STEER

Management's Discussion and Analysis of Financial Condition as at September 30, 2022 and Results of Operations for the Three Months and Nine Months Ended September 30, 2022 and 2021

STEER TECHNOLOGIES INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the three months and nine months ended September 30, 2022 and 2021

November 29, 2022

The following interim Management's Discussion and Analysis ("**MD&A**") provides information concerning the financial conditions and results of operations of STEER Technologies Inc. (the "**Company**", "**Corporation**", "**Facedrive**", **"STEER",** "**we**", "**us**" or "**our**") which includes its subsidiaries, for the three months ended September 30, 2022 ("**Q3 2022 or the quarter**"), and the three months ended September 30, 2021 ("**Q3 2021 or the comparative quarter**"), the nine months ended September 30, 2022 (the **"YTD"**), and the nine months ended September 30, 2021 (the **"Prior YTD"**). This MD&A should be read in conjunction with our audited consolidated financial statements, including the related notes thereto, for the fiscal years ended December 31, 2021, and 2020, and the unaudited condensed consolidated interim financial statements of the Company for the three and nine months ended September 30, 2022 and 2021 (the "**Q3 2022 Interim Statements**").

Our Q3 2022 Interim Statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") applicable to the preparation of condensed interim financial statements, including International Accounting Standards ("**IAS**") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("**IASB**") and interpretations of the International Financial Reporting Interpretations Committee ("**IFRIC**"). Our fiscal year is the 12-month period ending December 31.

All amounts in this MD&A are in Canadian dollars, unless otherwise indicated. All information presented has been rounded to the nearest hundred dollars, unless otherwise indicated.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking information or forward-looking statements (collectively referred to as "**forward-looking information**") which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of STEER or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. When used in this MD&A, such information uses such words as "may", "would", "could", "will", "intend", "predict", "aim", "seek", "potential", "expect", "believe", "plan", "anticipate", "estimate" or the negative of these terms, or other similar expressions intended to identify forward-looking statements. This information reflects STEER's current expectations regarding future events and operating performance and speaks only as of the date of this MD&A. Forward-looking information involves significant risks and uncertainties, should not be read as a guarantee of future performance or results, and will not necessarily be an accurate indication of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking information, including, but not limited to, the factors discussed below. STEER believes the material factors, expectations and assumptions reflected in the forward-looking information are reasonable, but no assurance can be given that these factors, expectations and assumptions will prove to be correct. STEER assumes no obligation to publicly update or revise forward-looking information to reflect new events or circumstances, except as may be required pursuant to applicable securities laws or regulations. These forward-looking statements include, among other things, statements relating to STEER's revenue streams and financial performance, future growth and profitability of the Company, the impact of the COVID-19 pandemic and economic challenges on the Company's business operations, financial condition and results of operations, the Company's ability to maintain or adjust its capital, the Company's ability to finance its future cash requirements through debt and/or equity and the ability of the Company to manage its credit risk through financially stable institutions and payment collection platforms.

Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements of STEER to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information, including those factors discussed under the heading "Financial Risk Management Objectives and Policies" in this MD&A. Additional risks and uncertainties are discussed in the Company's materials filed with the Canadian securities regulatory authorities from time to time.

Although STEER has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. As such, there can be no assurance that forward-looking information will prove to be accurate. Accordingly, readers should not place undue reliance on forward-looking information due to the inherent uncertainty in them. Furthermore, unless otherwise stated, the forward-looking information contained in this MD&A is made as of the date of this MD&A and we have no intention and undertake no obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities law.

The forward-looking information contained in this MD&A is expressly qualified by this cautionary statement.

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COMPANY OVERVIEW

STEER Technologies Inc., previously named as Facedrive Inc., was incorporated under the *Business Corporations Act* (Alberta) on January 18, 2018 as "High Mountain Capital Corporation" ("**High Mountain**"). On September 16, 2019, the Company amalgamated with 2696170 Ontario Inc. ("**Subco**"), a wholly-owned subsidiary of High Mountain, to form 5021780 Ontario Inc., also a wholly-owned subsidiary of High Mountain. On December 31, 2019, High Mountain completed an amalgamation and continuance from a company incorporated under the *Business Corporations* Act (Alberta) to a company continued under the *Business Corporations Act* (Ontario) under the name "Facedrive Inc.".

The Corporation's head office and registered office is located at 100 Consilium Place, Suite 400, Toronto, ON M1H 3E3 and has various other operational offices across North America. The Company recently received formal approval for change of its name by way of Articles of Amendment to "STEER Technologies Inc." at its July 12, 2022 annual and special meeting of shareholders and has received TSXV approval for such name change. The Corporation is a reporting issuer in British Columbia, Alberta, Ontario and Nova Scotia. The Company's Common Shares are listed and posted for trading on the TSXV under the trading symbol "STER". Therefore, the entire contents will use STEER to present the Company in order to keep alignment and consistency.

Services and Offerings – Overview

STEER is an integrated ESG technology platform that moves people and delivers things through subscription and on-demand services. The Company's goal is to build a one-of-a-kind system that aggregates conscientious users, through a series of connected offerings, and enables them to buy, sell, or invest with the same platform, STEER. The Company's offerings generally fall into two categories: 1) subscription-based offerings led by its flagship electric vehicle ("**EV**") subscription business, STEER EV, and 2) on-demand services incorporating food delivery, B2B marketplace, Delivery-as-a-Service (DaaS), health technology, and rideshare (mobility) services. The Company's platform is powered by EcoCRED, its big data, analytics and machine learning engine that seeks to capture, analyse, parse and report on key data points in ways that measure, in a reportable manner, the Company's impact on carbon reductions and offsets.

The Company's vision was inspired by a number of global megatrends: 1) widespread adoption of environmental, socially-conscious and governance-oriented (ESG) consumer behaviour (particularly among the Y and Z generations, the future of global economic consumption), including an increased emphasis on social issues as a factor in commercial decision-making; 2) international movement towards environmentally-conscious legislation and policy (quote: the Paris Accord, the European Union's target that all vehicles in production be electric by 2030[1] and the Canadian Federal Government's later announcement mandating 2035 as a transition date (e.g. Transport Canada, June 29 2021[2]); 3) corporate and institutional adoption of said ESG principles (e.g. automotive industry manufacturers and other institutions including Canadian Schedule "I" Banks and top-tier Canadian telecommunications giants committing hundreds of millions of dollars towards ESG-related initiatives), and 4) the modern gig economy, reflecting a decline in traditional ownership models in favour of shared, subscription-based or on-demand solutions.

Subscription-Based Offerings

The Company's Subscription-Based Services are led by its flagship STEER EV business unit, which allows consumers (typically on a monthly recurring subscription basis) to choose from a diverse fleet of automobiles that includes a range of premium luxury, comfort and entry-level electric vehicles (EV) – without the hassles that come with long-term ownership or daily rental.

The Company's electric vehicle subscription business was first acquired ("**STEER Acquisition**") from Exelorate Enterprises, LLC ("**Exelorate**"), a wholly-owned subsidiary of Exelon Corporation (NASDAQ: EXC). The STEER

[1] https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement
[2] https://www.canada.ca/en/transport-canada/news/2021/06/building-a-green-economy-government-of-canada-to-require-100-of-car-and-passenger-truck-sales-be-zero-emission-by-2035-in-canada.html

Acquisition was completed in September 2020, and the launch of the STEER vehicle subscription service platform in Toronto occurred in February 2021. The Company leases primarily electric automobiles for its STEER EV operations. The Company is responsible for related car payments, maintenance costs, and insurance; STEER's customers pay only the monthly subscription fee for use of the vehicles and associated surcharge fee.

