RIVALRY CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30 2025 AND 2024

DECEMBER 1 2025

RIVALRY CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

The following Management Discussion and Analysis ("**MD&A**") should be read in conjunction with Rivalry Corp.'s (the "**Company**" or "**Rivalry**" or "**we**") condensed consolidated interim financial statements and notes for the three- and nine-month periods ended September 30, 2025 and 2024 (the "**Financial Statements**"). This MD&A was prepared with reference to the MD&A disclosure requirements set out by National Instrument 51-102 – *Continuous Disclosure Obligations*. The Financial Statements, together with this MD&A are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as forward-looking statements relating to future performance. Results are reported in Canadian dollars unless otherwise noted. All references to "**US$**" refer to United States dollars. The Financial Statements are prepared in accordance with the International Financial Reporting Standards ("**IFRS**"). Information contained herein is presented as at December 1, 2025, unless otherwise indicated. Additional information regarding the Company is available on SEDAR+ at www.sedarplus.ca.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This MD&A contains forward-looking statements and forward-looking information (collectively referred to herein as "**forward-looking statements**") within the meaning of applicable Canadian securities laws. Such forward-looking statements relate to the Company's current expectations and views of future events or future performance. All statements other than statements of historical fact may be forward-looking statements. The forward-looking statements included in this MD&A are made only as of the date of this MD&A.

In some cases, these forward-looking statements can be identified by words or phrases such as "**may**", "**might**", "**will**", "**expect**", "**anticipate**", "**estimate**", "**intend**", "**plan**", "**indicate**", "**seek**", "**believe**", "**predict**" or "**likely**", or the negative of these terms, or other similar expressions intended to identify forward-looking statements. Forward-looking statements include estimates, plans, expectations, opinions, forecasts, projections, targets, guidance, or other statements that are not statements of fact. These statements involve known and unknown risks, uncertainties and other factors, including those risk factors identified in the Company's MD&A for the year ended December 31, 2024, dated July 1, 2025 under the heading "*Risk Factors*", that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes might affect its financial condition, results of operations, business strategy and financial needs.

Forward-looking statements are based on certain assumptions and analyses made by the Company in light of the experience and perception of historical trends, current conditions and expected future developments and other factors it believes are appropriate and are subject to risks and uncertainties. Although we believe that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and we cannot assure that actual results will be consistent with these forward-looking statements. Given these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements. Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under the heading *"Risk Factors"* in the Company's MD&A for the year ended December 31, 2024, dated July 1, 2025. Except as required by law, the Company does not have any obligation to advise any person if it becomes aware of any inaccuracy in or omission of any forward-looking statement, nor does it intend, or assume any obligation, to update or revise these forward-looking statements to reflect new events or circumstances.

TRADEMARKS, TRADE NAMES AND SERVICE MARKS

This MD&A includes certain trademarks, trade names and service marks which are protected under applicable intellectual property laws and are the property of the Company. Solely for convenience, the Company's trademarks, such as Rushlane, may appear without the ® or ™ symbol, but such references are not intended to indicate, in any way, that the Company will not assert its rights to these trademarks, trade names and service marks to the fullest extent under applicable law. Trademarks used in this MD&A, other than those that belong to the Company, are the property of their respective owners.

DESCRIPTION OF BUSINESS

The Company was incorporated on October 28, 2016 under the *Business Corporations Act* (Ontario) as "PMML Corp.". The registered head office is located at 116 Spadina Avenue, Suite 701, Toronto, ON M5V 2K6, Canada. On September 20, 2021, PMML Corp. filed articles of amendment to, *inter alia*, change its name to "Rivalry Corp." and consolidate its share capital on the basis of 4.5 pre-consolidation shares for every 1 post-consolidation share (the "**Consolidation**") and reorganize its share capital (the "**Reorganization**"). Effective October 5, 2021, the Company's subordinate voting shares (the "**Subordinate Voting Shares**") began trading on the TSX Venture Exchange (the "**TSXV**") under the symbol RVLY. The Subordinate Voting Shares are also traded on the Frankfurt Stock Exchange under the symbol 9VK and the OTCQX Best Market under the symbol RVLCF. Unless otherwise indicated, all references to the share capital of the Company contemplated herein shall be on a post-Consolidation and post-Reorganization basis notwithstanding that such event may have occurred prior to September 20, 2021.

