related services is mostly due to a non-recurring business transaction that generated approximately $6.8 million in revenue during 2022 after the Company (ASDS) signed an agreement with a downstream corporative client to set-up and integrate a supply chain management system for several off-line stores into the GoldRiver platform. Considering the overall market conditions in China and internal liquidity constraints that limit the Company's ability to generate transactions on the GoldRiver platform for the above mentioned off-line stores, the Company is still in discussions with the downstream corporative client in order to establish a payment plan for the collection of the residual amount owed to the Company approximating 3.4M million (from the total $6.8 million) as at the date of this MD&A. Considering the economic circumstances and aging of the balance, the Company recorded an expected credit loss in 2023 of approximately 1.7M representing 50% of the outstanding balance as at year end. The net residual amount (after the credit loss recorded) approximating 1.7M is recorded in Debtors within the Company's Consolidated Statement of financial position for the period ending December 31, 2023.

Total expenses before taxes

The following schedule summarizes the Company's total expenses before taxes:

	FISCAL 2023	**FISCAL 2022**
Cost of service	$28,571,434	$82,691,068
Software delivery services	$2,848,619	$3,370,090
Salaries and fringe benefits	$11,669,708	$12,024,540
Service fees	$3,682,113	$3,056,834
Board remuneration	$335,790	$640,263
Consulting fees	$305,848	$1,291,970
Outsourced services, software and maintenance	$5,382,448	$3,243,877
Professional fees	$3,627,081	$3,704,960
Marketing, public relations and press releases	$530,812	$1,300,917
Office supplies, software and hardware	$948,196	$1,272,059
Lease expenses	$234,425	$173,948
Insurance	$1,258,488	$1,291,321
Finance costs	$1,922,142	$194,033
Expected credit loss	$6,828,249	$1,859,937
Travel and entertainment	$230,421	$395,735
Stock exchange and transfer agent costs	$259,188	$244,494
Translation cost (recovery) and others	($44,543)	$138,229
Depreciation of property and equipment	$168,025	$89,664
Depreciation of right-of-use assets	$616,533	$615,179
Amortization of intangible assets	$8,920,333	$6,764,493
Amortization of financing issuance costs	$93,043	$29,020
Impairment of goodwill	$26,609,797	$35,697,890

Impairment of intangible assets	$14,842,393	$6,954,055
Impairment on investment in associate company	$13,582	$ –
Change in fair value of contingent consideration payable	$110,984	($591,220)
Change in fair value of debentures conversion options	$175,008	$ –
Loss on investment in associate company	$51,314	$34,253
Loss on legal settlement	$1,632,000	$ –
Gain on bargain purchase	$ –	($109,605)
loss on foreign exchange	$36,081	$62,942
Total expenses before income tax	**$121,859,512**	**$166,440,946**

Expenses for the year ended December 31st, 2023

Cost of service from supply-chain services amounted to $28,571,434 for the year ended December 31st, 2023 compared to $82,691,068 in the same period of fiscal 2022. The decrease is mostly due to the reduction of revenue generated from the supply-chain businesses. The ratio of those expenses to revenue specifically generated from the supply-chain service bundle increased of 1.8% in 2023 compared to the previous year due to the worldwide political and economic situation where transportation costs (mostly energy related) have been variable and more expensive.

Software delivery services amounted to $2,848,619 compared to $3,370,090 for the same period in 2022. The decrease for fiscal 2023 is mostly attributable to the overall decrease in non-supply-chain related services revenues (mostly in Wechain & ASDS) that are subject to this expenditure.

Salaries and fringe benefits amounted to $11,669,708 for the year ended December 31st, 2023, compared to $12,024,540 for the same period in 2022. The decrease in salary expenses for the year ended December 31, 2023, is attributable to the reduction of labor costs and resources starting from the second quarter of 2023 in Canada and China. Furthermore, the decrease in salaries and fringe benefits for the period relative to last year, would have been higher if we were to consider the portion of salaries and fringe benefits relating to the Cubeler platform that were capitalized (approximating $767,842) during the same period in 2022. The Company did not capitalize any of these costs in 2023. The share-based remuneration that is included within this caption amounted to $360,282 for year ended December 31st, 2023, compared to $1,523,035 for the same period in 2022.

Service fees relate to consulting and business development services provided to mostly four of the Company's subsidiaries (ASFC, ASCS, ASSI and Huike) by third-party companies and amounted to $3,682,113 in the year ended December 31st, 2023 compared to $3,056,834 for the same period in 2022. The increase is mostly due to higher level of service fees relative to revenues recognized in the Heartbeat business (ASSI & HUIKE) for 2023 in effort to stimulate business growth.

Board remuneration refers to share-based and attendance fee remuneration received by members of the Company's board of directors and amounted to $335,790 in 2023 compared to $640,263 for the same period in 2022. The decrease in 2023 compared to prior year is mostly due to the end of the vesting period of previously awarded stock options. Within this caption, shared-based remuneration amounted to $86,563 in the year ended December 31st, 2023, compared to $512,677 for the same period in 2022.

Consulting fees amounted to $305,848 during the year ended December 31st, 2023 compared to $1,291,970 in the same period of 2022. The expenses for the same period in 2022 are mainly related to capital markets consulting fees which were no longer incurred in 2023. During 2022, the Company planned to list its securities on the London Stock Exchange and to access the European capital markets as part of a long-term global capital markets strategy being developed and implemented with the assistance of European advisors and consultants. The expenses incurred during 2023 are mostly related to strategic advisory services in Canada with the aim to increase memberships on the Cubeler® Business Hub and set the foundations for new revenue growth opportunities. Share-based remuneration expense related to consultants amounted to $43,944 in the year ended December 31st, 2023 compared to $152,858 for the same period of fiscal 2022.

Outsourced services, software and maintenance costs amounted to $5,382,448 in fiscal 2023 compared to $3,243,877 for the same period of fiscal 2022. These expenses are mostly research and maintenance costs paid to third-party providers (that are not capitalized by the Company) for the delivery of various modules and interfaces. During 2023, in the absence of sufficiently large operational capital to be leveraged and invested into the cycle of transactions for the off-line stores supply chain business, the management team put more emphasis on the continuous investment of uncapitalized development activities for this potential revenue stream on the GoldRiver platform while simultaneously decreasing the amount of newly capitalized costs in 2023 compared to the prior period.

Professional fees totalled $3,627,081 for the year ended December 31st, 2023, compared to $3,704,960 for the same period in 2022. The fees include but are not limited to overall legal, accounting, audit and tax fees.

Marketing, public relations and press release expenses amounted to $530,812 in fiscal 2023 compared to $1,300,917 for the same period in 2022. The costs in this category for fiscal 2022 are related to the upgrade of the Tenet and Cubeler websites and several marketing activities in connection to the launch of the Company's Cubeler™ Business Hub platform in Canada, which were more expensive. In 2023, the Company prioritized a more cost-efficient approach by focusing on strategic alliances to increase the visibility of the Cubeler® Business Hub platform.

Office supplies, software and hardware expenses amounted to $948,196 in fiscal 2023 compared to $1,272,059 for the same period in 2022. The decrease is mainly driven by tighter expense control of office related purchases and software subscriptions.

Insurance expenses amounted to $1,258,488 in fiscal 2023 compared to $1,291,321 for the same period in 2022 and is mainly attributable to maintaining the directors and officers (D&O) insurance coverage.

Finance costs totalled $1,922,142 for the year ended December 31st, 2023, compared to $194,033 for the same period in 2022. The increase is mainly due to the interest expense and accretion on convertible debentures that were issued in late 2022 and during 2023 in addition to the interest of lease liabilities.

Expected credit loss of $6,828,249 for fiscal 2023 compared to $1,859,937 for the same period in fiscal 2022 is related to the variation in allowance for expected credit loss on ASFC's loan balance for the period and in overall Debtors as described respectively in Notes 7 and 8 of the Company's Audited Consolidated Financial Statements for the years ended December 31st, 2023 and December 31st, 2022. Considering the overall economic situation of the Company in China, management recorded a general provision of 25% on all accounts receivable with an aging of 365 days or over and 50% on a specific balance linked to a non-recurring business transaction that occurred towards the end of fiscal 2022 as described in the Revenue section above. In addition, the Company reclassed some of the "Deposits made for transactions on platforms" in the third quarter of 2023 from short term to long-term mainly due to a slow turnover of these deposits in certain supply chains. During the fourth quarter of 2023, to properly reflect the increased risk on the recoverability of these slow-moving Deposits which might not be able to be recovered through the existing guarantees, management decided to take a 25% provision on the total long-term balance as at December 31, 2023. The decision to record an expected credit loss on deposits made for transactions platforms is further supported by the fact that some of these deposits are provided as security to the financial institution that provides financing solutions to the Company's customers. In other words, when applicable, the financial institution can use these deposits as collateral in case the customers don't pay back their loans.

Travel and entertainment amounted to $230,421 in the fiscal 2023 compared to $395,735 for the same period in 2022. The decrease is mainly driven by expense reductions in both Canada and China during 2023.

Translation cost (recovery) and others amounted to a recovery of $44,543 during the year ended December 31st, 2023 compared to an expense of $138,229 in the same period of 2022. The recovery of translation costs and others during the period is due to a sales tax adjustment in China.

Depreciation of right-of use assets of $616,533 in fiscal 2023 compared to $615,179 for the same period of fiscal 2022 follows the adoption of IFRS 16 on January 1, 2021, and relates to the depreciation of right-of-use assets associated with new office lease agreements of the Company's operating subsidiaries in Canada and China.

Amortization of intangible assets amounted to $8,920,333 for the year ended December 31st, 2023, compared to $6,764,493 for the same period in 2022. The increase is due to several capitalized costs for different business platform improvements (Gold River, and other) and the amortization of the acquired platforms during 2022.

Impairment of goodwill of $26,609,797 in fiscal 2023 compared to $35,697,890 for the same period in 2022 is mostly due to the impairment test performed by the Company on Goodwill as described in Note 12 of the Company's Audited Consolidated Financial Statements for the years ended December 31st, 2023 and December 31st, 2022. More specifically for Cubeler Inc., following some recent events that took place in the second quarter of 2023 at the Board and executive management level of the Company, management was prudent in estimating the timing of future potential revenues that are expected to be generated by Tenoris3 Inc., a wholly owned subsidiary of Cubeler Inc., until further progress can be made on the deployment of new revenue generating products in Canada. Consequently, a full residual impairment of $8,329,255 on the Cubeler Goodwill was recorded ($35,697,890 during 2022). Despite the impairment and operational delays, the Company is continuing to work on its business objectives and product offering in Canada. As for Heartbeat, management revised downward Heartbeat's business forecasted growth and net generated cash flows following the CGU latest operational performance and economic uncertainties in China which resulted in an impairment of $17,238,835 ($Nil during 2022). Lastly, although Steelchain generated approximately $19.8 million of revenues during 2023, management recorded an impairment of goodwill of $1,041,707 in fiscal 2023 ($Nil during 2022) because the level of profitability was not at the level expected.

Impairment of intangible assets of $14,842,393 in fiscal 2023 compared to $6,954,055 for the same period in 2022 results from the impairment tests performed by the Company as described in Note 12 of the Company's Audited Consolidated Financial Statements for the years ended December 31st, 2023 and December 31st, 2022. As already mentioned above, the total impairments of the period are driven by the reduction in the forecasted revenues of the Heartbeat business due to slower than expected business growth, delays in the launch of Tenet's Canadian operations and a lower level of profitability in Steelchain. The situation in Canada is mostly due to the additional time needed to grow the Cubeler® Business Hub user base and product offering which will eventually drive the North America revenue streams. Consequently, an impairment of $2,498,141 ($4,218,826 during 2022) was taken on the intangible assets (Technology) recorded in Heartbeat, a combined full residual impairment of $10,940,800 ($2,735,229 during 2022) was taken on the intangible assets (Platform and Tradename) recorded in Cubeler Inc. and an impairment of $1,403,452 was recorded on the intangible assets of Steelchain ($Nil in 2022).