Since the STEER Acquisition, the Company has been pleased with the growth and success of STEER EV's operations in Toronto and Washington, DC as two operational centers with strong utilization and subscriber growth rates. More recently, the Company has further established operations in Vancouver, BC, Austin, Texas, and Tampa, Florida. STEER EV intends to aggressively expand in North America into targeted markets that have been identified for expansion. The Company anticipates future expansions translating into strong and organic monthly recurring revenue and, ultimately, significant year-over-year revenue growth from its business-to-consumer ("**B2C**") and business-to-business ("**B2B**") operations. Following this, the goal is to further expand, in the intermediate term, into electric charging and smart-community infrastructure.

On-Demand Offerings

On-Demand Services include the Company's various mobility and delivery platform offerings catering to both businesses ("**B2B**") and consumers ("**B2C**"). B2B is led by the Company's fast-growing business-to-business marketplace ("**B2B Marketplace**") targeting businesses, while B2C includes foods and grocery delivery, delivery-as-a-service (DaaS, or last mile delivery), and rideshare (mobility), focused on serving end users/customers. The Company feels its On-Demand Services serve local communities by supporting local restaurants with all essential resources including supply chain management and logistics, customers, and delivery solutions, while enabling drivers to generate revenue in a diversified, hedged manner should demand for other offerings become temporarily low. The Company also prides itself on its thorough driver onboarding and training processes, extended delivery radius to cater to remote and underserved communities, and grocery delivery services.

Recently, the Company has centralized all its On-Demand service platforms – B2B Marketplace, Foods, DaaS, and Rideshare – into one mobile application named "STEER". The centralization of service platforms allows the Company to better achieve economies of scale for its expenses. In other words, the centralization of the Company's On-Demand services creates an organic ecosystem that allows for all On-Demand service platforms to share the input cost factors, including, but not limited to, merchants, customers, drivers, and suppliers. Ultimately, this is intended to minimize supply chain logistics cost, opportunity cost, and time cost.

<u>B2B Marketplace</u>

B2B Marketplace is the platform for the Company's business-to-business marketplace. B2B marketplace is based on the sale and delivery of various restaurant industry supply items on a just-in-time basis. Such items include numerous restaurant industry items, ranging from general tableware, commercial kitchen items, supplies to restaurant meal ingredients and condiments. This inventory of goods is procured, owned, and warehoused by the Company. Once a restaurant or a similar business orders goods through the STEER platform, the Company will deliver the inventory to its business customers.

B2B Marketplace aims to provide delivery of goods from suppliers to restaurants in a way that not only reduces their inventory and storage costs, but also allows them to choose from the Company's more environmentally conscious supply options. One of the Company's goals is to increase market share for its environmentally conscious supplies to reach a certain threshold such that the Company can achieve economies of scale, which would allow the Company to reduce costs and increase its volume of sales consistently. Furthermore, the increased adoption of environmentally friendly options will then be reflected in the carbon reduction and offset numbers that the Company plans to track and report through EcoCRED. As of today, the Company estimates that approximately 1 in 5 independent restaurants in Ontario has accounts on the Company's On-Demand platform, which translates to an approximately 20 percent market penetration that the Company feels provides sound footing for its next stages of expansion.

<u>Foods</u>

Foods is a food delivery platform that connects restaurants, including national chains, local businesses, and ethnic restaurants, with drivers and consumers, and is currently operational in 19 cities in Canada. It emphasizes driver safety with both enhanced health and background screening protocols and focuses on supporting local businesses and communities by offering features such as long-radius delivery to provide underserved merchants and consumers more opportunities to transact. The Company's entrance in the food delivery market was sparked by its acquisition of certain assets from Foodora Canada Inc. ("**Foodora Canada**") which was completed in July 2020 (the "**Foodora Transaction**") and the acquisition of Food Hwy Canada Inc. ("**Food Hwy**") which was completed in October 2020 (the "**Food Hwy Transaction**"). Following the acquisition of Food Hwy, a Canada-based food delivery service, the Company increased its operational capabilities and market presence, and benefited from onboarding Food Hwy's highly skilled team with over eight years of expertise – both operational and technical – in the field.

<u>DaaS</u>

STEER's DaaS offering provides a last mile logistics solution for various types of merchants, ranging from locally owned stores and pharmacies to Walmart, to offer just-in-time deliveries to end-users. DaaS does this by leveraging the assets, technology and base of resources developed by the Company through its pre-existing on-demand offerings, including a shared tech stack and driver fleet. For drivers, this means potentially higher earnings through an additional revenue stream, minimized idle time, and the convenience of managing more potential driving and delivery functions on fewer apps on their phone. For the Company, the DaaS functionality results in greater operational efficiencies due to a unified driver acquisition and training process as well as optimized marketing spend across the platform. The Company feels these operational efficiencies will translate into economies of scale as STEER's DaaS onboards more vendors and launches operations in new geographies.

<u>Rideshare</u>

Rideshare offers a green transportation alternative to traditional taxi services. Through leveraging the Company's well-established technology and driver pool, customers can request a ride through the "STEER" application. Furthermore, Rideshare offers carbon emission tracking for conscientious consumers. Riders can choose between an electric, hybrid or gas vehicle, while the platform calculates carbon impact associated with a rider's ride and earmarks an equivalent amount to be contributed towards carbon offset initiatives to minimize its footprint. Other differentiating factors of Rideshare have included an emphasis on driver and rider safety through a) various health and safety protocols that can disallow a driver from remaining on the platform if his/her temperature is above an acceptable level at applicable times and b) a robust driver onboarding process focused on rider safety and platform integrity.

ESG and Data Driven Intelligence

The Company has designed its services to leverage its built-in data science algorithms powered by the Company's big data, analytics and machine learning engine, EcoCRED. EcoCRED seeks to capture, analyse, parse and report on key data points in order to measure the Company's impact on metrics such as carbon reductions and offsets in a manner that can be reported. The Company's primary objectives in collecting this data are to: a) analyse daily demand cycles for each individual offering, b) streamline resource allocation including driver utilization and grid navigation for greater efficiency, c) identify cross-selling opportunities within the STEER platform, and d) provide customers with analytics, metrics and data that quantify their carbon reduction efforts, as businesses face increased expectations to track and report on ESG metrics.

The Company feels that as it continues to experience a growing number of users and businesses transacting on its platform, EcoCRED will take on a more pivotal role in analysing and producing analytic reports on the collected datasets. First acquired from a wholly-owned subsidiary of Exelon Corporation in April of 2021, EcoCRED has become the Company's ESG big-data analytics machine for all carbon impacts and offsets coming through its platform. The goal is to ultimately power all of the Company's On-Demand and Subscription-Based services through EcoCRED to automatically capture carbon reductions and offsets created in real-time and to do so in a reportable manner. This will include offsets created by the Company's EV subscription service and its B2B Marketplace (e.g., the materials used and purchased). The Company is working closely with industry-leading consultants to better understand all carbon reductions and offsets within the context of global industry standards. The Company intends to further integrate key sustainability metrics and statistics into its user interface (as it currently does for consumers on its mobile app) to provide real-time ESG analytics and data to customers on its dashboard for instant tracking and reporting.