Rivalry is an internationally licensed online gambling company offering regulated online wagering on esports, traditional sports, and casino for the digital generation. Rivalry has developed an inhouse technology platform offering fixed odds sports betting, in addition to originally developed (e.g. Cash and Dash) and third-party casino gaming products (e.g. Aviator). As sports betting is a regulated industry, on January 19, 2018, Rivalry Limited, a wholly owned subsidiary of the Company, was granted an Isle of Man licence ("**IOM licence**") to operate by the Gambling Supervision Commission, pursuant to the *Online Gambling Regulation Act 2001*. The IOM Licence allows Rivalry to offer multiple forms of sports betting such as esports, traditional sports, and casino games. On April 4, 2022, the Company officially launched internet gaming in the Province of Ontario ("**Ontario licence**") as one of the first fully registered operators of internet gaming and sports betting in Ontario.

Rivalry's overall strategic vision is to market and grow the existing sportsbook and casino gaming segments and build Rivalry into a positive cash flow business. The Company views its strategy in three broad pillars: continued market leading product innovation; ongoing expansion into new jurisdictions under the Company's existing IOM Licence and regulated market licences such as its Ontario licence; and developing best-in-class marketing properties to create global brand resonance for Rivalry.

The Company will continue to apply for additional licences to further expand its active legal betting markets. The Company will ensure that when seeking licences, it understands the requirements in each market it operates in and will maintain and develop protocols to address compliance. Finally, the Company endeavors to develop and maintain the appropriate financial processes to provide transparency to shareholders.

Together with its management team, the Company continues to work towards delivering a profitable betting business. The Company seeks to identify strategic investments and partnerships to expand its total addressable market and overall customer engagement. The Company is continually reviewing potential acquisitions, strategic partnerships and joint ventures, and it is in the normal course of the Company's business to routinely consider and evaluate offers on assets or acquisitions that fit within its business model.

BASIS OF PRESENTATION

Financial Statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board.

FINANCIAL HIGHLIGHTS

The following table sets forth a summary of our highlighted financial data as indicated in our Financial Statements:

	Three Months Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
	$	$	$	$
Gross Gaming Revenue	6,109,836	5,664,957	$ 16,356,095	$ 20,816,625
Net Revenue	1,925,562	2,952,574	4,855,738	12,111,863
Net Loss	(1,960,401)	(5,888,507)	(7,133,483)	(16,460,170)
Net Loss per Share - Basic and Diluted	(0.03)	(0.09)	(0.11)	(0.25)
Total Comprehensive Loss	(2,422,680)	(6,093,196)	(6,901,101)	(17,583,606)
Total Comprehensive Loss per Share - Basic and Diluted	(0.04)	(0.09)	(0.10)	(0.27)
Total Assets	1,999,188	3,578,379	1,999,188	3,578,379
Total Non-Current liabilities	13,595,369	11,559,014	13,595,369	11,559,014

RESULTS OF OPERATIONS

Net Revenue and Segment Information

For the three- and nine-month periods ended September 30, 2025, and 2024, the gross gaming revenue breakdown by operating segment is detailed below:

	Three Months Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Sportsbook GGR	4,731,032	4,085,993	13,205,778	15,992,010
Gaming GGR	1,378,804	1,578,963	3,150,318	4,824,615
Gross Gaming Revenue	6,109,836	5,664,957	16,356,095	20,816,625

The Company's gross gaming revenue is comprised of sportsbook GGR consisting of wagering on sports and gaming GGR which currently contains casino products. The Company recognized gross gaming revenue of $6,109,836 and $5,664,957 for the three months ended September 30, 2025, and 2024 respectively, and $16,356,095 and $20,816,625 for the nine months ended September 30, 2025, and 2024.

The Company generated $45,761,391 and $79,960,147 in Handle for the three-month periods ended September 30, 2025, and 2024, respectively, and $155,858,798 and $262,519,887 for the nine months ended September 30, 2025, and 2024, respectively.

Sportsbook GGR increased by $645,039 for the three-month period ended September 30, 2025, in comparison to the three-month period ended September 30, 2024. Sportsbook GGR decreased by $2,786,232 for the nine-month period ended September 30, 2025, in comparison to the nine-month period ended September 30, 2024.