Impairment on investment in associate company totalled $13,582 for the year ended December 31st, 2023, compared to $Nil for the same period in 2022. The Company holds, through its ASFC subsidiary, a 26% equity interest in Wuxi Deyuan Management Consulting Co., Ltd. ("DEYUAN"), a China-registered company that provides credit outsourcing services. Due to the deteriorating financial situation of DEYUAN, the Company recorded an impairment of $13,582 as at December 31, 2023 which brought down the balance of this investment to $Nil as at December 31, 2023.

Change in fair value of contingent consideration payable amounted to a loss of $110,984 in fiscal 2023 compared to a gain of $591,220 for the same period in 2022. The change in the fair value of contingent consideration payable in 2023 is driven by the variations of the estimated expected financial performance of the SteelChain acquisition.

Change in fair value of debentures conversion options amounted to $175,008 for the year ended December 31st, 2023, compared to $Nil for the same period in 2022. On April 19, 2023, the Company amended the conversion terms of certain convertible debentures to allow the holders thereof to convert the face value of these Debentures into Debentures Shares at a variable price subject to certain conditions and events that would occur in the future as described in note 15 of the Audited Consolidated Financial Statements for the period ending December 31, 2023. As such, the Company reclassified the conversion option of the debentures from equity to a liability which is measured at fair market value upon inception and at each reporting date.

Loss on legal settlement amounted to $1,632,000 in the fiscal 2023 compared to $Nil for the same period in 2022. On April 8th, 2024, an agreement was signed to settle a class action lawsuit that was brought against Tenet and two of its executives on November 19, 2021 in the United States District Court for the Eastern District of New York. Despite the fact that the settlement does not include any admission of liability or wrongdoing on the part of the Company or any defendant, the parties have agreed to a settlement of approximately $1,632,000 ($1,200,000 USD) payable in five installments between April 30, 2024, and December 31, 2024. Consequently, a loss on legal settlement for the same amount was recorded in the consolidated statements of comprehensive profit and loss for the year ended December 31, 2023 and a provision for legal settlement was booked, in accounts payable, advances and accrued liabilities within the consolidated statements of financial position as at December, 31 2023.

Gain on bargain purchase amounted to $Nil in fiscal 2023 compared to $109,605 for the same period in 2022. The amount in 2022 represents 80% of the fair value of the net assets and liabilities acquired by AST of ASTH on August 2022 for $Nil consideration.

Net Results

The Company incurred a net loss of $78,327,342 in fiscal 2023 compared to a net loss of $53,013,185 in the corresponding period of 2022.

Other expenses included in total comprehensive income

The Company reported, in other comprehensive income, a currency translation adjustment loss of $2,631,618 for the year ended December 31st, 2023 (compared to a loss of $811,760 for the same period in 2022) which reflects the variation of the Chinese Renminbi against the Canadian Dollar during the year. This adjustment represents a theoretical gain or loss that would only be realized in the event of a material transaction involving the underlying assets to which the gain or loss is attributed, in this case, if the Company’s subsidiaries were sold or otherwise disposed of.

Summary of Quarterly Results

	December 31st, 2023 Three months	December 31st, 2022 Three months	September 30th, 2023 Three months	September 30th, 2022 Three months
Revenues	$6,571,667	$21,119,569	$9,244,460	$21,585,258
Expenses (1)	$26,737,814	$56,725,273	$52,247,413	$29,300,467
Net Profit (loss)	($20,166,147)	($35,605,703)	($43,002,953)	($7,715,209)
Net profit (loss) attributable to:				
Non-controlling interest	($559,811)	($156,780)	($350,647)	$77,064
Owners of the parent	($19,606,336)	($35,448,923)	($42,652,306)	($7,792,273)
Earnings per Share (2)	($0.159)	$0.356	($0.373)	($0.078)

	June 30th, 2023 Three months	June 30th, 2022 Three months	March 31st, 2023 Three months	March 31st, 2022 Three months
Revenues	$16,776,714	$32,432,228	$9,493,804	$34,741,460
Expenses (1)	$23,230,271	$38,764,900	$18,198,489	$38,101,060
Net Profit (Loss)	($6,453,557)	($6,332,672)	($8,704,685)	($3,359,601)
Net profit (loss) attributable to:				
Non-controlling interest	($315,381)	$136,306	($269,528)	$22,670
Owners of the parent	($6,138,176)	($6,468,978)	($8,435,157)	($3,382,271)
Earnings per Share (2)	($0.059)	($0.065)	($0.085)	($0.045)

Note (1): Including income tax expenses.

Note (2): Earnings per share is calculated using the net profit (loss) and the weighted average number of outstanding shares. Basic and diluted earnings (loss) per share are equivalent.

Fourth Quarter Ended December 31st, 2023

Liquidity

The level of revenue and cash flows from operating activities currently being generated by the Company is not presently sufficient to meet its working capital requirements and investing activities. Until that happens, the Company will continue to require financing to help meet its financial obligations. As of April 29th, 2024, the combined cash available to manage the Company's operations in China and Canada, and meet its obligations amounted to approximately $700,000.

As of the date of this MD&A, out of the total amount closed through the combined private placements of August 1st, 2023, August 18th, 2023 and September 8th, 2023, as described in the note 15 of the Consolidated Financial Statements for the years ended December 31, 2023, and 2022 the Company had funds from convertible debentures recorded in other current assets amounting to $7,733,174

As of the date of this MD&A, the Company was still in the process of determining whether to leave in China or repatriate to Canada part of the funds noted above, which were in a bank account in China owned by a Director and officer of the Company and under the control of one of the Company's holding subsidiaries. However, even if it chooses to do so, the Company may not be able to repatriate or transfer funds from its Chinese holding or operating subsidiaries to its head office in Canada, including part or all of the funds received in China through its most recent convertible debenture private placement financings. Please see

"Risks and Uncertainties – Repatriation of Profits or Transfer of Funds from China to Canada" further down below.

The Company's cash flow position is expected to improve as its operating subsidiaries grow their businesses and generate new revenue streams and eventual profits for the Company. However, until that happens, the Company will continue to assess its capital needs and undertake whatever initiative it deems necessary to ensure that it continues to meet its financial obligations. The Company will require additional capital to permit it to continue as a going concern for the next 12 months. There can be no assurances that such capital will be available, either on terms favourable to the Company or at all.

Deposits made for transactions on platforms

Deposits made for transactions on platforms amounted to $21,452,474 ($10,669,2761 classified as a short-term asset and $10,782,714 as a long-term asset) as of December 31st, 2023, and originate from subsidiaries of the Company in mainland China which mainly offer supply chain related services.

The deposits help secure capital support from a financial institution that provides financing solutions to the Company's customers to fund transactions on the GoldRiver platform and operational expenses related to the expansion and set-up of their supply chain network.

Through different supply chains facilitated by the GoldRiver platform, the Company generates revenues by providing customers with a bundle of three supply chain services as described in note 4.7 of the Audited Consolidated Financial Statements for the years ended December 31, 2023 and December 31st, 2022.

Depending on the nature of the transaction, as collateral and in the event of default, the Company obtains a contractual right to claim 10% to 20% of the majority of the merchandise transacted on the platform or a guarantee on the pool of accounts receivable balances from downstream corporate operators and distributors that are related to business transactions on the GoldRiver platform.

The deposits made for transactions on platforms are provided as security and collateral to the financial institution that provides financing solutions to the Company's customers.

The Company reclassed some of the Deposits made for transactions on platforms in the third quarter of 2023 from short term to long-term mainly due to a slow turnover of these deposits in certain supply chains. During the fourth quarter of 2023, to properly reflect the increased risk on the recoverability of these slow-moving Deposits which might not be able to be recovered through the existing guarantees, management decided to take a 25% expected credit loss (ECL) on the total long-term balance as at December 31, 2023.

Financing Activities

From January 1, 2023 to April 29th, 2024, the Company placed a total of 15,909 units comprised of convertible debentures and warrants for gross proceeds of $19,068,000 out of which $7,733,174 is recorded in other current assets as at the date of this MD&A. Please refer to the **"Debentures"** section further down below in this MD&A for more details.

On June 1, 2023, the Company announced that it intended to complete a non-brokered private placement financing of units of the Company for proceeds of up to $3,000,000, conducted in tranches of a minimum of $300,000 per tranche over a period of six months. Each Unit to be sold in this financing was comprised of one common share of the Company and one common share purchase warrant to purchase one Common Share at a price per share that will be determined at each tranche offering, any time prior to two years following the closing of each tranche offering, subject to certain terms and conditions.

On June 7, 2023 the Company issued the first tranche of 2,142,858 common shares at $0.14 and common share purchase warrant at $0.175 per share for a total cash consideration of $300,000.

On June 22, 2023 the Company issued the second tranche of 4,291,846 common shares at $0.1165 and common share purchase warrant at $0.155 per share for a total cash consideration of $500,000.

On June 29, 2023, the Company announced that it did not intend to proceed with closing additional rounds of the $3,000,000 financing.

During the year ended December 31st, 2023, the Company issued 2,142,858 common shares at an average exercise price of $0.175 per share for total proceeds of $375,000 upon the exercise of common share purchase warrants.

Capital Stock

The Company's capital stock as of December 31st, 2023, was $217,926,082 compared to $211,232,131 as of December 31st, 2022.

The variation is explained by the fair market value allocated to the common shares issued in connection with the non-brokered private placement financings that occurred on June 7th and on June 22nd, 2023 totalling $353,243, the exercise price plus the fair market value (per grant date) of the warrants exercised during the fiscal 2023 totalling $521,814, the amortized cost of the debentures converted (including the conversion option) during the same period totalling $4,631,074, the issuance of shares to repay a loan of $750,000 and the modification impact of the conversation options of convertibles debentures totalling $437,820.

Common Shares

As of April 29th, 2024, the Company had 144,031,559 common shares outstanding. The following table summarizes the changes in shares outstanding from January 1, 2023, until April 29th, 2024.

Balance outstanding as of December 31st, 2022		**99,544,183**	
Date	**Description**	**Number**	**Cumulative number**
April 2023	Conversion of convertible debentures	2,816,901	102,361,084
May 2023	Conversion of convertible debentures	3,040,000	105,401,084
June 2023	Issuance of shares	6,434,704	111,835,788
June 2023	Exercise of warrants	100,000	111,935,788
July 2023	Exercise of warrants	2,042,858	113,978,646
September 2023	Issuance of shares for loan repayment	3,000,000	116,978,646
September 2023	Conversion of convertible debentures adjustment	5,183,099	122,161,745
October 2023	Conversion of convertible debentures	1,600,000	123,761,745
January 2024	Issuance of shares (contingent consideration)	269,814	124,031,559
January 2024	Conversion of convertible debentures	20,000,000	**144,031,559**

Share Purchase Options

As of April 29th, 2024, the Company had 3,312,986 common share purchase options outstanding. The following table summarizes the options outstanding as of April 29th, 2024.