Another function of EcoCRED as an application is to engage and empower consumers and businesses to build eco-friendly habits, increase awareness of sustainability, and to purchase verified, science-backed carbon offsets. EcoCRED includes an online application for mobile phones and tablets (the "**EcoCRED Platform**") that estimates users' daily carbon footprint based on their living habits, such as how they commute, the type of food they consume, their heating and air conditioning habits and the type of vehicle they drive. It suggests simple tasks and useful lifestyle tips to help educate its users and, if incorporated into their daily routine, help reduce their carbon footprint.

While EcoCRED does generate revenue, the Company does not envision EcoCRED becoming a significant generator of revenue growth on a standalone basis. Rather, the Company sees EcoCRED's true value as the Company's internal analytics and data engine. Services offered through EcoCRED to the market are not being offered primarily for the purposes of revenue but as part of the Company's continued efforts to develop, test and strengthen its analytics engine and/or to grow its own datasets in a manner that enhances the functionality and utility of the STEER platform overall.

Recent Development of Business

STEER's development of its business and operations activities during the current financial year to date consists of the following:

- On February 14, 2022, the Company announced a change in its senior management team effective March 4, 2022 with Mr. Jason Xie, MBA, MPAcc, CPA, FCPA and AICPA, taking over as Chief Financial Officer.

- On March 1, 2022, the Company completed a private placement of 7,343,750 units ("**March Private Placement**") on a non-brokered basis at a subscription price of $0.64 per unit, for aggregate gross proceeds to the Company of $4,700,000. Each Unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to acquire one additional share at a price of $0.80 each for a period of 36 months from the date of issuance, subject to customary adjustment provisions. All subscriptions came from directors of the Company and the March Private Placement was, therefore, a "Related Party Transaction" within the meaning intended by MI 61-101 (for more information, please review our Material Change Report of March 3, 2022). No additional insiders or related parties of the Company participated in the March Private Placement and no new insiders or control persons were created in connection with the closing of the March Private Placement. The Company intends to use the net proceeds from the issuance of the Units for general business development activities and general working capital purposes.

- On April 8, 2022, the Company completed a non-brokered private placement of 29,661,016 units ("**April Private Placement**"), with each unit consistent of one Share and one warrant, issued at a price of $0.59 per unit for aggregate gross proceeds of $17.5 million. For more information about the April Private Placement, please read our press release of the same date or our Material Change Report of April 18, 2022.

- On April 20, 2022, the Company announced its plans for a corporate name change to "STEER Technologies Inc." including a restyling of most offerings to "STEER", a brand that the Company acquired from a wholly-owned subsidiary of Exelon Corporation in September 2020. The Company recently received formal approval for change of its name by way of Articles of Amendment to "STEER Technologies Inc." at its July 12, 2022 annual and special meeting of shareholders.

- On May 16, 2022, the Company announced that it had successfully rolled out its Delivery-as-a-Service (DaaS) offering to 200 small-to-medium sized businesses and that, based on this success, was beginning to target larger leading retailers across North America.

- On July 5, 2022, the Company announced that STEER EV, the Company's subscription-based service, had expanded to include Texas in its US operations. The regional hub is situated in Austin. STEER EV has been steadily growing its fleet in Q1, Q2 and Q3 of 2022, and plans for an ambitious expansion trajectory both in fleet size and geographical presence for Q4.

- On August 15, 2022, the Company announced that STEER EV had obtained a business license to operate STEER EV in British Columbia, Canada, and added the province as a new service area. STEER EV's subscription service became available to the eligible residents of the province as of August, 2022.

- On October 5, 2022, the Company announced that it had received final TSX Venture Exchange (the "**TSXV**") approval for its corporate name to "STEER Technologies Inc." and its related stock symbol change to "STER". This announcement followed on the Company's news release dated April 20, 2022, announcing its overall rebranding efforts to "STEER" and the approval of its shareholders as to a corporate name change at its July 12, 2022 annual and special meeting of shareholders. Trading on the TSXV in the Company's common shares under the new ticker symbol "STER" commenced at market opening on October 11, 2022. Contemporaneously, the Company's common shares on the OTCQX began trading under the new stock symbol "STEEF".

STEER's Economic Recession Response

Combined with the ongoing COVID-19 crises, conditions of economic "stagflation" (i.e., stagnation coupled with inflation) appear to be precipitating lower-than-expected sales across all technology markets. These same conditions may be ushering in an economic recession. Given the uncertain nature of these developing economic conditions, the full macroeconomic influence of which cannot yet be determined, a recession may have direct or indirect impact on Company's business and financial implications. For example, a period of high inflation may lead to higher supply chain costs for STEER that it may or may not be able to pass on to its customers. If the Company is unable to successfully pass on any rising supply chain costs, then this will reduce gross profit margins. Inflation may also result in decreased demand for the Company's products and services if customers change their purchasing behaviours and seek out lower cost providers and/or reduce their consumption as a result of the inflation and the related macroeconomic trend. STEER is seeking to monitor its expenses and consumer behaviours in order to try and maximize both revenues and gross profit margins during this period of inflation, and potential upcoming period of stagflation.

The Company is monitoring economic conditions closely and plans to remain vigilant about what, if any, measures need to be deployed should a recession or stagflation begin directly impacting its business and future performance (including, among other things, total revenues, profit margins etc.).

ANALYSIS OF RESULTS OF OPERATIONS – THREE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021

The following section provides an overview of our financial performance during the three months ended September 30, 2022, compared to the three months ended September 30, 2021.

Revenue

Revenue for Q3 2022 was $14,291,800, as compared to $7,811,800 in Q3 2021, an increase of $6,480,000. The increase in revenue was primarily attributable to organic growth in expansion of the Company's On-Demand businesses, led mainly by its Business-to-Business (B2B) Marketplace and other On-Demand offerings such as Food Delivery and Delivery-as-a-Service (DaaS).

Subscription Revenues

Total revenue from subscription-based services, led by electric vehicle subscription, was $887,500 in Q3 2022 as compared to $893,400 in Q3 2021. Going forward, the Company expects to see significant increases in its subscription revenue as it continues to seek new regions for expansion, leveraging its existing expertise, data and technology to continuing scaling up operations. The Company sees its EV subscription business as a key part of its focus and growth strategy and anticipates that subscription revenues, being recurring in nature, will allow it to better predict and forecast associated future revenues accurately.

EcoCRED

Total revenue from the Company's EcoCRED engine, which is a component of subscription-based services, was $98,600 in Q3 2022, as compared to $94,500 in Q3 2021. While EcoCRED does generate revenue, the Company does not envision EcoCRED becoming a significant generator of revenue growth on a standalone basis. Rather, the Company sees EcoCRED's true value as being the Company's analytics and data engine. Services offered through EcoCRED to the market are not being offered for the primary purposes of revenue but, rather, as part of the Company's continued efforts to develop, test and strengthen its analytics engine and/or to grow its own datasets in a manner that enhances the functionality and utility of the STEER platform overall.