Sportsbook handle for the three-month periods ended September 30, 2025, and 2024 was $14,301,299 and $30,038,240 respectively, and $43,896,909 and $103,655,463 for the nine-month periods ended September 30, 2025, and 2024.

Gaming GGR was $1,378,804 and $ 1,578,963 for the three-month periods ended September 30, 2025, and 2024, respectively, and $3,150,318 and $ 4,824,615 for the nine-month periods ended September 30, 2025, and 2024. Gaming handle was $31,460,093 for the three-month period ended September 30, 2025, and $49,921,908 for the three-month period ended September 30, 2024. Gaming handle was $111,961,889 for the nine-month period ended September 30, 2025, and $158,864,424 for the nine-month period ended September 30, 2024.

Operational Deductions

	Three Months Ended		Nine Months Ended	
	September 30, 2025	**September 30, 2024**	**September 30, 2025**	**September 30, 2024**
Gross Gaming Revenue	$ 6,109,836	$ 5,664,957	$ 16,356,095	20,816,625
Operational Deductions	(4,184,274)	(2,712,382)	(11,500,357)	$ (8,704,762)
Net Revenue	1,925,562	2,952,574	4,855,738	12,111,863

Operational Deductions increased by $1,471,892 to $4,184,274 for the three-month period ended September 30, 2025, when compared to the three-month period ended September 30, 2024. Operational Deductions increased by $2,795,595 to $11,500,357 for the nine-month period ended September 30, 2025, when compared to the nine-month period ended September 30, 2024. Operational deductions were previously referred to as Cost of Revenues.

Net Revenue

The Company's net revenue is recognized as wagers less payouts to winning bettors, adjusted for cancellations, corrections and promotional expenses. Net revenue was previously referred to as gross profit. Net revenue decreased by $1,027,012 to $1,925,562 in comparison to the three-month period ended September 30, 2024. Net revenue decreased by $7,256,125 to $4,855,738 in comparison to the nine-month period ended September 30, 2024.

Operating Expenses

The Company incurred total operating expenses of $3,525,467 and $ 8,471,542 for the three-month periods ended September 30, 2025, and 2024 respectively, and $11,131,286 and $ 27,539,873 for the nine-month periods ended September 30, 2025, and 2024 respectively. The breakdown is provided below with commentary on all variances above 10% or greater than $100,000.

	Three Months Ended			Nine Months Ended		
	September 30, 2025	September 30, 2024	$ Change	September 30, 2025	September 30, 2024	$ Change
General and Administration	$ 2,508,628	$ 4,237,464	$(1,728,836)	$ 7,980,227	$ 13,301,989	$ (5,321,762)
Marketing, advertising and promotion	220,458	2,114,851	(1,894,393)	723,088	8,943,045	$ (8,219,957)
Technology and content	725,707	1,864,861	(1,139,154)	2,174,174	4,292,335	$ (2,118,161)
Share based compensation	10,114	168,010	(157,896)	72,541	749,157	$ (676,616)
Depreciation and amortization	60,560	86,356	(25,796)	181,256	253,349	$ (72,093)
Total Operating Expenses	$ 3,525,467	$ 8,471,542	$(4,946,075)	$ 11,131,286	$ 27,539,873	$(16,408,589)

General and Administration

General and Administration expenses decreased by $1,728,836 to $2,508,628 for the three-month period ended September 30, 2025, when compared to the three-month period ended September 30, 2024. These expenses decreased by $5,321,762 to $7,980,227 for the nine-month period ended September 30, 2025, when compared to the nine-months ended September 30, 2024. The decline was mainly due to lower salary-related costs and payment processing fees, driven by a smaller team, improved automation, and reduced transaction volumes. These changes reflect the Company's ongoing efforts to streamline operations and manage costs more efficiently.

Marketing, advertising, and promotion

Marketing, advertising, and promotion expenses decreased by $1,894,393 to $220,458 for the three-month period ended September 30, 2025, in comparison to the previous year. These expenses decreased by $8,219,957 to $723,088 in the nine-month period ended September 30, 2025, when compared with the same period in 2024. The decline reflects the Company's more targeted and cost-conscious approach to customer acquisition and brand awareness initiatives during the quarter. In addition, Q1, Q2 & Q3 2025 marked a period of ongoing strategic campaign alignment, with spend focused on select product and market priorities rather than broad-based promotional activity.