Balance outstanding as of December 31st, 2022			3,871,025	
Date of grant	**Optionee**	**Number**	**Exercise Price**	**Expiration**
February 2023	Forfeited	(12,337)	$5.60	N/A
February 2023	Employee	27,163	$0.95	February 1, 2028
April 2023	Forfeited	(1,517)	$1.65	N/A
April 2023	Forfeited	(669)	$1.32	N/A
April 2023	Forfeited	(1,198)	$7.50	N/A
April 2023	Forfeited	(9,018)	$2.08	N/A
April 2023	Forfeited	(3,915)	$1.87	N/A
April 2023	Expired	(5,000)	$1.00	N/A
May 2023	Forfeited	(4,585)	$7.50	N/A
May 2023	Forfeited	(4,209)	$0.85	N/A
May 2023	Forfeited	(5,409)	$1.02	N/A
May 2023	Forfeited	(1,353)	$2.08	N/A
May 2023	Forfeited	(2,941)	$3.59	N/A
May 2023	Forfeited	(724)	$4.16	N/A
May 2023	Forfeited	(3,834)	$5.13	N/A
May 2023	Forfeited	(13,755)	$5.60	N/A
June 2023	Expired	(288,750)	$1.00	N/A
July 2023	Forfeited	(242)	$4.16	N/A
July 2023	Forfeited	(2,658)	$7.50	N/A
July 2023	Forfeited	(1,278)	$5.13	N/A
August 2023	Forfeited	(1,046)	$1.18	N/A
August 2023	Forfeited	(1,221)	$1.20	N/A
August 2023	Forfeited	(10,472)	$1.24	N/A
August 2023	Forfeited	(1,005)	$1.32	N/A
August 2023	Forfeited	(2,665)	$1.41	N/A
August 2023	Forfeited	(2,275)	$1.65	N/A
August 2023	Forfeited	(489)	$1.91	N/A
August 2023	Forfeited	(451)	$2.08	N/A
August 2023	Forfeited	(1,470)	$2.55	N/A
August 2023	Forfeited	(737)	$3.59	N/A
August 2023	Forfeited	(1,384)	$4.10	N/A
August 2023	Forfeited	(2,576)	$4.16	N/A
August 2023	Forfeited	(5,000)	$4.80	N/A
August 2023	Forfeited	(1,948)	$5.13	N/A
August 2023	Forfeited	(1,295)	$5.60	N/A
August 2023	Forfeited	(4,708)	$7.50	N/A
September 2023	Forfeited	(57,594)	$1.24	N/A
September 2023	Forfeited	(1,076)	$1.87	N/A
September 2023	Forfeited	(2,976)	$2.08	N/A
September 2023	Forfeited	(958)	$3.59	N/A
September 2023	Forfeited	(1,771)	$4.16	N/A

September 2023	Forfeited	(1,899)	$5.13	N/A
September 2023	Forfeited	(3,454)	$5.60	N/A
October 2023	Forfeited	(5,182)	$5.60	N/A
October 2023	Forfeited	(633)	$5.13	N/A
November 2023	Forfeited	(10,332)	$0.85	N/A
November2023	Forfeited	(9,068)	$1.02	N/A
November 2023	Forfeited	(359)	$1.87	N/A
November 2023	Forfeited	(342)	$1.91	N/A
November 2023	Forfeited	(993)	$2.08	N/A
November 2023	Forfeited	(1,029)	$2.55	N/A
November 2023	Forfeited	(690)	$3.59	N/A
November 2023	Forfeited	(578)	$4.16	N/A
November 2023	Forfeited	(974)	$5.13	N/A
November 2023	Forfeited	(469)	$5.60	N/A
December 2023	Forfeited	(115)	$1.91	N/A
December 2023	Forfeited	(343)	$2.55	N/A
December 2023	Forfeited	(5,166)	$0.85	N/A
December 2023	Forfeited	(2,929)	$1.20	N/A
December 2023	Forfeited	(6,396)	$1.41	N/A
December 2023	Forfeited	(221)	$3.59	N/A
December 2023	Forfeited	(312)	$5.13	N/A
December 2023	Forfeited	(296)	$5.60	N/A
December 2023	Forfeited	(802)	$7.50	N/A
January 2024	Forfeited	(871)	$4.16	N/A
January 2024	Forfeited	(703)	$5.60	N/A
January 2024	Forfeited	(875)	$1.02	N/A
January 2024	Forfeited	(3,141)	$1.24	N/A
January 2024	Forfeited	(221)	$3.59	N/A
January 2024	Forfeited	(312)	$5.13	N/A
February 2024	Forfeited	(231)	$3.59	N/A
February 2024	Forfeited	(1,461)	$5.13	N/A
February 2024	Forfeited	(2,148)	$1.02	N/A
February 2024	Expired	(37,500)	$1.00	N/A
February 2024	Forfeited	(1,204)	$7.50	N/A
February 2024	Forfeited	(5,166)	$0.85	N/A
February 2024	Forfeited	(977)	$1.20	N/A
February 2024	Forfeited	(2,133)	$1.41	N/A
February 2024	Forfeited	(444)	$5.60	N/A
March 2024	Forfeited	(5,000)	$1.00	N/A
March 2024	Forfeited	(74)	$3.59	N/A
March 2024	Forfeited	(467)	$5.13	N/A
March 2024	Forfeited	(2,135)	$7.50	N/A
April 2024	Forfeited	(1,048)	$1.24	N/A
Total balance outstanding:		**3,312,986**		

Share Purchase Warrants

As of April 29th, 2024, the Company had 84,618,896 common share purchase warrants outstanding. The following table summarizes the changes in warrants outstanding as of April 29th, 2024.

Balance outstanding as of December 31st, 2022			17,748,213	
Date	**Description**	**Number**	**Exercise Price**	**Expiration**
January 2023	Issuance of warrants	3,510,000	$2.00	January 31, 2025
January 2023	Issuance of warrants	221,250	$2.00	January 31, 2025
May 2023	Expiration	(3,000)	$2.00	N/A
May 2023	Expiration	(13,328)	$1.00	N/A
June 2023	Issuance of warrants	2,142,858	$0.18	June 7, 2025
June 2023	Issuance of warrants	4,291,846	$0.16	June 22, 2025
June 2023	Exercise of warrants	(100,000)	$0.18	N/A
June 2023	Exercise of warrants	(2,042,858)	$0.18	N/A
July 2023	Expiration	(14,471,985)	$3.50	N/A
August 2023	Issuance of warrants	10,392,000	$0.50	August 1, 2025
August 2023	Issuance of warrants	40,000	$0.50	August 1, 2025
August 2023	Issuance of warrants	30,500,000	$0.50	August 18, 2025
September 2023	Issuance of warrants	2,840,000	$0.50	September 8, 2025
February 2024	Issuance of warrants	10,732,260	$0.25	February 2, 2026
February 2024	Issuance of warrants	4,966,170	$0.25	February 21, 2026
February 2024	Issuance of warrants	1,699,830	$0.25	February 26, 2026
April 2024	Issuance of warrants	10,265,640	$0.25	April 16, 2026
April 2024	Issuance of warrants	1,900,000	$0.50	April 16, 2026
Total balance outstanding:		**84,618,896**		

Segment Reporting

The Company presents and discloses segmental information, as disclosed in Note 26 of the Company's audited Consolidated Financial Statements for the years ended December 31st, 2023 and December 31st, 2022, based on information that is regularly reviewed by the chief operating decision maker who has been identified as the Company's senior management team, which makes strategic and operational decisions.

Debentures

On January 31st, 2023, the Company placed 351 units of convertible debentures for gross contractual proceeds of $3,510,000. Each unit sold comprised of $10,000 face value debentures, maturing on January 1, 2025, bearing interest at a nominal rate of 10% payable monthly, plus 3,510,000 purchase warrants exercisable into Company common shares at $2.00 per share for a period of 24 months from the date of issuance.

During year ended December 31st, 2023, the Company received the remaining proceeds from the December 2022 subscription receivable of convertible debentures amounting to $2,010,000.

On April 24th, 2023, the Company amended the conversion terms of its private placement of non-secured convertible debentures closed on December 23rd, 2022, and January 31st, 2023, allowing the holder of the convertible debentures to convert the face value of the Debentures into Shares at the price to be determined under the next transaction or series of directly related transactions in the course of which the Corporation issues and sells common shares or units for aggregate net proceeds of not less than $5,000,000.

On August 1st, 2023, the Company placed 2,598 units of convertible debentures for gross contractual proceeds of $2,598,000. Each unit sold comprised of $1,000 face value debentures, maturing on August 1st, 2026, bearing interest at a nominal rate of 10% payable monthly, plus 10,392,000 purchase warrants exercisable into Company common shares at $0.50 per share for a period of 24 months from the date of issuance.

On August 18th, 2023, the Company placed 7,625 units of convertible debentures for gross contractual proceeds of $7,625,000. Each unit sold comprised of $1,000 face value debentures, maturing on August 18th, 2026, bearing interest at a nominal rate of 10% payable monthly, plus 30,500,000 purchase warrants exercisable into Company common shares at $0.50 per share for a period of 24 months from the date of issuance.

On September 8th, 2023, the Company placed 710 units of convertible debentures for gross contractual proceeds of $710,000. Each unit sold comprised of $1,000 face value debentures, maturing on September 8th, 2026, bearing interest at a nominal rate of 10% payable monthly, plus 2,840,000 purchase warrants exercisable into Company common shares at $0.50 per share for a period of 24 months from the date of issuance.

During the beginning of the month of January 2024, 5,000 unit holders from the August 18th, 2023 convertible debentures issuance waived their right to receive the interest due to them by the Company up until the conversion of the convertible debentures into 20,000,000 shares that occurred between January 5 and 8, 2024. In total, $192,876 of interests were relinquished including $185,484 earned by the holders during 2023 and recorded by the Company in accounts payable, advances and accrued liabilities as at December 31, 2023.

On January 31, 2024, the Company received $10,000 of proceeds from the subscription receivable of convertible debentures relating to the debentures issuance that occurred on September 8, 2023.

On February 2nd, 2024, the Company placed 1,610 units of convertible debentures for gross contractual proceeds of $1,610,000. Each unit sold comprised of $1,000 face value debentures, maturing on February 2nd, 2027, bearing interest at a nominal rate of 10% payable monthly, plus 10,732,260 purchase warrants exercisable into Company common shares at $0.25 per share for a period of 24 months from the date of issuance.

On February 21st, 2024, the Company placed 745 units of convertible debentures for gross contractual proceeds of $745,000. Each unit sold comprised of $1,000 face value debentures, maturing on February 21st, 2027, bearing interest at a nominal rate of 10% payable monthly, plus 4,966,170 purchase warrants exercisable into Company common shares at $0.25 per share for a period of 24 months from the date of issuance.

On February 26th, 2024, the Company placed 255 units of convertible debentures for gross contractual proceeds of $255,000. Each unit sold comprised of $1,000 face value debentures, maturing on February 26th, 2027, bearing interest at a nominal rate of 10% payable monthly, plus 1,699,830 purchase warrants exercisable into Company common shares at $0.25 per share for a period of 24 months from the date of issuance.

On April 16, 2024 the Company placed 2,015 units (including 475 to an Officer) of convertible debentures for gross contractual proceeds of $2,015,000 out of which $50,000 is recorded as a subscription receivable as at the date of this MD&A. Each unit sold comprised of $1,000 face value debentures, maturing on April 16th, 2027, bearing interest at a nominal rate of 10% payable monthly, plus 10,265,640 purchase warrants exercisable into Company common shares at $0.25 per share and 1,900,000 purchase warrants issued to an insider exercisable into Company common shares at $0.50 per share for a period of 24 months from the date of issuance.