On-Demand Revenues

Total revenue from the Company's On-Demand Services was $13,404,200 in Q3 2022, as compared to $6,918,400 in Q3 2021. The increase was attributable to the further development of business lines, namely B2B Marketplace and DaaS, which the Company had just started to develop or did not offer in Q3 2021. On-Demand revenues were led by the Company's B2B Marketplace, which generated $12,252,800 in revenues in Q3 2022, as compared to $5,512,200 in Q3 2021. This increase is attributable to the Company's B2B Marketplace's growth into a platform that the Company estimates to be used by approximately 20% of Ontario's independently-owned restaurants. Total revenue from the Company's B2C On-Demand services, which include Foods, DaaS and Rideshare, was $1,151,500 in Q3 2022 as compared to $1,406,100 in Q3 2021. This decline is attributable to slower demand for food delivery orders as consumers appeared to be eating out more than usual given Q3 2022 coincided with the first summer/fall season since most travel and lockdown restrictions were lifted.

Management feels confident about the outlook for On-Demand services as it is carefully monitoring spending and promotions relative to shifts in consumer behaviour post-lockdown. Looking forward, the Company expects there to be a steady increase in demand for its services due to recent internal developments and enhancements. For instance, the Company's Food delivery platform has expanded its service beyond delivering food and, having branched into delivering groceries, is actively exploring delivering fresh produce from farm to consumers, cosmetics, and daily use items after a period of cultivation and piloting. At the same time, Rideshare has expanded its operations to Innisfil, Ontario and Orillia, Ontario with future plans for Greater Toronto Area; Rideshare has integrated a monthly membership pass, which is expected to provide an additional stream of cash flow. Finally, the Company is optimistic that the successful completion of Company's B2C On-Demand "STEER" mobile application will lower costs by spreading them among the B2C platform services which, in turn, can support the company with more aggressive consumer pricing strategies for the remainder of 2022 and beyond to make the On-Demand services more competitive.

Cost of Revenue

The overall cost of revenue for Q3 2022 was $14,694,300, representing an increase from $7,951,700 in Q3 2021.This overall growth in cost of revenue is attributable to the overall organic growth and expansion of the Company's key Subscription-based STEER EV and On-Demand Offerings, especially from its B2B Marketplace.

Total payouts to drivers for Food Delivery were $686,800 in Q3 2022, as compared to $1,286,400 in Q3 2021. This decrease is mainly attributable to an improvement in the utilization and centralization of the Company's DOB (Driver Onboarding) process, and the operations team's conscious optimization of its payout structure to reduce costs. Total depreciation related to vehicle subscription services was $813,200 in Q3 2022, as compared to $508,400 in Q3 2021. Total automobile costs were $305,500 in Q3 2022, as compared to $ 236,500 in Q3 2021. Total insurance expenses were $187,100 in Q3 2022, as compared to $149,600 in Q3 2021. These increases were attributable to the organic business growth of the STEER EV subscription business as the Company has proceeded to add to its fleet size and number of locations offered in both the United States and in Canada since Q3 2021. Total payment processing fees were $329,800 in Q3 2022, as compared to $372,100 in Q3 2021. The reduction of payment processing fees was the culmination of renegotiation with its payment gateway to offer lower fees and improved payment structure based on transaction volume, among other things. Total delivery expenses for B2B Marketplace were $701,000 in Q3 2022, as compared to $340,600 in Q3 2021. The increase was attributable to expansion in 2022 to include the sale and delivery of various restaurant supply items and SKUs (stock keeping units) on a business-to-business basis.

The cost of goods sold from the sale of merchandise was $11,406,000 in Q3 2022, compared to $4,988,400 in Q3 2021. Most of the this increase in cost of goods sold from the sale of B2B Marketplace is attributed to a substantial increase in sales volume which resulted from, among other things, better selection of more desirable SKUs.

General and Administration Expenses

General and Administrative expenses for Q3 2022 were $1,378,000, a decrease from $1,703,800 in Q3 2021. Total legal and accounting fees were $174,700 for Q3 2022 as compared to $600,300 in Q3 2021. This decrease is primarily attributed to the management's strategic reduction of fees to reduce overhead. Total share-based compensation expenses related to stock options and restricted share units granted to directors and officers of STEER were $237,400 for Q3 2022, as compared to $27,700 in Q2 2021. This increase was attributable to there being new additions and share-based grants to the Company's Board of Directors compared to Q3 2021. Total share-based compensation expenses related to stock options and restricted share units granted to advisors and consultants were $63,500 in Q3 2022, as compared to $483,400 in Q3 2021. Total share-based compensation expenses recognized related to stock options and restricted share units granted to employees of the Company, were $32,500 in Q3 2022 as compared to $Nil in Q3 2021.

Total insurance expenses were $69,800 in Q3 2022, compared to $107,400 in Q3 2021. This decrease was also primarily attributable to management's dedication to increase operational efficiency and reduce insurance overhead. Total salaries and benefits for general and administrative staff members were $642,600 in Q3 2022, as compared to $356,400 in Q3 2021. The increase was primarily attributable to the increase in employee headcount to sustain business development.

Operational Support Expenses

Operational support expenses increased to $3,371,100 in Q3 2022, from $3,255,500 in Q3 2021. Much of this increase was due to a substantial expansion in our general operations.

Total share-based compensation expenses recognized related to stock options and restricted share units granted to employees of the Company were $51,700 in Q3 2022, as compared to $Nil in Q3 2021. Total salaries and benefits for the Company's technical operations and support staff were $2,367,200 in Q3 2022, a decrease of $59,600 compared to $2,426,800 in Q3 2021. The decrease was primarily due to the decrease in employee headcount in order to improve the Company's operational efficiency.

Total consulting fees paid to third parties providing operational support, driver background checks and onboarding procedures were $98,700 in Q3 2022, as compared to $69,700 in Q3 2021. The increase was attributable to a general increase in competition for such third-party support services as well as the Company's internal push towards onboarding new quality drivers. Total operational support expense incurred to Connex Telecommunications Inc. as a related party was $15,200 in Q3 2022, as compared to $14,900 in Q3 2021.

Research and Development Expenses

Research and development expenses increased to $670,800 in Q3 2022, as compared to $668,200 in Q3 2021. Total salaries and benefits related to research and development personnel were $486,400 in Q3 2022, as compared to $383,400 in Q3 2021. These increases were primarily driven by the Company allocating more resources to research and development functions as it looks to continue developing its technology and platform in line with its growth. The Company continues to increase the functionality of its platforms and business units and improve efficiencies in attracting and retaining users, downloads, drivers, and riders onto the platform.

Total share-based compensation expenses recognized related to stock options and restricted share units granted to employees of the Company were $22,900 in Q3 2022, as compared to $Nil in Q3 2021. Total consulting fees were $161,500 in Q3 2022, as compared to $284,900 in Q3 2021. Total fees payable to Connex Telecommunications Inc. as a related party was $Nil in the quarter, as opposed to $Nil in the comparative quarter.

Sales and Marketing Expenses

Sales and marketing expenses for Q3 2022 were $577,100, as compared to $790,300 in Q3 2021. These decreases were primarily attributable to the Company's increased efficiency in marketing spending. This increased efficiency is evidenced by the reduction in marketing program expenses combined with a decrease in consulting expenses: total sales and marketing expenses for the Company's user and prospective user incentive programs were $64,700 in Q3 2022, as compared to $332,800 in Q3 2021. Total consulting expenses related to marketing were $276,400 in Q3 2022, as compared to $292,600 in Q3 2021.