Technology and content

Technology and content expenses decreased by $1,139,154 to $725,707 for the three-month period ended September 30, 2025, when compared to the three-month period ended September 30, 2024. These expenses decreased by $2,118,161 to $2,174,174 in the nine-month period ended September 30, 2025, when compared to the same period in 2024. The decline reflects reduced reliance on external vendors, more efficient allocation of product development costs, and ongoing improvements in platform operations. Additionally, changes made to the Company's odds providers contributed to lower overall spend in this category.

Share-based compensation

Share-based compensation decreased by $157,896 to $10,114 for the three-month period ended September 30, 2025 when compared to the previous year. These expenses decreased by $676,616 in the nine-month period ended September 30, 2025, when compared to the same period in 2024. This was due to further but fewer vesting of restricted shares and restricted share units under the Equity Incentive Plan. As at September 30, 2025, 1,809,151 stock options and nil restricted share units were outstanding in comparison to the 5,022,651 stock options and 7,639 restricted share units outstanding as of September 30, 2024.

CONSOLIDATED SUMMARY OF QUARTERLY RESULTS

The following shows the summary of quarterly financial data for the preceding eight quarters, inclusive of the quarter ended September 30, 2025:

Quarterly Results	Gross Gaming Revenue		Net Revenue	Net Loss	Loss per share - Basic and Diluted
September 30, 2025	$	6,109,836	1,925,562	(1,960,401)	(0.03)
June 30, 2025	$	6,254,370	1,621,300	(2,193,288)	(0.03)
March 31, 2025	$	3,991,889	1,308,876	(2,986,613)	(0.04)
December 31, 2024	$	2,715,885	1,438,617	(5,950,071)	(0.09)
September 30, 2024	$	5,664,957	2,952,574	(5,888,507)	(0.09)
June 30, 2024	$	7,446,790	4,653,200	(5,369,517)	(0.08)
March 31, 2024	$	7,704,879	4,506,088	(5,202,147)	(0.08)
December 31, 2023	$	6,459,657	3,004,771	(8,577,984)	(0.14)

Quarterly revenue fluctuations are due largely to the seasonality of the esports calendar of events which can be irregular throughout the calendar year and typically goes into the 'off season' in early November through to early January. This 'off-season' period sees a material reduction in events, which typically impacts user activity.

LIQUIDITY AND CAPITAL RESOURCES

The Company continues to actively manage its liquidity position to support core operations, development activities, and strategic priorities. The Company is currently undergoing a strategic review to assess its capital structure, cost base, and long-term funding strategy.

In response to broader macroeconomic challenges and evolving market conditions, the Company has implemented operational efficiencies and is evaluating opportunities to further optimize resource allocation. These actions are intended to preserve cash, support ongoing operations, and ensure the Company is well-positioned to pursue potential growth opportunities, subject to the outcome of the strategic review.

For further information on funding arrangements and actions taken subsequent to September 30 2025, refer to the Subsequent Events section of this MD&A.

Convertible Debentures

On November 14, 2023, the Company raised net proceeds of $13,768,262 through the issuance of secured convertible debentures through a non-brokered private placement.

The debentures will mature on November 14, 2027, and bear interest at 10% per annum. Interest is payable quarterly on March 30, June 30, September 30, and December 30 of each year commencing December 31, 2025.

The entire principal of the convertible debentures may be converted at the election of the holder into Subordinate Voting Shares of the Company at a conversion price of $1.40 per share at any time before the close of business on the last business day immediately preceding the Maturity Date. In connection with the offering, the Company incurred $235,754 in transaction costs which were recorded pro rata against the liability ($165,824) and equity components ($70,930). The fair value of the convertible debentures was determined to be $9,905,422 measured using a market rate of 21.53% less transaction costs for a similar secured debt without the conversion feature.

The remaining value of $4,131,533, net of tax of $1,094,856, was allocated to the equity component as the difference between the face value of the debenture and the fair value of the liability component. As at September 30, 2025, the Company recognized $3,921,994 of interest expense and elected to accrue unpaid interest of $1,254,217 to the principal outstanding on the convertible debenture. No payments have been made.

Promissory Note payable

During the reporting period, the Company entered into multiple unsecured promissory note agreements with its senior lender to provide additional working capital in support of ongoing strategic initiatives. The notes bear interest at a rate of 10.0% per annum, calculated monthly and capitalized until maturity. The full principal and accrued interest are repayable in cash on the contractual maturity date of September 30, 2025.