As at the date of this MD&A, of the total amount closed through the combined private placements of August 1st, 2023, August 18th, 2023 and September 8th, 2023, the Company had funds from convertible debentures recorded in other current assets amounting to approximately $7,733,174 (December 31st, 2023 - $7,733,174). That amount was recorded as such due to the fact that the funds were received in China and being held in a bank account belonging to a director of the Company, but under the control of a subsidiary of the Company.

Furthermore, the Company intends to leave the funds to be used to establish a new data science subsidiary rather than repatriate the funds to Canada.

During the period, and up to April 29th, 2024, Convertible debentures with a face value of $10,440,000 were converted into 32,640,000 Company common shares.

The Company had debentures outstanding as described in Note 15 of the Audited Consolidated Financial Statements for the years ended December 31st, 2023 and December 31st, 2022.

Convertible debenture broker warrants units

Following the first, second and third tranche closing of the convertible debenture units offering as mentioned in the Debenture section above on February 2nd, 2024, February 21st, 2024, February 26th, 2024 and April 16th, 2024 respectively, the Company has paid to the Agent 300 non-transferable broker warrants (the "CD Broker Warrants"), being such number of CD Broker Warrants as is equal to 7.0% of the number of CD Units sold pursuant to the offerings (4,625 units) at the exception for the CD units (475 out of the total of 4,625 units) sold to an insider which were subject to a reduced commission of 2%. Each CD Broker Warrant is exercisable to purchase one CD Unit at an exercise price of $1,000 for a period of two years from the date of its issuance.

Bonds

On May 29th, 2020, the Company placed 400 units of secured corporate bonds at $1,000 per unit, redeemable on June 10th, 2023. Out of the total funds raised from the convertible debenture units issued on February 2nd, 2024 and April 16th, 2024, $170,000 worth of units were given as an exchange to some of the bond holders in order to repay the bonds balance owed to them by the Company.

The residual bonds amounting to $230,000 have expired and are in default as at the date of this MD&A. The Company is in the process of negotiating an extension with the bondholders. While the Company expects to be able to extend the maturity date of these bonds, there can be no assurances it will be able to do so.

Promissory notes payable

During the fourth quarter of 2023, the Company entered into loan agreements totalling $1,410,000 with third party investors at an interest rate of 10% and maturing between March 31, 2024 and June 30, 2024. The Company used part of the funds raised from the convertible debenture units issued on February 2nd, 2024 to refund $1,110,000 worth of the promissory notes. On April 18, 2024, an additional amount of $10,000 from the outstanding balance of the promissory notes was repaid. The balance of promissory notes payable as at the date of this MD&A, is $290,000.

Escrowed Shares

As of the date of this MD&A, none of the shares of the Company were held in escrow by TSX Trust Company (the “Escrow Agent”) in accordance with the terms of the Security Escrow Agency Agreement dated October 1st, 2021, between the Escrow Agent, the Company, and securityholders of Cubeler Inc. (Cubeler).

Cubeler securityholders had agreed to deposit with the Escrow Agent 11,133,012 shares in the Company and received partial consideration for the sale by such securityholders of the issued and outstanding shares of Cubeler. On February 2nd, 2022, 3,374,514 shares of the Company were released by the Escrow Agent, an additional 3,879,249 shares on October 1st, 2022, and 3,879,249 shares were released on October 1st, 2023.

Related Party Transactions

Salaries paid and accrued to officers and directors amounted to $1,431,013 during the fiscal 2023 compared to $1,465,082 for the same periods in fiscal 2022.

During fiscal 2023, share-based expenses associated with officers and board members amounted to $269,116 compared to $1,535,822 for the same periods of 2022.

The officers and directors included in the above are Johnson Joseph, CEO, Jean Landreville, CFO, Liang Qiu, China Operations CEO, Mayco Quiroz, Board Member (elected on June 27th, 2023 , resigned on October 26th, 2023 and appointed as COO on October 26th, 2023), Carol Penhale, Chair of the Board (resigned on June 26th, 2023), Dylan Tinker, Board Member (resigned on June 26th, 2023), Paul Gibbons, Board Member (resigned on June 26th, 2023), Jean Leblond, Board Member (elected on July 4th, 2023), Yves C. Renaud, Board Member (elected on October 26th, 2023) and Sanjay Sharma, Board Member (elected on October 26th, 2023).

In December 2021, Tenet's previous Chairman, Charles-Andre Tessier and Tenet's CEO, Johnson Joseph both exercised stock options to acquire common shares of the Company. While processing those transactions, the Company was required to remit withholding taxes on behalf of these individuals. Those withholding taxes amounted to $40,400 for Mr. Tessier and $72,793 for Mr. Joseph. On December 15th, 2021 those amounts were recorded as loans to those individuals by the Company maturing December 15th, 2022.

On June 3rd, 2022, an additional loan was issued to another Director of the Company (Liang Qiu) of $130,462, maturing on December 31st, 2022. The loan was made to cover personal capital gains taxes triggered following an exchange of free trading securities of the Company for restricted securities issued as part of a private placement in order to help fund the Company's operations.

As at December 31st, 2023, the aggregate outstanding amount due for said loans including accrued unpaid interest is $216,102 (December 31st, 2022 - $247,425). In August 2022, Mr. Tessier resigned from his role of Chair and Director and ceased to be a related party. During the year ended December 31st, 2023, Mr. Tessier provided services to the Company amounting to $43,000 in order to fully repay the balance of his promissory note payable (including accrued interest) to the Company. As at December 31st, 2023, the aggregate outstanding principal amount due to currently active related parties for said loans is $216,102 (December 31st, 2022 - $206,300, excluding Mr. Tessier).

All of the above-mentioned loans bear interest at the quarterly prescribed variable rate. As the loans have expired, the Company is in the process of negotiating repayment terms to be agreed upon with each board member.

During the fiscal 2023, the Company charged interest revenue on promissory notes to Directors, mentioned in the paragraphs above, of $11,442 ($3,723 for the fiscal 2022)

During the course of 2023, a company owned by a Director and the CEO of the Company's Chinese operations, Liang Qiu, made a series of short-term loans totalling $1,667,742 to Asia Synergy Holding Inc. ("ASH"), a wholly owned subsidiary of the Company. The same company, owned by Liang Qiu, subsequently entered into a loan transfer agreement with an unrelated third party whereby a portion of the loan amounting to $750,000 was transferred to such third party. As at December 31st, 2023, the aggregate outstanding principal amount due to the company owned by Liang Qiu by ASH regarding this loan is $917,742 (December 31st, 2022 - $Nil) and bears no interest given the fact that only licensed lenders are allowed to charge interest on loans granted to corporate borrowers as per the laws of mainland China.

On August 1, 2023, the Company sold 2,598 units of convertible debentures (including 2,000 units sold to related parties, equally subscribed by Liang Qiu and Johnson Joseph) for gross proceeds of $2,598,000 (including $2,000,000 to related parties) as described in note 15.3 of the Company's Audited Consolidated Financial Statements for the years ended December 31st, 2023 and December 31st, 2022. One of the subscribers (18 units) of the August 1, 2023 debentures issuance was Sanjay Sharma which subsequently became a related party when he was elected as Board Member on October 26th, 2023.

On August 18, 2023, a temporary advance with no interest was issued to Johnson Joseph in the amount of $10,000 for business travel purposes which is still outstanding as at the date of this MD&A.

On September 8, 2023, the Company sold another 710 units of convertible debentures to related parties (350 units to Liang Qiu, 350 units to Johnson Joseph and 10 units to Jean Landreville) for gross proceeds of $710,000 as described in note 15.5 of the Company's Audited Consolidated Financial Statements for the years ended December 31st, 2023 and December 31st, 2022. In addition, on October 18th, 2023, a personal company where Liang Qiu is a shareholder made a short-term loan of $50,000 to the Company at no interest which was subsequently paid back by the Company on November 6th, 2023.

As at December 31st, 2023, the proceeds of subscriptions from the sale of convertible debentures from related parties (the 2,728 convertible debentures units noted in the above paragraphs) totalled $2,728,000 and the amortized accounting cost of these same debentures due to related parties totalled $1,777,410.

During the year ended December 31st, 2023, and up to the date of this MD&A, no interest were paid or received by the Company to related parties for the 2,728 units of convertible debentures. As at December 31st, 2023, $106,041 of debentures, interest payable due to related parties are recorded in accounts payable, advances and accrued liabilities as described in note 15 of the Company's Audited Consolidated Financial Statements for the years ended December 31st, 2023 and December 31st, 2022.

On January 31, 2024, the Company received $10,000 of proceeds from the subscription receivable of convertible debentures (Jean Landreville) relating to the debentures issuance that occurred on September 8, 2023.

From March 28th, 2024 up to April 29, 2024, Johnson Joseph advanced to the Company, at no interest, approximately $784,938 which was exchanged and converted into convertible debentures (780 units having a face value of $780,000) with a third party following the debenture issuance on April 16, 2024 (see Debentures section above). The residual difference between the advances received and the debentures issued was recorded by the Company as a foreign exchange gain.

On April 16, 2024, Company director and officer Liang Qiu subscribed to 475 units of convertible debentures for a nominal amount of $475,000. The Company used the proceeds of that subscription to repay an amount that had been advanced by a company controlled by Mr. Qiu, which had been recorded by the Company under accounts payable, advances and accrued liabilities in the Company's consolidated statement of financial position for the year ended December 31, 2023.

Off-Balance-Sheet Arrangements

The Company has not entered into any off-balance sheet financing arrangements.

Accounting Policies

The principal IFRS accounting policies set out in Note 3 and Note 4 of the Audited Consolidated Financial Statements for the years ended December 31st, 2023 and December 31st, 2022, have been consistently applied to all periods presented in such financial statements.

Legal Proceedings

As of April 29th, 2024 the following legal proceedings have been instituted against the Company:

A class action lawsuit was brought against Tenet and two of its executives on November 19, 2021 in the United States District Court for the Eastern District of New York (originally captioned Bram Van Boxtel v. Tenet Fintech Group Inc., et al., now captioned Alejandro Handal and Donald Dominique v. Tenet Fintech Group Inc., et al.). The case was brought on behalf of Tenet shareholders who traded securities of Tenet between September 2nd, 2021, and October 13th, 2021, on the NASDAQ. The complaint alleges, among other things, that the defendants violated the Securities Exchange Act of 1933 and the Securities Exchange Act of 1934 by making false or misleading statements regarding (i) Tenet's ownership interest in Asia Synergy Financial Capital Ltd. through a subsidiary, Wuxi Aorong Ltd., (ii) Tenet's acquisitions of Huayan the Heartbeat insurance platform, and Cubeler Inc., (iii) Tenet's listing on Nasdaq, (iv) Tenet's Form 40-F submission to the SEC, and (v) statements published about Tenet by Grizzly Reports. On February 10, 2022, the court appointed a lead plaintiff and lead counsel. An amended complaint was filed on April 2022 (the "First Amended Complaint"). The Company filed a motion to have the case dismissed on August 8, 2022, and briefing on the motion to dismiss was completed on Monday, October 24, 2022.

On September 25, 2023, the U.S. District Court for the Eastern District of New York granted in part and denied in part the Defendants' motion to dismiss the putative class's First Amended Complaint. Of the four claims brought on behalf of the class, the Court dismissed two claims in their entirety and one claim in part. On October 25, 2023, the class filed a Second Amended Complaint re-asserting the same four claims. On November 15, 2023, the Defendants submitted to the Court a letter-request to file a motion to dismiss the claims that were dismissed from the First Amended Complaint and re-asserted in the Second Amended Complaint.