Total salaries and benefits related to sales and marketing personnel were $226,900 in Q3 2022, as compared to $164,800 in Q3 2021. Total share-based compensation expenses recognized related to stock options and restricted share units granted to employees of the Company were $9,100 in Q3 2022, as compared to $Nil in Q3 2021. The increase was primarily due to the increase in employee headcount and greater internalization of key marketing functions. The Company continues to monitor and assess the best balance of internalizing marketing support functions versus outsourcing to hired external marketing consultants and will continue to adapt in attempts to optimize capital efficiency.

Net Loss

The Company incurred a net loss of $7,360,900, in Q3 2022 compared to a net loss of $9,930,200 in Q3 2021. This decrease was primarily attributable to management's concentrated effort to streamline the use and management of resources with a view to maximising capital efficiency while focusing on disciplined organic growth in business and product lines. Ultimately, the Company's key product lines grew appreciably in Q3 2022 compared to Q3 2021 ($14,291,700 compared to $7,811,800). As the Company continues to develop its technology and refine its business model, management is confident that its sales revenue can continue to grow in the coming quarters while any increases in its net loss can continue to be curtailed (relative to revenue). The Company anticipates its focus to remain, for the foreseeable future, on seeking more efficient ways of generating sales.

ANALYSIS OF RESULTS OF OPERATIONS – NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021

The following section provides an overview of our financial performance during the nine months ended September 30, 2022 ("**YTD Period**") compared to the nine months ended September 30, 2021 ("**Prior YTD Period**").

Revenue

Revenue for the YTD Period was $40,075,200, an increase of $24,969,000 compared to $15,106,200 in the Prior YTD Period. The Company generated a substantial part of its revenue from its B2B Marketplace, which is one of the Company's On-Demand offerings. Total revenue for B2B Marketplace was $33,313,200 for the YTD Period as compared to $7,899,000 in Prior YTD Period. This increase was attributable to the rapid expansion of B2B Marketplace, which offers supply chain services to restaurants in GTA (Great Toronto Area). Since the Prior YTD Period, the Company has enhanced its ability (powered by data and analytics) to better identify more desirable products, an improvement that helped lead to the substantial increase in sales volume. The Company calculates that one in five independent restaurants in Ontario has signed up to its B2B Marketplace, which is equivalent to an approximately 20% market penetration.

Total revenue from the remaining On-Demand offerings – Food Delivery, Rideshare, DaaS – generated $4,321,400 in YTD Period, as compared to $5,024,300 in Prior YTD Period. The decrease was attributable to changes in consumer demand patterns caused by COVID19-related restrictions being lifted that the Company feels temporarily impacted much of YTD Period. Management is confident that its experience and observations will allow it to tweak and respond to any changes in consumer behaviour post-pandemic and anticipates that revenue will steadily increase.

Total revenue for Subscription-based offerings was $2,440,600 in YTD Period, as compared to $2,182,900 in Prior YTD Period. This increase is attributable to organic growth of the Company's Electric Vehicle Subscription-based offering, both in terms of fleet size and operating locations. Going forward, management expects that subscription revenue will continue to grow, since the Company continues to seek new regions for expansion, leveraging its existing expertise, data, technology and resources to continue scaling up operations efficiently.

Cost of Revenue

Cost of revenue for YTD Period was $41,753,000, representing an increase of $25,084,800 from $16,668,200 in the Prior YTD Period. This increase in cost of revenue is attributable to the overall expansion of the Company's key Subscription-based and On-Demand Offerings, especially from its B2B Marketplace. Cost of revenue primarily consists of direct costs associated with merchandise, delivery on B2B Marketplace service platforms, payouts to drivers and payment processing fees.

Total direct cost associated with merchandise was $31,867,700 in YTD Period, as compared to $7,607,700 in Prior YTD Period. Total delivery on B2B Marketplace was $2,116,000 in YTD Period, as compared to $521,600 in Prior YTD Period. Both increases are associated with the aggressive expansion of B2B Marketplace (including sales and revenue).

Payouts to drivers totaled $3,417,900 in YTD Period, as compared to $4,716,100 in Prior YTD Period. This decrease is attributed to the conscious and constant improvement of the Company's payment structure, designed to minimize costs while enhancing driver satisfaction. Payment processing fees were $1,069,700 in YTD Period, as compared to $1,162,200 in Prior YTD Period. This decrease is attributed to renegotiation with payment processing platforms for payment terms more economically favorable to the Company's operating activities.

General and Administrative Expenses

General and administrative expenses, consisting primarily of salaries and benefits, share-based compensation, and legal and accounting fees, were $5,232,400 for YTD Period, a decrease from $5,442,600 in Prior YTD Period.

Total salaries and benefits for general and administrative staff members were $2,109,800 in the YTD Period as compared to $1,091,400 in Prior YTD Period. The increase was primarily attributable to the Company's expansion and additional headcount to support the Company's growth.

Total share-based compensation expenses recognized related to stock options and restricted share units granted to directors and officers of STEER were $769,600 in YTD Period, as compared to $Nil in Prior YTD Period. This increase was attributable to there being new additions and share-based grants to the Company's Board of Directors compared to Prior YTD Period. Total share-based compensation expenses recognized related to stock options and restricted share units granted to advisors and consultants were $386,900 in YTD Period, as compared to $1,656,400 in Prior YTD Period. Total share-based compensation expenses recognized related to stock options and restricted share units, granted to employees of the Company, were $96,400 in YTD Period, as compared to $Nil in Prior YTD Period.

Total legal and accounting fees for YTD Period were $1,063,400 in YTD Period, as compared to $1,686,700 in Prior YTD Period. The decrease was attributed to increased consolidation of legal activities and negotiating more favourable arrangements with legal suppliers.

Operational Support Expenses

Operational support expenses increased to $11,262,200 in YTD Period, as compared to $8,905,400 in Prior YTD Period. The year-over-year increase is attributed to expansion in general operations and business activities. Total salaries and benefits were $8,377,500 in YTD Period, as compared to $6,897,100 in Prior YTD Period, primarily due to increase of employee headcount described above. Warehouse expenses increased to $561,400 in YTD Period from $Nil in Prior YTD Period. This increase occurred primarily due to the rapid expansion of B2B Marketplace operations as described previously (See *Revenue* and *Cost of Revenue*).

Total operational support expenses payable to Connex Telecommunications Inc., a related company ("**Connex**"), was $77,700 in the YTD Period, as compared to $54,300 in the Prior YTD Period

Total share-based compensation expenses recognized related to stock options, and restricted share units granted to employees were $126,700 for YTD Period, as compared to $Nil for Prior YTD Period.

Research and Development Expenses

Research and development expenses were $2,093,700 in YTD Period, as compared to $1,477,800 in the Prior YTD Period. The increase was driven by the Company consolidating more research and development functions in-house as opposed to outsourcing to third party providers. Salaries and benefits were $1,420,000 for YTD Period, as compared to $727,300 in Prior YTD Period. The increase is attributed to the increase in employee headcount described above. By building research and development in-house, the Company is better able to adapt and customize the Company's On-Demand and Subscription mobile applications to improve efficiencies in attracting and retaining both drivers and customers alike.