The promissory notes are classified as financial liabilities and measured at cost. Interest expense is recognized on an accrual basis in accordance with IFRS.

As at September 30, 2025, the carrying amount of the promissory notes was $4,267,536, including accrued interest of $148,441.

Cash Flows

The following table summarizes our cash flows for the periods indicated:

	Nine Months Ended	
	September 30, 2025	September 30, 2024
Cash used in operating activities	$ (2,047,424)	$ (8,874,302)
Cash used in investing	484,774	(108,559)
Cash provided by/used in financing activities	(113,186)	(109,454)
Net increase (decrease) in cash and cash equivalents	(1,675,836)	(9,092,315)
Exchange rate differences on translation of foreign operation	232,382	(1,309,192)
Cash and cash equivalents at beginning of period	1,574,112	10,540,613
Cash and cash equivalents at end of period	$ 130,658	$ 139,107

Operating Activities

Cash used in operating activities includes the impact of changes in accounts receivable and payables and share-based compensation. Cash used in operating activities for the nine-month period ended September 30, 2025, decreased by $6,826,878 when compared to the nine-month period ended September 30, 2024. The difference is mainly attributed to the decrease in net loss as well as fluctuations in accounts payable, deferred revenue and restricted cash.

Investing Activities
The amounts impacting cash used in investing activities increased by $593,333 when compared to the nine-month period ended September 30, 2024 due to loan receivable settled upon receipt of payment.

Financing Activities
The cash provided by financing activities increased by $3,732 when compared to the nine-month period ended September 30, 2024.

OFF BALANCE SHEET ARRANGEMENTS

As of the date of this MD&A, the Company has no off-balance sheet arrangements or long-term obligations.

DEFERRED REVENUE

The deferred revenue balance consists of prepayments from third-party customers for utility tokens and deposits from players into their virtual accounts.

The Company receives prepayments from third-party customers under agreements in which customers pay in advance for utility tokens that the Company intends to develop and issue at a future date. These prepayments are recognized as Deferred Revenue under liabilities on the balance sheet until the utility tokens are developed and issued, at which point revenue will be recognized.

In accordance with IFRS 15, Revenue from Contracts with Customers, the Company has assessed that these transactions constitute contracts with customers, and that the Company has a performance obligation to transfer goods or services in the future. Accordingly, the consideration received is classified as a liability until the performance obligation is satisfied.

The Company also receives deposits from players into their virtual accounts. These deposits are recorded as Deferred Revenue, as the Company has an implied obligation to provide services that enable the display or use of virtual items in games, which are exchanged through virtual currencies.

As of September 30, 2025, total Deferred Revenue was $4,636,808, largely comprising $4,294,328 in prepayments for utility tokens and $334,668 in player balances.

RELATED PARTY DISCLOSURES

The Company's related parties are its key management personnel and the companies controlled by its key management personnel. Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and certain corporate officers. The remuneration of key management personnel during the three- and nine-month period ended September 30, 2025 included management were $138,417 and $394,398, respectively. The remuneration of directors and key management personnel during the three- and nine-month period ended September 30, 2024 included management fees of $253,645 and $ 925,056, respectively.

Cheesan Chew, a related party who previously provided consulting services, had no transactions with the Company during the three- and nine-month periods ended September 30, 2025 (2024 – nil), and no balances were outstanding at either reporting date.

On April 17, 2022, the Company advanced a secured demand loan of $484,917 (USD $385,000) to Kevin Wimer, the Chief Operating Officer and a Director of the Company. The loan bore interest at 3.2% per annum and was approved by the non-interested members of the Board of Directors. During the quarter ended March 31, 2025, the loan, together with all accrued interest, was fully settled. A portion of the outstanding balance was applied against deferred salary payable to Mr. Wimer, with the remaining amount of USD $320,886 repaid in cash.

As at September 30, 2025, the Company had no outstanding balance receivable from Mr. Wimer (September 30, 2024 – **$549,801**).

OUTSTANDING SHARE DATA

Description	**As at the date of this MD&A**
Subordinate Voting Share	87,268,947
Multiple Voting Shares	2,222,220
Options	1,809,151
Restricted Share Units	-

USE OF PROCEEDS

There have been no material variances in the estimated use of proceeds from the net proceeds of the Subordinate Voting Shares issued on May 5, 2023, or May 23, 2023, or the net proceeds from the Convertible Debentures issued in connection with the Offering.