On April 8, 2024, the Company and plaintiffs executed a binding memorandum of understanding to settle the matter. Without admitting any liability or wrongdoing, and in order to avoid the expense and distraction of ongoing litigation, the Company agreed to settle the action in exchange for a full and final release of the Company and each defendant in exchange for an aggregate payment of USD$1,200,000, payable in five instalments between April 30, 2024 and December 31, 2024. The parties contemplate entering a long form settlement agreement and the settlement remains subject to court approval.

Financial Instruments

For the period ended December 31st, 2023, the Company has classified its financial instruments as described in Note 4.11 of the Audited Consolidated Financial Statements for the years ended December 31st 2023, and 2022. For the period ended December 31st, 2023, the Company is exposed to various risks as described in Note 24.3 of the Audited Consolidated Financial Statements for the years ended December 31st, 2023 and December 31st, 2022.

Governance

To better equip the Company with better protocols and policies and procedures to manage the current growth of its business and to properly pursue its strategic plan, the Company has taken steps to bolster its governance measures. These steps include: (i) the creation of a new position of Chief Legal Officer (currently vacant), (ii) the adoption of revised human resources policies, with respect to discrimination and harassment, health and safety, and personal data, (iii) the re-calibration of the corporate governance charter and the adoption of a corporate whistleblower policy and a delegation of authorities, and (iv) the Company retained Richter LLP in Canada and Ernst & Young in China to help implement general internal controls over its processes and operations, as well as to carry out a Sarbanes Oxley compliance review and diagnostic, both of which were not completed as of the date of this MD&A.

However, considering some liquidity constraints that arose during 2023, the Company, since the second quarter of 2023, has paused the Sarbanes Oxley compliance review and diagnostic with the third-party experts mentioned above.

Assuming it will be financially feasible in the future, the Company plans to resume the work with third party experts and continue to improve upon its corporate governance and to align with best practices.

RISKS AND UNCERTAINTIES

Risk factors that may adversely affect or prevent the Corporation from carrying out all or portions of its business strategy include the following:

Liquidity and Capital Resources

The Company will require financing in order to meet its longer-term business objectives and there can be no assurances that such financing sources will be available as and when needed. Historically, capital requirements have been primarily funded through the sale of common shares. Recently with the inability to finalize a prospectus for common shares under the Ontario Securities Commission, the Company has achieved financing with private placements. Factors that could affect the availability of financing include, but are not limited to, evidence of continued demand for the Company's services, the Chinese geopolitical climate, the Company's ability to expand its services beyond China, the ongoing investigation by the AMF of Mr. Joseph, the state of international debt and equity markets, and investor perceptions and expectations of the fintech space. There can be no assurance that such financing will be available in the amount required at any time or for any period or, if available, that it can be obtained on terms satisfactory to the Company.

Holding Company with Significant Operations in China

As a holding company that is currently dependent on the operations of its subsidiaries in China, Tenet is subject to risks that could cause the value of its common shares to significantly decline. Chinese laws and regulations governing its current business operations are sometimes vague and uncertain, and they present legal and operational risks which may result in material changes in the operations of the Company's Chinese subsidiaries or a significant depreciation in the value of its common shares. Recently, the Chinese government adopted a series of regulatory actions and issued statements to regulate business operations in China, including cracking down on illegal activities in the securities market, adopting new measures to extend the scope of cybersecurity reviews, and expanding the efforts in anti-monopoly enforcement. Nevertheless, to the Company's knowledge, neither it nor any of its Chinese subsidiaries have been involved in any investigations on cybersecurity review initiated by any Chinese regulatory authority, nor have any of them received any inquiry, notice or sanction from the Chinese government.

Regulatory Permissions

To operate its business as currently conducted in China, each of the Company's subsidiaries in China are required to obtain a business license from local authorities. Each such Chinese subsidiary has obtained a valid business license, and no application for any such license has been denied or revoked. If any of the business licenses of the Company's subsidiaries are revoked, this would hinder the ability to operate the business, which could materially and adversely affect the business, financial condition, and results of operations.

Repatriation of Profits or Transfer of Funds from China to Canada

As of the date of this MD&A, all the Company's operating subsidiaries are located in China, except Cubeler Inc. (Canada), Tenoris3 Inc. (Canada) and Asia Synergy Ltd. (Hong Kong). Accordingly, the repatriation of any profits generated by the Company, which the Company might want to repatriate from China to Canada, or the transfer of any funds that the Company might want to transfer to its Chinese subsidiaries, is subject to the rules and regulations established by the Chinese government that restrict the flow of funds between China and foreign jurisdictions, including the transfer of funds between Chinese subsidiaries and their foreign parent companies. Although the Company has taken steps to comply with regulations established by the Chinese government to be able to transfer funds from its subsidiaries to Canada, there can be no assurances that the Company will remain in compliance with those rules and regulations in the future. The Company may therefore not be able to repatriate profits or transfer funds from its Chinese holding or operating subsidiaries to its head office in Canada, including part or all of the remaining $7,733,174 of funds raised in China through its most recent convertible debenture private placement financings (see "Fourth Quarter Ended December 31st, 2023 – Debentures" above), which would adversely impact the Company in the future. In the event that the Company is unable to repatriate funds from China, the Company may experience delays in deploying capital to intended purposes which would adversely affect the Company's operations, revenue and profits. In that event, the Company may have a need for interim or bridge financing, with no assurances it will be able to raise such capital either on favorable terms or at all. Such failure to repatriate funds or a failure to raise additional funds if required will have a material negative impact on the Company. Please see "Fourth Quarter Ended December 31st, 2023 – Debentures" above for more information regarding the convertible debenture private placement.

Operations in Foreign Jurisdictions and Possible Exposure to Corruption, Bribery or Civil Unrest

The Company operates in a foreign jurisdiction (China) where the laws governing corporations differ from the laws of Canada. Chinese laws require each of the Company's subsidiaries located therein to have a legal representative to which certain roles, powers and responsibilities are ascribed. The legal representative's functions and powers are prescribed by state laws, regulations and the articles of association of the entity for which he or she is the legal representative. The legal representative is the person authorized to represent the entity in all legal matters between the government and such entity and to sign legally binding contracts on behalf of such entity. Unlike Canadian laws, which limit liability for individuals involved in corporations and limited liability or registered business entities, Chinese laws make no distinction between the liability of a legal representative versus the liability of the entity he or she represents. The legal representative is responsible for any offence, whether corporate, criminal, civil or other, committed by the entity and must bear any fine, punishment or consequences resulting from the offence.

Companies in China need the signed consent of a majority (over 50%) of its shareholders in order to remove a legal representative. If a company wants to change its legal representative, it first needs to provide written notice to that effect to the legal representative. The company must then go to the China Industry and Commerce Bureau with written proof of majority shareholder consent to make the change and submit the appointment document of the new legal representative. Similarly, the removal of any officer or director of a company requires the consent of the company's shareholders. Such consent must formally be given by a majority (over 50%) of shareholders with a signed resolution of the shareholders at a general meeting of the shareholders. The company must then submit a copy of the resolution along with the required supporting documents (application form, copy of business license, ID card of the individual being removed and copy of amendment of article of association reflecting the change) to the China Industry and Commerce Bureau.

Given the onerous responsibilities and risks associated with the position of legal representative for companies operating in China, the Company may have difficulty in the future to find individuals willing to act as its subsidiary's legal representatives. There can be no assurances that the Company will always have legal representatives for its subsidiaries. Since every company must have a legal representative under Chinese laws, not being able to have a legal representative may force the Company to suspend temporarily or permanently some of its operations in China, which would adversely affect the Company's operations, revenue and profits.

Certain individuals in China may perceive the Company as a potential bribery target. As such, the Company may be approached by local individuals in China, whether businessmen, government officials or others, to offer the Company certain favors that would advance the Company's business interests in exchange for cash, other forms of compensation, or threaten to hinder the Company's progress unless compensated in cash or by other means, all of which would be contrary to Chinese laws and/or Canadian law. The Company's employees or other agents may, without its knowledge and despite its efforts, engage in prohibited conduct under the Company's policies and procedures and anti-bribery laws for which the Company may be held responsible. The Company's policies mandate compliance with these anti-corruption and anti-bribery laws. However, there can be no assurance that the Company's internal control policies and procedures will always protect it from recklessness, fraudulent behavior, dishonesty or other inappropriate acts committed by its affiliates, employees, contractors or agents. If the Company's employees or other agents are found to have engaged in such practices, the Company could suffer severe penalties and other consequences that may have a material adverse effect on its business, financial condition and results of operations.

As a Canadian entity operating in China, the Company is exposed to the state of relations between China and Canada. There are political and/or cultural tensions between these two countries that may impact international commerce. For example, clients may decide to no longer buy the Company's services and partners may decide to cut ties with the Company, all of which would negatively impact the Company's operations, revenue and profits.

Bankruptcy, Dissolution or Liquidation of Chinese Subsidiaries

The Chinese Enterprise Bankruptcy Law provides that an enterprise may be liquidated if the enterprise fails to settle its debts as and when they fall due and if the enterprise's assets are, or are demonstrably, insufficient to clear such debts. Our Chinese subsidiaries hold certain assets that are important to our business operations. If any of our Chinese subsidiaries undergo a voluntary or involuntary liquidation proceeding, unrelated third-party creditors may claim rights to some or all of these assets, thereby hindering our ability to operate our business, which could materially and adversely affect our business, financial condition, and results of operations.

Uncertainties Regarding the Growth and Sustained Profitability of E-Commerce in China

The continued growth in our revenue and profit substantially depends upon the widespread acceptance and use of the Internet as a medium for commerce by businesses in China and elsewhere. In particular, rapid growth in the use of and interest in the Internet and other online services is still a relatively recent phenomenon in China, and we cannot assure you that this acceptance and use will continue to develop or that a sufficiently broad base of customers will adopt, and continue to use, the Internet as a medium of commerce in China. A decline in the popularity of purchasing on the Internet in general, or any failure by us to adapt our platform and improve the experience of our customers in response to trends and consumer requirements, will adversely affect our revenues and business prospects. Moreover, concerns about fraud, privacy, lack of trust and other problems may discourage businesses from adopting the Internet as a medium of commerce. In addition, if a well-publicized breach of Internet security or privacy were to occur, general Internet usage could decline, which could reduce the use of our services and impede our growth. As a result, growth in our customer base depends on attracting customers who have historically used traditional channels of commerce to conduct the types of transactions facilitated by our platform. For our Company to be successful, these customers must accept and adopt new ways of conducting business and exchanging information.

Illegality of Digital Asset Transactions in China

In 2013, financial regulators in China, including the People's Bank of China (the "PBOC") banned banks and payment companies from providing bitcoin related services. In 2017, the PBOC, Ministry of Industry and Information Technology, State Administration for Industry and Commerce, China Banking Regulatory Commission, China Securities Regulatory Commission and China Insurance Regulatory Commission issued "Announcement on Preventing Token Fundraising Risks", prohibiting all organizations and individuals from engaging in initial coin offering transactions. On May 21st, 2021, the Financial Stability and Development Committee of the State Council in China called for the need to resolutely control financial risks and crack down on bitcoin mining and trading activities. On June 21st, 2021, the PBOC was reported to have held interviews with certain financial institutions in China, and stressed that banks and other financial institutions in China shall strictly implement the "Guarding Against Bitcoin Risks" and the "Announcement on Preventing Token Fundraising Risks" and other regulatory requirements, diligently fulfill their customer identification obligations, and shall not provide account opening, registration, trading, clearing, settlement and other services related to blockchain and cryptocurrency business. On September 24th, 2021, all digital asset transactions were banned in China. Ten Chinese government agencies, including the central bank and banking, securities and foreign exchange regulators, reportedly have vowed to work together to root out "illegal" cryptocurrency activity with the PBOC reportedly stating that it was illegal to facilitate cryptocurrency trading and that it planned to severely punish anyone doing so, including those working for overseas platforms from within China. While we are not engaged in digital asset transactions, the crackdown on such transactions may result in volatility in the fintech sector and may result in increased scrutiny of any financial platforms or financial transactions, which could have a material adverse effect on our business, prospects or operations.