Total share-based compensation expenses recognized related to stock options and restricted share units granted to employees were $61,900 for YTD Period, as compared to Nil for Prior YTD Period.

Sales and Marketing Expenses

Sales and marketing expenses, which are mainly composed of consulting fees, salaries and benefits, user incentives, and marketing expenses, were $1,693,500 for YTD Period, as opposed to $2,586,900 in the Prior YTD Period. This decrease in expenses can be attributed to more efficient use of marketing expenses.

Consulting fees were $685,300 for YTD Period, as compared to $1,358,800 in the Prior YTD Period. This decrease in consulting fees was primarily attributed to implementing more effective marketing strategies aimed at reaching end consumers. Salaries and benefits were $683,800 in YTD Period, as compared to $225,100 in the Prior YTD Period. This increase was due to Company's organic growth. Overall, the increased headcount and experience allowed the Company to better ensure optimized spending, as evidenced by the decrease in user incentive and marketing expenses, which dropped to $297,500 in YTD Period from $1,003,000 in Prior YTD Period.

Total share-based compensation expenses recognized related to stock options and restricted share units granted to employees were $27,000 for YTD Period, as compared to $Nil for Prior YTD Period.

Net loss

The Company incurred a net loss of $23,319,600 in YTD Period, as compared to a net loss of $23,120,400 in Prior YTD Period. The increase in net loss is primarily attributable to the natural growth in the Company's business and product lines and, ultimately, its revenue base, all of which grew appreciably in the YTD Period compared to the Prior YTD ($40,075,200 compared to $15,106,200). As the Company continues to develop its technology and refine its business model, management is confident that its revenue can continue to grow in the coming quarters while increase in its net loss can continue to be curtailed relative to revenue as the Company continues to seek more efficient ways of generating sales.

Discussion of Pre-Revenue Operations

Issuers that have significant projects that have not yet generated revenue are required to describe each project, including the Company's plan for the project and the status of the project relative to that plan, and expenditures made during the period and how these relate to anticipated timing and costs to take the project to the next stage of the project plan. The following table provides this information for each of the Company's main projects that were pre-revenue projects in Q3 2022. Information is provided for the Company's TraceSCAN project.

The TraceSCAN Project:

	Q3 2022
The status of the project:	The Company continues to further develop and adjust its TraceSCAN devices as it looks for the most relevant use case from a commercial standpoint. The Company feels that the functionality of the devices – that with temperature, heart, vital signs and other health measurement capabilities – remains versatile and adaptable, but that it is imperative to carefully observe and contemplate the next steps and timing for TraceSCAN in light of rapidly changing economic dynamics post-COVID with the international crisis in Ukraine and other factors such as "stagflation" (economic stagnation coupled with inflation) creating considerable economic and commercial uncertainty. TraceSCAN devices were initially developed as contact-tracing system in response to the COVID19 outbreak and corresponding restrictions. However, with many lockdown measures having been lifted, this particular use case may be limiting from a commercial standpoint. The Company is also aware that the aforementioned concerns of stagflation and tightening monetary policy also provide obstacles to a broader push into the consumer market. Notwithstanding the above, the Company has continued to upgrade and demonstrate the Company's proprietary product and technology through programs with the University of Waterloo and its Faculty of Engineering as well as some commercial implementations with businesses.
The expenditures made on the project during the quarter:	The Company did not track expenses directly attributable to the TraceSCAN project during this quarter. Efforts and resources were borrowed and shared amongst many of the Company's business units. However, the Company estimates that the expenditures during the quarter on this project were between $125,000 and $175,000 from a cost accounting perspective.
The anticipated timing and costs to	The Company is currently assessing the best and most productive use for TraceSCAN devices. Once this assessment is complete, the Company plans to determine how much of its resources it plans to

take the project to the next stage of the project plan:	expend and the timing of these next steps. Until then, the Company intends to keep the TraceSCAN project under care and maintenance as it considers its next steps to market going forward.

SUMMARY OF QUARTERLY RESULTS

The following table summarizes the results of our operations for the eight most recently completed fiscal quarters:

(Unaudited)	**Q3 2022 ($)**	**Q2 2022 ($)**	**Q1 2022 ($)**	**Q4 2021 ($)**	**Q3 2021 ($)**	**Q2 2021 ($)**	**Q1 2021 ($)**	**Q4 2020 ($)**
Revenue	14,291,749 (1)	15,048,939 (2)	10,734,515 (3)	10,310,269(4)	7,811,810(5)	4,521,548 (6)	2,772,834 (7)	3,186,378(8)
Net loss	(7,360,938) (1)	(7,776,605) (2)	(8,182,039) (3)	(6,190,315)(4)	(9,930,182) (5)	(7,559,851) (6)	(5,630,405) (7)	(5,289,878)(8)
Basic and diluted loss per Share	(0.06)	(0.06)	(0.08)	(0.06)	(0.10)	(0.08)	(0.06)	(0.06)

Notes:

(1) Net loss decreased for the three months ended September 30, 2022 as compared to the prior quarter, primarily due to the decrease in expenses. As compared to the prior quarter, operating expenses decreased by $1,042,647 from $8,184,915 in Q2 2022 to $7,142,268 in Q3 2022.

(2) Net loss decreased for the three months ended June 30, 2022 as compared to the prior quarter, primarily due to the growth in revenue and disproportionately lower expenses from utilization of cost structure and improvements in operational efficiency. Revenue increased by 40% to $15,048,939 in Q2 2022, up from $10,734,515 in Q1 2022. Conversely, Net Loss was reduced by 5% to $7,776,605 in Q2 2022 from $8,182,039 in Q1 2022. Driver payouts decreased by 39% to $1,035,418 in Q2 2022 from $1,695,628 in Q1 2022. For the three months ended June 30, 2022, total share-based compensation expenses were $357,017, which was included in general & administrative, operational support, research and development and sales and marketing expense.

(3) Net loss increased for the three months ended March 31, 2022 as compared to the prior quarter, primarily due to the growth of the Company and the associated cost of revenue increase in the amount of $990,000, the increase in operational support in the amount of $846,000 and the increase in sales and marketing in the amount of $178,800. Net loss for the three months ended March 31, 2022 would have been $7,487,600 if we exclude the non-cash portion of our share-based compensation expenses. For the three months ended March 31, 2022, the total non-cash portion of share-based compensation expenses was $694,400.

(4) Net loss decreased for the three months ended December 31, 2021 as compared to the prior quarter, primarily due to the fair value loss on the investment in Tally Technology Group Inc. in the amount of $3,489,916 in Q3 2021. For the three months ended December 31, 2021, the total share-based compensation expense was $1,082,400, and was included in general & administrative, operational support, research and development and sales and marketing expenses.

(5) Net loss increased for the three months ended September 30, 2021 as compared to the prior quarter, primarily due to the fair value loss on the investment in Tally Technology Group Inc. in the amount of $3,489,916. For the three months ended September 30, 2021, the total share-based compensation expense was $511,100, and was included in general & administrative expenses.

(6) Net loss increased for the three months ended June 30, 2021 as compared to the prior quarter, primarily due to the growth of the Company and the costs associated with the increase in cost of revenue in the amount of $1,976,200 and the increase in operational support in the amount of $1,273,100. For the three months ended June 30, 2021, the total share-based compensation expense was $279,800, and was included in general & administrative expenses.