CRITICAL ACCOUNTING ESTIMATES AND KEY SOURCES OF ESTIMATION UNCERTAINTIES

The preparation of the condensed consolidated interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates are based on management's best knowledge of current events and actions that the Company may undertake in the future. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Details regarding these critical accounting policies and estimates have been included in discussing share-based compensation, Expected credit losses (ECL), Incremental borrowing rate for leases, going concern, income tax, fair value and depreciation and amortization expense.

Right-of-Use Assets and Lease Liabilities

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received.

The right-of-use assets are depreciated to the earlier of the end of the useful life of the right-of-use asset or the lease term using the straight-line method. The lease term includes periods covered by an option to extend if the Company is reasonably certain to exercise that option. In addition, the right-of-use asset can be periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Short-term lease payments, payments for leases of low-value assets and variable lease payments not included in the measurement of lease liabilities are recognized in the consolidated statements of operations and comprehensive loss.

Incremental borrowing rates

The Company's incremental borrowing rate is used to estimate the initial value of the lease liability and associated right of use asset. The Company's incremental borrowing rate is determined with reference to the borrowing rate for a similar asset within a country for a similar lease term. For determination of the applicable lease term, management takes into consideration any options for lease extensions, as well as contractually agreed break clauses within each lease.

Share-Based Payments

The estimation of share-based payments requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The model used by the Company is the Black-Scholes valuation model at the date of the grant. The Company makes estimates as to the volatility, the expected life, dividend yield and the time of exercise, as applicable. The expected volatility is based on the average volatility of share prices of similar companies over the period of the expected life of the applicable warrants and stock options. The expected life is based on historical data. These estimates may not necessarily be indicative of future actual patterns.

Loss per Share

Basic loss per share is calculated by dividing the net loss attributable to shareholders by the weighted average number of Subordinate Voting Shares outstanding during each of the years presented. Contingently issuable shares (including shares held in escrow) are not considered outstanding Subordinate Voting Shares and consequently are not included in the loss per share calculations. Diluted loss per share is calculated by adjusting the weighted average number of Subordinate Voting Shares outstanding to assume conversion of all dilutive potential Subordinate Voting Shares. The Company has four categories of dilutive potential Subordinate Voting Shares: Multiple Voting shares, warrants, stock options, and restricted share units. In order to determine diluted loss per share, it is assumed that any proceeds from the exercise of dilutive stock options would be used to repurchase Subordinate Voting Shares at the average market price during the period. The diluted loss per share calculation excludes any potential conversion of options or warrants that would increase earnings per share or decrease loss per share.

On September 30, 2025, and September 30, 2024, the multiple voting shares, warrants, stock options, convertible debentures and restricted share units as described in Notes 6, 7, 8 and 9 are anti-dilutive.

Expected Credit Loss Provision

The Company performs impairment testing annually for accounts receivable in accordance with IFRS 9. The Expected Credit Loss ("ECL") model requires considerable judgment, including consideration of how changes in economic factors affect ECLs, which are determined on a probability-weighted basis. IFRS 9 outlines a three-stage approach to recognizing ECLs which is intended to reflect the increase in credit risks of a financial instrument based on 1) 12month expected credit losses or 2) lifetime expected credit losses. The Company measures provision for ECLs at an amount equal to lifetime ECLs. The Company applies the simplified approach to determine ECLs on trade receivables by using a provision matrix based on historical credit loss experiences. The historical results were used to calculate the run rates of default which were then applied over the expected life of the trade receivables, adjusted for forward looking estimates.

NON-IFRS FINANCIAL MEASURES

The Company uses certain non-IFRS financial measures and non-IFRS ratios to evaluate its performance. These measures are not recognized under International Financial Reporting Standards (IFRS) and do not have standardized meanings prescribed by IFRS. As such, they may not be comparable to similar measures presented by other companies.

Gross Gaming Revenue (GGR) is a non-IFRS financial measure that represents total wagers placed by customers less total payouts to winning bettors, before adjustments for bonuses, promotional credits, or other incentives. Management believes GGR provides a useful indication of top-line performance across the Company's wagering and gaming platforms and is commonly used in the gaming industry to assess underlying betting activity and market engagement.