Increases in Labor Costs in China

China's economy has experienced increases in labor costs in recent years. China's overall economy and the average wage in China are expected to continue to grow. We expect that our labor costs, including wages and employee benefits, will continue to increase. Unless we are able to pass on these increased labor costs to our customers by increasing prices for our products or services, our profitability and results of operations may be materially and adversely affected.

Regulation and Censorship of Information Distribution Over the Internet in China

China has recently enacted laws and regulations governing Internet access and the distribution of products, services, news, information, audio-video programs and other content through the Internet. The Chinese government has prohibited the distribution of information through the Internet that it deems to be in violation of Chinese laws and regulations. If any of the content on our online platform were deemed to violate any content restrictions by the Chinese government, we would not be able to continue to display such content and could become subject to penalties, including confiscation of income, fines, suspension of business and revocation of required licenses, which could materially and adversely affect our business, financial condition and results of operations. We may also be subject to potential liability for any unlawful actions or for content we distribute that is deemed inappropriate. It may be difficult to determine the type of content that may result in liability to us, and if we are found to be liable, we may be prevented from operating our website in China.

Oversight of the China Securities Regulatory Commission (the "CSRC") and Other Chinese Government Agencies over Foreign Investment in China-Based Issuers

Although we are incorporated and based in Canada, with operations in China, Chinese authorities may consider us to be a China-based company. In 2021, the General Office of the Communist Party of China Central Committee and the General Office of the State Council jointly issued a document to prevent illegal activities in the securities market and to promote the high-quality development of their capital markets, which, among other things, requires the relevant governmental authorities to strengthen cross-border oversight of law-enforcement and judicial cooperation, to enhance supervision over China-based companies listed overseas, and to establish and improve the system of extraterritorial application of Chinese securities laws. Since this document is relatively new, uncertainties still exist in relation to how soon legislative or administrative regulation-making bodies will respond and what existing or new laws or regulations or detailed implementations and interpretations will be modified or promulgated, if any, and the potential that any impact such modified or new laws and regulations will have on our future business operations. Therefore, the CSRC and other Chinese government agencies may exert more oversight and control over foreign investment in China-based issuers or perceived China-based issuers, especially those in the technology field such as us. Additional compliance procedures may be required in connection with our business operations, and, if required, we cannot predict whether we will be able to obtain the approval of any compliance requirements. As a result, we face uncertainty about future actions by the Chinese government that could cause the value of our common shares to significantly decline.

Failure to Make Adequate Contributions to Various Mandatory Social Security Plans as Required by Chinese Regulations

Under the Chinese Social Insurance Law and the Administrative Measures on Housing fund, we are required to participate in various government sponsored employee benefit plans, including certain social insurance, housing funds and other welfare-oriented payment obligations, and contribute to the plans in amounts equal to certain percentages of salaries, including bonuses and allowances, of our employees up to a maximum amount specified by the local government from time to time at locations where we operate our businesses. The requirement of employee benefit plans has not been implemented consistently by the local governments in China given the different levels of economic development in different locations. If the local governments deem our contribution to be not sufficient, we may be subject to late contribution fees or fines in relation to any underpaid employee benefits, our financial condition and results of operations may be adversely affected. As the interpretation of implementation of labor-related laws and regulations are still involving, we cannot assure you that our practice in this regard will not be violate any labor-related laws and regulations regarding including those relating to the obligations to make social insurance payments and contribute to the housing funds and other welfare-oriented payments. If we are deemed to have violated relevant labor laws and regulations, we could be required to provide additional compensation to our employees and be subject to penalties, and our business, financial condition and results of operations will be adversely affected.

Chinese Labor Contract Law

Pursuant to the Chinese labor contract law, employers are subject to stricter requirements in terms of signing labor contracts, minimum wages, paying remuneration, determining the term of employees' probation, and unilaterally terminating labor contracts. In the event that we decide to terminate some of our employees or otherwise change our employment or labor practices, the Chinese labor contract Law and its implementation rules may limit our ability to effect those changes in a desirable or cost-effective manner, which could adversely affect our business and results of operations. As the interpretation and implementation of labor-related laws and regulations are still evolving, we cannot assure you that our employment practices do not and will not violate labor-related laws and regulations in China, which may subject us to labor disputes or government investigations and potentially penalties. If we are deemed to have violated relevant labor laws and regulations, we could be required to provide additional compensation to our employees and our business, financial condition and results of operations could be materially and adversely affected.

Uncertainties Under the Chinese Enterprise Income Tax Law (the "EIT Law")

Under the Chinese EIT Law and its implementation rules, the profits of a foreign invested enterprise generated through operations, which are distributed to its immediate holding company outside China, will be subject to a withholding tax rate of 10%. Pursuant to the Arrangement between the Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and Tax Evasion on Income (or the "Double Tax Avoidance Arrangement"), a withholding tax rate of 10% may be lowered to 5% if the Chinese enterprise is at least 25% held by a Hong Kong enterprise for at least 12 consecutive months prior to distribution of the dividends and is determined by the relevant Chinese tax authority to have satisfied other conditions and requirements under the Double Tax Avoidance Arrangement and other applicable Chinese laws. However, based on the Circular on Certain Issues with Respect to the Enforcement of Dividend Provisions in Tax Treaties, or the "SAT Circular 81," which became effective in 2009, if the relevant Chinese tax authorities determine, in their discretion, that a company benefits from such reduced income tax rate due to a structure or arrangement that is primarily tax-driven, such Chinese tax authorities may adjust the preferential tax treatment. According to Circular on Several Issues regarding the "Beneficial Owner" in Tax Treaties, which became effective in 2018, when determining an applicant's status as the "beneficial owner" regarding tax treatments in connection with dividends, interests, or royalties in the tax treaties, several factors will be taken into account. Such factors include whether the business operated by the applicant constitutes actual business activities, and whether the counterparty country or region to the tax treaties does not levy any tax, grant tax exemption on relevant incomes, or levy tax at an extremely low rate. This circular further requires any applicant who intends to be proved of being the "beneficial owner" to file relevant documents with the relevant tax authorities. We own majority stakes in our Chinese subsidiaries through our Hong Kong subsidiary. However, we cannot assure you that our determination regarding our qualification to enjoy the preferential tax treatment will not be challenged by the relevant Chinese tax authority, or we will be able to complete the necessary filings with the relevant Chinese tax authority and enjoy the preferential withholding tax rate of 5% under the Double Tax Avoidance Arrangement with respect to dividends to be paid by our Chinese subsidiaries to our Hong Kong subsidiary, in which case we would be subject to the higher withdrawing tax rate of 10% on dividends received.

Chinese Governmental Control of Currency Conversion

The Chinese government imposes control on the convertibility of its currency, the Renminbi, into foreign currencies and, in certain cases, the remittance of currency out of China. We receive a majority of our revenues in Renminbi, which currently is not a freely convertible currency. Restrictions that the Chinese government imposes on currency conversion may limit our ability to use revenues generated in Renminbi to fund our expenditures denominated in foreign currencies or our business activities outside China. Under China's existing foreign exchange regulations, Renminbi may be freely converted into foreign currency for payments relating to current account transactions, which include, among other things, dividend payments and payments for the import of goods and services, by complying with certain procedural requirements. To date, our Chinese subsidiaries have been able to pay a management fee in foreign currencies to Tenet without prior approval from China's State Administration of Foreign Exchange ("SAFE"), by complying with such procedural requirements. Our Chinese subsidiaries may also retain foreign currency in their respective bank accounts for use in payment of international current account transactions. We cannot assure you, however, that the Chinese government will not, at its discretion, take measures in the future to restrict access to foreign currencies for current account transactions. Conversion of Renminbi into or from foreign currencies such as the Canadian dollar for payments relating to capital account transactions, including investments and loans, generally requires the approval of SAFE and other relevant Chinese governmental authorities. Restrictions on the convertibility of the Renminbi for capital account transactions could affect the ability of our Chinese subsidiaries to make investments overseas or to obtain foreign currency through debt or equity financing, including by means of loans or capital contributions from us. If we fail to receive any such required approvals, our ability to use our revenues and to capitalize our Chinese operations may be impeded, which could adversely affect our liquidity and our ability to fund and expand our business.

Substantial Doubt re Ability of our Chinese Operating Subsidiaries to Continue as Going Concern

While we generated a profit for the first time in our history in the third quarter of 2021, substantial doubt remains as to our ability to continue as a going concern. Moreover, even if we achieve sustained profitability, Chinese government restrictions surrounding the transfer of funds outside of the country, as discussed above under "**Repatriation of Profits or Transfer of Funds from China to Canada**", could restrict our ability to have timely access to profits or cash flows generated by our subsidiaries to meet our financial obligations outside of China and could threaten our ability to continue as a going concern.

Unauthorized Use of the Chops of our Chinese Subsidiaries

In China, a company chop or seal serves as the legal representation of the company towards third parties even when unaccompanied by a signature. Each legally registered company in China is required to maintain a company chop, which must be registered with the local public security bureau. In addition to this mandatory company chop, companies may have several other chops which can be used for specific purposes. The chops of our Chinese subsidiaries are generally held securely by personnel designated or approved by us in accordance with our internal control procedures. To the extent those chops are not kept safe, are stolen or are used by unauthorized persons or for unauthorized purposes, the corporate governance of these entities could be severely and adversely compromised and those corporate entities may be bound to abide by the terms of any documents so chopped, even if they were chopped by an individual who lacked the requisite power and authority to do so. If any of our authorized personnel obtains, misuses or misappropriates our chops for any reason, we could experience disruptions in our operations. We may also have to take corporate or legal action, which could require significant time and resources to resolve while distracting management from our operations. Any of the foregoing could adversely affect our business and results of operations. Please see "Chops" below for more information.

Difficulties for Overseas Regulators Conducting Investigations or Collecting Evidence within China

Shareholder claims or regulatory investigations that are common in Canada or the United States generally are difficult to pursue as a matter of law or practicality in China. For example, in China, there are significant legal and other obstacles to providing information needed for regulatory investigations or litigations initiated outside China. Although the authorities in China may establish a regulatory cooperation mechanism with the securities regulatory authorities of another country or region to implement cross-border supervision and administration, such cooperation with the securities regulatory authorities in Canada or the United States may not be efficient in the absence of mutual and practical cooperation mechanism. Furthermore, according to Article 177 of the Chinese Securities Law, no overseas securities regulator is allowed to directly conduct investigation or evidence collection or other similar activities within the Chinese territory. No entity or individual may provide documents or information related to securities business activities to overseas entities without prior consent of the competent Chinese securities regulatory authority. While detailed interpretation of or implementation rules under Article 177 have yet to be promulgated, the inability for an overseas securities regulator to conduct investigation or evidence collection activities directly within China may further increase the difficulties shareholders face in protecting their interests.