(7) Net loss increased for the three months ended March 31, 2021 as compared to the prior quarter, primarily due to the growth of the Company and the costs associated with the increase in cost of revenue in the amount of $912,100 and the increase in general and administration in the amount of $865,200. For the three months ended March 31, 2021, total share-based compensation expense was $798,200, and was included in general & administrative expenses.

(8) Net loss increased for the three months ended December 31, 2020 as compared to the prior quarter, primarily due to the growth of the Company and the costs associated with the increase in cost of revenue in the amount of $2,315,100, the increase in operational support in the amount of $1,225,400 and the increase in sales and marketing in the amount of $1,476,500. The increase in revenue was mainly attributable to Food Hwy, the newly acquired food-delivery business, on October 1, 2020. For the three months ended December 31, 2020, total share-based compensation expense was $551,700, and was included in general & administrative expenses.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Overview

The Company currently manages its capital structure and makes adjustments to it based on cash resources expected to be available to the Company in order to support its future business plans. Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to safeguard its ability to sustain future development of the business, particularly in the face of uncertainty created by the COVID-19 global pandemic. The Company's objective is met by retaining adequate cash reserves – more than usual for the duration of the pandemic – to account for the possibility that cash flows from operations will not be sufficient to meet future cash flow requirements. In order to maintain or adjust its capital structure, the Company may issue Shares through public or private equity financings from time to time.

Cash Flows

The following table presents our cash flows for each of the periods presented:

	For the Nine Months Ended September 30, 2022 ($)	**For the Nine Months Ended September 30, 2021 ($)**
Net cash generated used in operating activities	(16,464,226)	(15,853,406)
Net cash generated used in investing activities	(1,280,107)	(538,266)
Net cash generated from financing activities	19,228,484	19,302,181
Impact of currency translation adjustment on cash	79,726	1,278
Increase in cash and cash equivalents	**1,563,877**	**2,911,787**

Analysis of Cash Flows

The Company's cash balance as of September 30, 2022 was $3,793,050, as compared to $2,229,200 as of December 31, 2021. The Company had a working capital deficiency of $1,485,400 as of September 30, 2022, as compared to a working capital deficiency of $660,500 on December 31, 2021. This decrease is mainly due to expansion of Steer EV operations, which required increased lease liability.

Cash Flows used in Operating Activities

Cash used in operations of the Company was $16,464,200 for the YTD Period, as compared to $15,853,400 for the Prior YTD Period. This consisted of a net loss of $23,319,600, deferred income tax recovery of $49,900, gain on lease terminations of $222,500 and gain from sale of equipment of $42,400. Non-cash expenditures consist of depreciation and amortization, share-based payments of $5,882,900, inventory provision of $598,000, and interest expenses of $6,600. Total share-based compensation expenses for YTD were: (a) to several directors of the Company: $ 237,100; and (b) to advisors and consultants: $63,500 and (c) to employees of the Company: $116,200. Cash was decreased from the increase in prepaid expenses and deposits of $121,500. Cash was also increased from the increase of accounts payable and accrued liabilities of $1,075,600. However, cash was decreased from the increase in inventory of $795,100, and the decrease in deferred income of $265,200.

Cash Flows used in Investing Activities

Cash used in investing activities was $1,280,100 for the YTD Period, as compared to $538,300 used in Prior YTD Period. This increase was from the expansion of business activities, particularly for STEER EV Canada, which invested $4,442,000 to expand operations, including purchasing vehicles. The Company was able to generate $3,253,700 from sale of property, plant and equipment.

Cash Flows generated from Financing Activities

Cash generated from financing activities was $19,228,500 for the YTD Period, as compared to $19,302,200 for Prior YTD Period. The change was primarily attributed to the Company having done private placements. Proceeds received from the issuance of Shares aggregated gross proceeds to the Company of $22,200,000. Cash was also used for the principal payment of lease liabilities of $2,714,900.

At present, the Company has insufficient earnings to fund its operations. As such, the primary source of cash flows for the Company has been equity financings. The primary uses of cash are operating expenses. The Company intends to finance its future cash requirements through ordinary course revenue generation, together with a combination of debt and/or equity financings. While the Company has historically been successful in raising capital from equity financings, there can be no assurance that the Company will be able to obtain debt and/or such financings on favourable terms, or at all, in the future.

SHARE INFORMATION

The Company is authorized to issue an unlimited number of Shares and an unlimited number of preferred shares, issuable in series. As of the date of this MD&A, there are 132,944,615 Shares and Nil preferred shares issued and outstanding.

RELATED PARTY TRANSACTIONS

The related party transactions below are in the normal course of operations and have been valued in these consolidated financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Related parties include key management, the Board of Directors, close family members and entities which are controlled by these individuals as well as certain persons performing similar functions.

During the Nine months ended September 30, 2022 and 2021, the Company incurred office space, operational support, consulting, and product development expenses for services provided by the following related entities controlled by key officers or directors;

	For the three months ended September 30, 2022	**For the three months ended September 30, 2021**	**For the Nine months ended September 30, 2022**	**For the Nine months ended September 30, 2021**
Connex Telecommunications Inc. (“**Connex**”)[3]	$ 15,238	$ 30,300	$ 78,851	$ 100,100
Abrahams LLP.[4]	14,066	22,000	65,197	70,800
Mujir Muneeruddin Professional Corporation[5]	-	60,000	-	180,000
	$ 29,304	**$ 112,300**	**$ 144,048**	**$ 350,900**

[3] Connex is beneficially owned and controlled by Sayan Navaratnam, the Company’s largest shareholder and former Chief Executive Officer.

[4] Mujir Muneeruddin, an Officer and Director of the Company, is the Chairman of Abrahams LLP. Abrahams LLP is a law firm. Payments made by the Company to Abrahams LLP are for the various legal services provided to the Company by several lawyers and law clerks at the firm, which includes lawyers and law clerks operating in Ontario, Canada (other than Mr. Mujir Muneeruddin).

[5] Mujir Muneeruddin Professional Corporation is beneficially owned and controlled by Mujir Muneeruddin, an Officer and Director of the Company.

Due to related parties:

As at September 30, 2022 and December 2021 amounts due to related parties include:

		September 30, 2022		December 31, 2021
Directors	$	50,000	$	130,000
Founders		195,559		195,559
Entities controlled by key officers or directors		503,947		562,297
	$	**749,506**	**$**	**887,856**

Amounts due to Directors and entities controlled by key Officers or Directors are included in accounts payable and accrued liabilities (per Note 22 of the Company's accompany Q3 2022 Interim Financial Statements). Amounts due to founders are included as due to related parties. The amounts owing by the Company are unsecured, and non-interest bearing, with no specific terms for repayment.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's primary financial risk management objective is to protect the Company's consolidated financial position statement and cash flow. The Company's principal financial liabilities are comprised of accounts payable and accrued liabilities, lease liabilities and amounts due to related parties. The main purpose of these financial liabilities is to provide working capital for the Company's operations. During the normal course of operations, the Company may become exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Board of Directors that advises on financial risks and the appropriate financial risk governance framework for the Company.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at September 30, 2022, the Company is primarily exposed to foreign exchange risk through its United States dollars denominated, investment in preferred shares. The Company mitigates foreign exchange risk by monitoring foreign exchange rate trends. The Company does not currently hedge its currency risk.