Operational Deductions (formerly referred to as Cost of Revenues) is a non-IFRS financial measure that includes the direct costs associated with delivering gaming and betting services. These costs may include content licensing fees, data provider costs, and other platform-related expenses directly tied to revenue generation. Management uses this measure to evaluate the gross profitability of its offerings before marketing and overhead expenditures.

The Company believes these non-IFRS measures provide investors and other stakeholders with additional insight into the Company's core operating performance, margin trends, and cost structure. However, these measures should not be considered in isolation or as a substitute for financial information presented in accordance with IFRS.

A reconciliation of these non-IFRS measures to the most directly comparable IFRS measures is provided in the "Financial Highlights" section of this MD&A.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

As at September 30, 2025, the Company's significant foreign exchange currency exposure on its financial instruments expressed in Canadian dollars was as follows:

	EUR	GBP	USD
Cash & cash equivalents	$ 5	$ 1,166	$ 124,836
Restricted cash	47,133	489,956	79,760
Accounts payable and accrued liabilities	-	-	1,192,687
Net exposure	$ 47,139	$ 491,122	$ 1,397,284
Effect of +/- 10% change in currency	$ 4,714	$ 49,112	$ 139,728

Based on the above net exposures at September 30, 2025, a 10% depreciation or appreciation of the foreign currencies against the Canadian dollar would result in an increase or decrease, respectively, in the Company's loss by $193,555 (September 30, 2024 - $ 108,147).

At September 30, 2025 and 2024, the Company had no hedging agreements in place with respect to foreign exchange rates. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks at this time.

SUBSEQUENT EVENTS

1. Private Placement

On October 8, 2025, the Company completed the first tranche of its non-brokered private placement (the "2025 Private Placement") by issuing 27,600,000 units (each, a "Unit") at a price of $0.05 per Unit for aggregate gross proceeds of $1,380,000. On October 17, 2025, the Company completed the second tranche of the 2025 Private Placement by issuing 27,600,000 Units for aggregate gross proceeds of $1,380,000. On October 24, 2025, the Company completed the third tranche of the 2025 Private Placement by issuing 29,937,930 Units for aggregate gross proceeds of $1,496,896.50. Across three tranches of the 2025 Private Placement completed to date, the Company issued a total of 85,137,930 Units at a price of $0.05 per Unit, for aggregate gross proceeds of $4,256,896.50.

Each Unit consists of one Subordinate Voting Share and one Subordinate Voting Share purchase warrant exercisable at $0.10 per share until October 8, 2027. All securities issued in the 2025 Private Placement are subject to a four-month statutory hold period in accordance with applicable securities legislation.

The Company intends to use the net proceeds from the 2025 Private Placement to support corporate development initiatives and general working capital needs. The Company may complete an additional tranche of the 2025 Private Placement on or before December 15, 2025.

2. Debt Restructuring

The Company entered into a debt settlement agreement dated September 26, 2025 (the "Debt Settlement Agreement") with its senior lender, pursuant to which the parties agreed to restructure the Company's indebtedness consisting of:

i. the senior secured convertible debenture issued on November 14, 2023 in the principal amount of $14,000,000 (the "Secured Debenture"), and

ii. certain unsecured promissory notes in the aggregate principal amount of US$3,070,000 maturing September 30, 2025 (collectively, the “Indebtedness”).

On October 24, 2025, the Company completed the debt restructuring. Under the terms of the Debt Settlement Agreement, the Company settled $12,526,384.88 of the Indebtedness through the issuance of 250,527,697 units (each, a "Debt Settlement Unit") at a price of $0.05 per Debt Settlement Unit. Each Debt Settlement Unit consists of one Subordinate Voting Share and one share purchase warrant exercisable at $0.10 per share until October 24, 2027.

Following completion of the debt settlement, $8,480,000 of principal remains outstanding under the Secured Debenture. In connection with the restructuring, the Secured Debenture was amended to:
(i) establish a conversion price of $0.10 per Subordinate Voting Share;
(ii) extend the maturity date to November 14, 2028; and
(iii) defer interest payments until December 31, 2026.

All securities issued in connection with the debt restructuring are subject to a four-month statutory hold period in accordance with applicable securities laws.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedarplus.ca.