Service of Legal Process

We are a Canadian company and conduct substantially most of our operations in China, and substantially most of our assets are located in China. Certain of our officers and directors reside in China. As a result, it may be difficult or impossible for you to effect service of process upon us or those persons inside mainland China. It may also be difficult or impossible for you to enforce in U.S. or Canadian court judgments obtained in U.S. or Canadian courts against us and our officers and directors. In addition, there is uncertainty as to whether the courts of China would recognize or enforce judgments of U.S. or Canadian courts against us or such persons predicated upon the civil liability provisions of the securities laws of the United States, Canada or any other state. If you are unable to bring a U.S. or Canadian claim or collect on a U.S. or Canadian judgment, you may have to rely on legal claims and remedies available in China or other overseas jurisdictions where we maintain assets. The claims and remedies available in these jurisdictions are often significantly different from those available in the United States and Canada and difficult to pursue. The recognition and enforcement of foreign judgments are provided for under the Chinese Civil Procedures Law. Chinese courts may recognize and enforce foreign judgments in accordance with the requirements of the Chinese Civil Procedures Law based either on treaties between China and the country where the judgment is made or on principles of reciprocity between jurisdictions. China does not have any treaties or other forms of written arrangement with the United States that provide for the reciprocal recognition and enforcement of foreign judgments. In addition, according to the Chinese Civil Procedures Law, the Chinese courts will not enforce a foreign judgment against us or our directors and officers if they decide that the judgment violates the basic principles of Chinese laws or national sovereignty, security, or public interest. As a result, it is uncertain whether and on what basis a Chinese court would enforce a judgment rendered by a court in the United States or Canada.

COVID-19

Since the outbreak of the COVID-19 global pandemic, many businesses around the world have seen their operations negatively impacted by the health and safety measures, including limitations on the movement of goods and individuals, put into place by local governments to help control the spread of the outbreak. Although those measures have been relaxed in recent months in most of the world, there still remains a great deal of uncertainty as to the extent and duration of the future impact of COVID-19 on global commerce and the Company's business. Moreover, China, in particular, has taken strong measures from time to time to try to curb the spread of the virus and protect its citizens and, in doing so, there has been an impact on the economic activities of many of its regions. Given that the Company has significant operations in China, any such measures may have an adverse impact on the Company's revenues and cash resources, ability to expand its business, access to suppliers, partners, and customers, and ability to carry on its day-to-day operations without interruption.

Risks relating to auditor oversight

The Company operates in a foreign jurisdiction (China) where the laws governing corporations differ from the laws of Canada. Even though the Company is audited annually by independent auditors, the Canadian Public Accountability Board's (CPAB) inspection activity of reporting issuers with foreign operations is often limited to engagement files accessible only in Canada as it currently has no legal means to compel access to work completed by component auditors that are located in China. Without access to component auditor working papers in foreign jurisdictions, CPAB is restricted in fulfilling its mandate. CPAB inspects selected high-risk sections of public accounting firm audit engagement files and evaluates the quality management systems of those firms. Investors should be concerned when foreign laws and regulations impede or reduce the level of auditor oversight that they have come to expect in Canada. Certain countries, including China, continue to prevent CPAB from inspecting the audit work of Canadian public companies conducted in their jurisdictions. CPAB has Memorandums of Understanding (MOUs) with audit regulators in nine countries, however, even with the MOU agreements currently in place, CPAB has no legal authority to compel cooperation from foreign audit regulators or component auditors.

CORPORATE LAW AND GOVERNANCE IN CHINA

Legal Representatives

The laws of the People's Republic of China ("PRC" or "China") require that each of the Company's Chinese subsidiaries have a legal representative to whom certain roles, powers and responsibilities are ascribed. The legal representative's functions and powers are prescribed by state laws, regulations and the articles of association of the pertinent entity. The legal representative is the person authorized to represent the company in all legal matters between the government and the company and to sign legally binding contracts on behalf of the company. Unlike Canadian law, which limits liability for individuals involved in corporations and limited liability or registered business entities, Chinese law makes no liability distinction between the legal representative and the company. The legal representative is responsible for any offense, whether corporate, criminal, civil or other, committed by the company and must bear any fine, punishment or consequences resulting from the offence. The legal representative may be held personally accountable for actions carried out by the applicable Chinese company. The legal representative is exposed to personal risks for acts and omissions, either individually or by the company and its employees. Such risks include civil, administrative, or criminal liability. The following persons are the legal representatives of the Company's Chinese subsidiaries:

No.	Subsidiary Name	Legal Representative
1.	Asia Synergy Holdings Ltd.	Liang Qiu
2.	Asia Synergy Technologies Ltd.	Bin Xu
3.	Asia Synergy Supply-chain Technologies Ltd	Bin Xu
4.	Zhejiang Xinjiupin Oil & Gas Management Co., Ltd	Bin Xu
5.	Asia Synergy Data Solutions Ltd.	Liang Qiu
6.	Asia Synergy Credit Solutions Ltd.	Jian'gang Qiu
7.	Asia Synergy Supply Chain Ltd.	Bin Xu
8.	Beijing Xinxiangtaike Technology Service Co., Ltd.	Zhangxuan Wu
9.	Wuxi Aorong Ltd.	Liang Qiu
10.	Asia Synergy Financial Capital Ltd	Kelong Chen
11.	Huike Internet Technology Co., Ltd.	Zhangxuan Wu
12.	Wechain Technology Service Co., Ltd.	Xiaojun Hu

13.	Kailifeng New Energy Technology Co., Ltd.	Liang Qiu
14.	Shanghai Xinhuizhi Supply Chain Management Ltd.	Bin Xu
15.	Jiangsu Supairui IOT Technology Co., Ltd.	Yifei Zhang
16.	Tianjin Wodatong Technology Co., Ltd.	Zheyuan Zhang
17.	Wuxi Suyetong Supply Chain Management Co. Ltd.	Yifei Zhang
18.	Jiangsu Steel Chain Technology Co., Ltd.	Bin Xu

The articles of the subsidiaries do not provide for any variation to the role, powers and responsibilities of the legal representative, other than those as typically provided under Chinese law. The legal representative represents the company and is responsible for performing duties and powers on behalf of the company in accordance with applicable Chinese laws and the company's articles of association ("AoA"). Most company registration or change filing-related formalities require the wet signature of the legal representative, however the legal representative also is typically provided a personal seal which serves as a formal signature for some other authorities or bank formalities. The legal representative's name is recorded on the company's business license, which is publicized online.

There are certain procedures to be followed to legally remove a legal representative, directors and officers of an entity under Chinese law. If the chairman of the board or executive director of the company concurrently serve as the legal representative according to the company's AoA, the shareholders of the company are entitled to re-appoint a new chairman of the board or executive director to replace the prior legal representative by shareholder resolution. If the general manager concurrently serves as the legal representative according to a company's AoA, the board or executive director is entitled to re-appoint a new general manager to replace the prior legal representative by resolution. Upon appointment, the newly appointed person will automatically serve as the legal representative pursuant to the AoA. In addition, the company shall prepare application documents related to the change of legal representative and submit them to the local company registration authority where the company is domiciled. Local company registration authorities will then issue a new business license, which contains the name of new the legal representative.

To mitigate against the risk that Tenet may have difficulty terminating the legal representatives of each of its other Chinese subsidiaries (see list of legal representatives set out above for a list of the subsidiaries and their respective legal representatives), each of the legal representatives has signed and affixed the Company Chop of the subsidiary of which they are a legal representative to an undated termination letter removing him or her (as the case may be) as the legal representative, and from any other position they hold, of such subsidiary, which letters are being kept with Wildeboer Dellelce LLP, Tenet's Canadian corporate and securities legal counsel, at its offices in Toronto, Canada. The termination letters contain a clause on assumption of liability and indemnification of the applicable subsidiary against any and all loss, liability or expense arising out of the use of the various chops of the applicable subsidiary following the date of the termination letter.

Supervisors

According to Chinese laws, a limited liability entity shall have a board of supervisors, which shall comprise not less than three members, or one to two supervisors instead of establishing a board of supervisors, if it has relatively fewer shareholders or a relatively smaller scale. Each of the above-mentioned entities has one supervisor.

Minute Books, Corporate Seal and Corporate Records

The locations of the minute books, corporate seal and corporate records of each entity are as follows:

No.	Entity	Minute Books	Corporate Seals	Corporate Records
1.	Asia Synergy Holdings Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Under 3rd party independent custody of MHP	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)
2.	Asia Synergy Technologies Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Under 3rd party independent custody of MHP	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)
3.	Asia Synergy Supply- chain Technologies Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Under 3rd party independent custody of MHP	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)
4.	Zhejiang Xinjiupin-Oil & Gas Management Co.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Under 3rd party independent custody of MHP	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)
5.	Asia Synergy Data Solutions Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Under 3rd party independent custody of MHP	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)
6.	Asia Synergy Credit Solutions Ltd.	Asia Synergy Credit Solutions Ltd.	Asia Synergy Credit Solutions Ltd.	Asia Synergy Credit Solutions Ltd.
7.	Asia Synergy Supply Chain Ltd.	Asia Synergy Supply Chain Ltd.	Asia Synergy Supply Chain Ltd.	Asia Synergy Supply Chain Ltd.
8.	Beijing Xinxiangtaike Technology Service Co., Ltd.	Beijing Xinxiangtaike Technology Service Co., Ltd.	Beijing Xinxiangtaike Technology Service Co., Ltd.	Beijing Xinxiangtaike Technology Service Co., Ltd.
9.	Wuxi Aorong Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Under 3rd party independent custody of MHP	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)
10.	Asia Synergy Financial Capital Ltd.	Asia Synergy Financial Capital Ltd.	Asia Synergy Financial Capital Ltd.	Asia Synergy Financial Capital Ltd.
11.	Huike Internet Technology Co., Ltd.	Huike Internet Technology Co., Ltd.	Huike Internet Technology Co., Ltd.	Huike Internet Technology Co., Ltd.
12.	Wechain Technology Service Co., Ltd.	Wechain Technology Service Co., Ltd.	Wechain Technology Service Co., Ltd.	Wechain Technology Service Co., Ltd.
13.	Kailifeng New Energy Technology Co., Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)

No.	Entity	Minute Books	Corporate Seals	Corporate Records
14.	Shanghai Xinhuizhi Supply Chain Management Co., Ltd.	Shanghai Xinhuizhi Supply Chain Management Co., Ltd.	Shanghai Xinhuizhi Supply Chain Management Co., Ltd.	Shanghai Xinhuizhi Supply Chain Management Co., Ltd.
15.	Jiangsu Supairui IOT Technology Co., Ltd.	Jiangsu Supairui IOT Technology Co., Ltd.	Jiangsu Supairui IOT Technology Co., Ltd.	Jiangsu Supairui IOT Technology Co., Ltd.
16.	Tianjin Wodatong Technology Co., Ltd.	Tianjin Wodatong Technology Co., Ltd.	Tianjin Wodatong Technology Co., Ltd.	Tianjin Wodatong Technology Co., Ltd.
17.	Wuxi Suyetong Supply Chain Management Co., Ltd.	Wuxi Suyetong Supply Chain Management Co., Ltd.	Share Service Center of Finance (Asia Synergy Supply-chain Technologies Ltd.)	Wuxi Suyetong Supply Chain Management Co., Ltd.
18.	Jiangsu Steel Chain Technology Co., Ltd.	Jiangsu Steel Chain Technology Co., Ltd.	Jiangsu Steel Chain Technology Co., Ltd.	Jiangsu Steel Chain Technology Co., Ltd.