Based on current exposures as at September 30, 2022 and assuming that all other variables remain constant, a 10% appreciation or depreciation of the Canadian dollar relative to the United States dollar would result in a gain or loss of approximately $24,905 in the Company's consolidated statements of loss and comprehensive loss.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at September 30, 2022 the Company is not exposed to significant interest rate risk.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

Examples include changes in commodity prices or equity prices. As at September 30, 2022, the Company is not exposed to significant other price risk, except with regards to FVTPL investments.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or counterparty to a financial instrument fails to meet its contractual obligation. The Company's financial instruments that are exposed to credit risk consist primarily of cash and cash equivalents and trade and other receivables. The Company reduces its credit risk on cash and cash equivalents by placing these instruments with financially stable and insured institutions. The Company mitigates its exposure to credit risk from trade and other receivables through a payment collection platform which processes users' pre-authorized credit cards. As payments from users are typically pre-authorized, the risk of credit loss is expected to be minimal. As at September 30, 2022, the Company is not exposed to significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure, as far ahead as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions such as those created by the global pandemic COVID-19. The Company manages liquidity risk by reviewing its capital requirements on an ongoing basis. The Company continuously reviews both actual and forecasted cash flows in order to ensure that the Company has appropriate capital capacity.

As at September 30, 2022		Carrying Amount		Undiscounted Contractual Cash Flows				
				< 1 year		1 – 5 years		Total
Accounts payables and accrued liabilities	$	8,169,557	$	8,169,557	$	-	$	8,169,557
Due to related parties		195,559		195,559		-		195,559
Loans		107,030		160,000		-		160,000
Lease liabilities		19,197,397		5,094,304		18,092,991		23,187,295
	$	**27,669,543**	**$**	**13,619,420**	**$**	**18,092,991**	**$**	**31,712,411**
As at December 31, 2021								
Accounts payables and accrued liabilities	$	7,037,112	$	7,037,112	$	-	$	7,037,112
Due to related parties		195,559		195,559		-		195,559
Loans		98,591		-		160,000		160,000
Lease liabilities		11,133,486		3,308,548		9,920,109		13,228,657
	$	**18,464,748**	**$**	**10,541,219**	**$**	**10,080,109**	**$**	**20,621,328**

Capital management

The Company manages its capital, which consists exclusively of equity, with the primary objective being safeguarding sufficient working capital to sustain operations. The Company may require additional funds in order to fulfill all of its future expenditure requirements or obligations, in which case the Company may raise additional funds either through the issuance of equity or by incurring debt to satisfy such requirements or obligations. There is no assurance that any additional funding required by the Company will be available to the Company on terms acceptable to the Company or at all.

There have been no changes in the Company's approach to capital management during the nine months period ended September 30, 2022, nor have there been any changes made in the objectives, policies, or processes of the Company in respect of capital management during the nine months period ended September 30, 2022. The Company will continually assess the adequacy of its capital structure and capacity and make adjustments within the context of the Company's strategy, economic conditions, and the risk characteristics of the business.

The Company's primary objectives when managing capital are to:

- safeguard the Company's ability to continue as a going concern, so that it can provide adequate returns to its shareholders and benefits for other stakeholders;
- fund capital projects for facilitation of business expansion provided there is sufficient liquidity of capital to enable the internal financing; and
- maintain a capital base to maintain investor, creditor, and market confidence.

The Company considers the items included in the consolidated statements of changes in equity as capital. The Company manages its capital structure and makes adjustments thereto as is necessary from time to time in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares from treasury. The Company is not subject to externally imposed capital requirements.

Other Business Risks and Uncertainties

The Company's future results may be affected by a number of factors over many of which the Company has little or no control. In addition to the risks set out herein, please see the Company's annual Management and Discussion of Financial Condition and Results of Operations for the years ended 2021 and 2020, as well as the Company's annual financial statements for the year ended December 2021 and 2020, each of which has been filed under the Company's profile on SEDAR at www.sedar.com.

Climate Change

The impact of climate change is already widespread across both human populations and natural ecosystems. Addressing climate change, and recognizing the urgent need to address greenhouse gas ("**GHG**") emissions because of the role they play in climate change, a real and rapidly growing threat to society and the planet, requires action and long-term commitments by every segment of society, including the business community. Strategies to reduce and mitigate GHG emissions, such as modifying how people and businesses conduct themselves and operate, can be effective in reducing and mitigating GHG and its impact on climate change.

The Company believes that businesses that can demonstrate how their product offerings and services can help mitigate the effects of climate change, for example by reducing or mitigating GHG, can be successful in creating new product offerings and new markets at the same time. STEER believes it is creating a unique niche in not only the Subscription-based and On-Demand services that it offers to assist with the offsetting and/or reduction of carbon emissions, but also in its analytics and reporting engine, EcoCRED, to assist its customers with better tracking, measuring and reporting the same.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not engaged in any off-balance sheet financing transactions.

PROPOSED TRANSACTIONS

The Company is actively pursuing its plans for continued growth and future profitability through: (i) increases in revenues and profit margins from the Company's existing lines of business; (ii) transitioning the Company's current pre-revenue projects into revenue-generating products and services; and (iii) additional strategic acquisitions to enhance and/or further diversify the Company's lines of business and its products and services. As at the date of this MD&A, there are no prospective merger and/or acquisition transactions that are currently under negotiation nor proposed to be entered into that have reached the threshold of being a "material change" for the Company.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual events may differ from these estimates and assumptions. The effect of a change in an accounting estimate is recognized prospectively by including it in net loss and/or comprehensive loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both. Significant assumptions regarding the future and other sources of estimation uncertainty that management has made at the financial position reporting date could result in a material adjustment to the carrying amounts of assets and liabilities. All significant estimates and critical judgments, estimates, and assumptions are described in Note 3 of the Company's unaudited condensed consolidated interim financial statements for the three months ended September 30, 2022 and Note 4 of the Company's audited consolidated financial statements for the year ended December 31, 2021.

CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

There were no changes to the Company's significant accounting policies for the three months ended September 30, 2022. The Company has enhanced disclosure of the descriptions on reclassification of the Company's revenue recognition policies to provide a better disclosure to enable the readers to clearly understand the policies and the rationale for the revenue recognition models and how the Company accounts for things like inventive programs that had been offered to users and prospective users including discounts, refunds, sales discounts and other promotions as applicable, should be read in conjunction with our audited consolidated financial statements, including the related notes thereto, for the fiscal years ended December 31, 2021.

SUBSEQUENT EVENTS

Vehicle Sale-Leaseback with Jim Pattison Leasing (JPL)

On Nov. 10, 2022, The Company established a sale-leaseback agreement with fleet management company Jim Pattison Leasing (JPL). As part of the arrangement, JPL purchased 5 Tesla Model 3s from STEER for $581,315 and leased back the same number of vehicles to STEER for operational use. Additionally, an HST refund of $428,000 will be recovered following the transaction.

ADDITIONAL INFORMATION

Additional information relating to the Company, including the Company's other public filings, are available on SEDAR at www.sedar.com. The Company's Shares are listed for trading on the TSX Venture Exchange under the symbol "STER".