

Cliffside Capital Ltd.
Condensed Consolidated Financial Statements
(Unaudited)

For the three months ended March 31, 2022 and 2021

Notice to reader pursuant to National Instrument 51-102

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed financial statements, they must be accompanied by a notice indicating that the condensed financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated financial statements of Cliffside Capital Ltd. have been prepared by management and approved by the Audit Committee and Board of Directors of the Company.

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

"Praveen Gupta" (signed)

Praveen Gupta
Chief Financial Officer

"Stephen Malone" (signed)

Stephen Malone
Chief Executive Officer

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Cliffside Capital Ltd.
Condensed Consolidated Statements of Financial Position
(in Canadian dollars)

As at	Mar 31, 2022	Dec 31, 2021
	\$	\$
	(unaudited)	
Assets		
Cash	13,037,223	12,426,169
Finance receivables-net (note 3)	172,960,579	149,783,991
Deferred income taxes	18,106	137,644
Derivative financial instrument (note 4)	1,555,404	305,137
Other assets	1,355,397	1,632,302
Total assets	188,926,709	164,285,243
Liabilities		
Accounts payable and accrued liabilities	1,096,759	1,110,988
Deferred purchase price payable	7,046,848	5,939,827
Securitization debt (note 5)	145,948,194	126,970,398
Subordinated debt (note 6)	19,388,957	14,968,599
Total liabilities	173,480,758	148,989,812
Equity (note 7)		
Share capital	12,044,486	12,044,486
Contributed surplus	1,264,503	1,264,503
Cumulative deficit	(2,071,373)	(2,250,666)
Equity attributable to shareholders	11,237,616	11,058,323
Non-controlling interests (note 8)	4,208,335	4,237,108
Total equity	15,445,951	15,295,431
Total liabilities and equity	188,926,709	164,285,243

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

Cliffside Capital Ltd.
Condensed Consolidated Statements of Net Income and Comprehensive Income
(in Canadian dollars)

(unaudited)	For the three months ended	
	Mar 31, 2022	Mar 31, 2021
	\$	\$
Income		
Net interest income	4,162,987	2,987,078
Other income		
Other income	102,593	74,487
Mark-to-market gains on derivative financial instruments	1,250,267	-
Total income	5,515,847	3,061,565
Financial expenses		
Interest expense	2,048,321	1,371,456
Net financial revenue before credit losses	3,467,526	1,690,109
Provision for credit losses (note 3)	1,906,034	704,081
Net financial income	1,561,492	986,028
Operating expenses		
Management fees (note 12)	38,798	24,265
General and administrative	756,909	67,967
Total expenses	795,707	92,232
Net income before income taxes	765,785	893,796
Provision for income taxes deferred	119,538	153,185
Net income and comprehensive income	646,247	740,611
Net income attributable to shareholders	422,460	545,896
Net income attributable to non-controlling interest (note 8)	223,787	194,715
Net income and comprehensive income	646,247	740,611
Earnings per share		
Basic and diluted (note 9)	0.00	0.01

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

Cliffside Capital Ltd.
Condensed Consolidated Statements of Changes in Shareholders' Equity
(in Canadian dollars)

(unaudited)	Share Capital	Contributed Surplus	Cumulative Deficit	Non-Controlling Interest	Total
	\$	\$	\$	\$	\$
Balance, December 31, 2020	7,632,532	1,131,966	(2,822,018)	1,568,324	7,510,804
Net income and comprehensive income for the period			545,896	194,715	740,611
Balance, March 31, 2021	7,632,532	1,131,966	(2,276,122)	1,763,039	8,251,415
Shares issuance, net of issuance costs	4,411,954	-	-	-	4,411,954
Stock-based compensation	-	132,537	-	-	132,537
Dividends	-	-	(486,333)	-	(486,333)
Investment by non-controlling entity	-	-	-	2,500,010	2,500,010
Distribution to non-controlling entity	-	-	-	(60,034)	(60,034)
Net income and comprehensive income for the period	-	-	511,789	34,093	545,882
Balance, December 31, 2021	12,044,486	1,264,503	(2,250,666)	4,237,108	15,295,431
Dividends	-	-	(243,167)	-	(243,167)
Distribution to non-controlling entities	-	-	-	(252,560)	(252,560)
Net income and comprehensive income for the period	-	-	422,460	223,787	646,247
Balance, March 31, 2022	12,044,486	1,264,503	(2,071,373)	4,208,335	15,445,951

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