Chops

Under current PRC laws and also as a PRC traditional practice, chops are used very frequently and in a large scale, both in daily life and in official occasions. Chops serve as the symbol of the authenticity and credibility of a person or a company in many ways, especially in business operations. In general, as to a company established and existing under PRC laws, certain chops are required in its business operation, although the signature of the legal representative or the authorized representative of a company will also be acceptable in many cases. Stamping a seal by chops on a document will be deemed as a promise to perform the rights or obligations provided in the document, which means from the legal perspective that a company shall be responsible for its behaviors or promises as its chops are stamped on the document.

Each of the above entities has a Company Chop, Finance Chop, Invoice Chop, Legal Representative Chop and Contract Chop, except that Asia Synergy Credit Solutions Ltd. and Tianjin Wodatong Technology Co., Ltd. have no Contract Chop. The specified purposes of the types of chops are detailed below:

1. **Company Chop**. The Company Chop is used by an authorized person at the company and is required for the daily operations of the entity. It is required when any important document is signed and is also used to provide legal authority when opening a bank account. All letters, official documents, contracts, and introduction letters issued in the name of the company, certificates, or other company materials can use the official chop, which will legally bind the company. Under Chinese laws, the use of the Company Chop alone or the signature of the parties to the contract alone is sufficient to bind a Chinese entity.

2. **Financial Chop**. The Financial Chop is used for opening a bank account, issuing checks, authenticating financial documents, such as tax filings and compliance documents, and for most bank-related transactions by the financial controller / officer of the company.

3. **Invoice Chop**. The Invoice Chop is used by the company to issue invoices to its customers in China.

4. **Legal Representative Chop**. The Legal Representative Chop is evidence of the Legal Representative's signature and may be used in place of a signature, or alongside the Legal Representative's actual signature.

5. **Contract Chop**. The Contract Chop is used by the company to sign contracts with its employees or execute agreements between salespeople and clients. It grants less authority than the Company Chop.

No.	Entity	Company Chop	Finance Chop	Invoice Chop	Legal Representative Chop	Contract Chop
1.	Asia Synergy Holdings Ltd.	Under 3rd party independent custody of MHP	Under 3rd party independent custody of MHP	Junior Accountant (Minyue QIU)	Under 3rd party independent custody of MHP	HR Manager (Huan XIONG)
2.	Asia Synergy Technologies Ltd.	Under 3rd party independent custody of MHP	Under 3rd party independent custody of MHP	Chief Accountant (Zhengting QI)	Under 3rd party independent custody of MHP	HR Manager (Huan XIONG)
3.	Asia Synergy Supply-chain Technologies Ltd.	Under 3rd party independent custody of MHP	Under 3rd party independent custody of MHP	Chief Accountant (Zhengting QI)	Under 3rd party independent custody of MHP	HR Manager (Huan XIONG)
4.	Zhejiang Xinjiupin-Oil & Gas Management Co.	Under 3rd party independent custody of MHP	Under 3rd party independent custody of MHP	Chief Accountant (Zhengting QI)	Under 3rd party independent custody of MHP	HR Manager (Huan XIONG)
5.	Asia Synergy Data Solutions Ltd.	Under 3rd party independent custody of MHP	Under 3rd party independent custody of MHP	Junior Accountant (Minyue QIU)	Under 3rd party independent custody of MHP	HR Manager (Huan XIONG)
6.	Asia Synergy Credit Solutions Ltd.	Director of Finance (Yushu WEI)	Finance Manager (Wenjing YU)	Finance Manager (Wenjing YU)	Finance Manager (Wenjing YU)	N/A
7.	Asia Synergy Supply Chain Ltd.	Chief Accountant (Ming XU)	Chief Accountant (Ming XU)	Chief Accountant (Ming XU)	Chief Accountant (Ming XU)	Chief Accountant (Ming XU)
8.	Beijing Xinxiangtaike Technology Service Co., Ltd.	Legal Representati ve (Zhangxuan Wu)	Legal Representativ e (Zhangxuan Wu)	Legal Representativ e (Zhangxuan Wu)	Legal Representativ e (Zhangxuan Wu)	Legal Represent ative (Zhangxuan Wu)

No.	Entity	Company Chop	Finance Chop	Invoice Chop	Legal Representative Chop	Contract Chop
9.	Wuxi Aorong Ltd.	Under 3rd party independent custody of MHP Law Firm ("MHP")	Under 3rd party independent custody of MHP Law Firm ("MHP")	Junior Accountant (Minyue QIU)	Under 3rd party independent custody of MHP Law Firm ("MHP")	HR Manager (Huan XIONG)
10.	Asia Synergy Financial Capital Ltd.	HR Manager (Ruiyun WU)	HR Manager (Ruiyun WU)	HR Manager (Ruiyun WU)	HR Manager (Ruiyun WU)	HR Manager (Ruiyun WU)
11.	Huike Internet Technology Co., Ltd.	Legal Representative (Zhangxuan Wu)	Legal Representative (Zhangxuan Wu)	Legal Representative (Zhangxuan Wu)	Legal Representative (Zhangxuan Wu)	Legal Representative (Zhangxuan Wu)
12.	Wechain Technology Service Co., Ltd.	Admin Dept. (Duan YANG)	Admin Dept. (Duan YANG)	Under 3rd party custody of Nanjing Qingsongling Finance Consulting Co., Ltd.	Admin Dept. (Duan YANG)	Admin Dept. (Duan YANG)
13.	Kailifeng New Energy Technology Co., Ltd.	HR Manager (Huan XIONG)	HR Manager (Huan XIONG)	Junior Accountant (Minyue QIU)	HR Manager (Huan XIONG)	HR Manager (Huan XIONG)
14.	Shanghai Xinhuizhi Supply Chain Management Co., Ltd.	Head of Legal (Jie WANG)	Head of Legal (Jie WANG)	Head of Legal (Jie WANG)	Head of Legal (Jie WANG)	Head of Legal (Jie WANG)
15.	Jiangsu Supairui IOT Technology Co., Ltd.	Legal Representative (Yifei Zhang)	HR Manager (Huan XIONG)	Legal Representative (Yifei Zhang)	Legal Representative (Yifei Zhang)	Legal Representative (Yifei Zhang)
16.	Tianjin Wodatong Technology Co., Ltd.	Legal Representative (Zheyuan Zhang)	Legal Representative (Zheyuan Zhang)	Legal Representative (Zheyuan Zhang)	Legal Representative (Zheyuan Zhang)	N/A
17.	Wuxi Suyetong Supply Chain Management Co., Ltd.	HR Manager (Huan XIONG)	HR Manager (Huan XIONG)	HR Manager (Huan XIONG)	HR Manager (Huan XIONG)	HR Manager (Huan XIONG)

No.	Entity	Company Chop	Finance Chop	Invoice Chop	Legal Representative Chop	Contract Chop
18.	Jiangsu Steel Chain Technology Co., Ltd.	Chief Accountant (Min DENG)	Chief Accountant (Min DENG)	Chief Accountant (Min DENG)	Chief Accountant (Min DENG)	Chief Accountant (Min DENG)

In order to maintain the physical security of the Chops, the Chops are stored off-site with a third-party custodian.

Pursuant to a Retainer Agreement for Special Legal Services between Shanghai Xinfei Shiye Co., Ltd. (also known as "Asia Synergy Holdings Ltd.") (the "Contracting Subsidiary"), a subsidiary of the Issuer, and its Chinese counsel, MHP, dated effective December 12, 2023 (the "Custodian Agreement"), the Contracting Subsidiary has appointed MHP as its custodian and the custodian of its selected affiliates in China to hold and safeguard the Chops, and to affix such Chops to purchase orders, contracts, agreements, constating documents or any other agreements pursuant to directions from the Contracting Subsidiary. Access to the Chops is controlled by the custodian in accordance with the Custodian Agreement and the Custodian Agreement may only be amended by the Contracting Subsidiary and the custodian.

Tenet has provided an undertaking to the Ontario Securities Commission that in the event that the Custodian Agreement is terminated or in the event that the Contracting Subsidiary appoints a new custodian, the Company will issue a press release forthwith and file a material change report in accordance with applicable securities laws.

Each of the Issuer's China entities maintains logs to evidence use of each chop. The locations of such logs were as follows as of the date of this MD&A:

No.	Entity	Locations of Logs of Use of Chops
1.	Asia Synergy Holdings Ltd.	MHP Address: 7F Wheelock Square, 1717 Nanjing West Road, Shanghai 200040, China
2.	Asia Synergy Technologies Ltd.	MHP Address: 7F Wheelock Square, 1717 Nanjing West Road, Shanghai 200040, China
3.	Asia Synergy Supply-chain Technologies Ltd.	MHP Address: 7F Wheelock Square, 1717 Nanjing West Road, Shanghai 200040, China
4.	Zhejiang Xinjiupin-Oil & Gas Management Co.	MHP Address: 7F Wheelock Square, 1717 Nanjing West Road, Shanghai 200040, China

No.	Entity	Locations of Logs of Use of Chops
5.	Asia Synergy Data Solutions Ltd.	MHP Address: 7F Wheelock Square, 1717 Nanjing West Road, Shanghai 200040, China
6.	Asia Synergy Credit Solutions Ltd.	MHP Address: 7F Wheelock Square, 1717 Nanjing West Road, Shanghai 200040, China
7.	Asia Synergy Supply Chain Ltd.	MHP Address: 7F Wheelock Square, 1717 Nanjing West Road, Shanghai 200040, China
8.	Beijing Xinxiangtaike Technology Service Co., Ltd.	MHP Address: 7F Wheelock Square, 1717 Nanjing West Road, Shanghai 200040, China
9.	Wuxi Aorong Ltd.	MHP Address: 7F Wheelock Square, 1717 Nanjing West Road, Shanghai 200040, China
10.	Asia Synergy Financial Capital Ltd.	MHP Address: 7F Wheelock Square, 1717 Nanjing West Road, Shanghai 200040, China
11.	Huike Internet Technology Co., Ltd.	MHP Address: 7F Wheelock Square, 1717 Nanjing West Road, Shanghai 200040, China
12.	Wechain Technology Service Co., Ltd.	MHP Address: 7F Wheelock Square, 1717 Nanjing West Road, Shanghai 200040, China
13.	Kailifeng New Energy Technology Co., Ltd.	MHP Address: 7F Wheelock Square, 1717 Nanjing West Road, Shanghai 200040, China
14.	Shanghai Xinhuizhi Supply Chain Management Co., Ltd.	MHP Address: 7F Wheelock Square, 1717 Nanjing West Road, Shanghai 200040, China
15.	Jiangsu Supairui IOT Technology Co., Ltd.	MHP Address: 7F Wheelock Square, 1717 Nanjing West Road, Shanghai 200040, China

No.	Entity	Locations of Logs of Use of Chops
16.	Tianjin Wodatong Technology Co., Ltd.	MHP Address: 7F Wheelock Square, 1717 Nanjing West Road, Shanghai 200040, China
17.	Wuxi Suyetong Supply Chain Management Co., Ltd.	MHP Address: 7F Wheelock Square, 1717 Nanjing West Road, Shanghai 200040, China
18.	Jiangsu Steel Chain Technology Co., Ltd.	MHP Address: 7F Wheelock Square, 1717 Nanjing West Road, Shanghai 200040, China

FURTHER INFORMATION

Additional information about the Company can be found at www.sedarplus.com

April 29th, 2024

(s) Jean Landreville ***(s) Johnson Joseph***

Jean Landreville, Chief Financial Officer Johnson Joseph, President & CEO