ESE ENTERTAINMENT INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Three and Six Months Ended April 30, 2025 and 2024

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

NOTICE OF NO AUDITOR REVIEW OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim consolidated financial statements of the Company for the three and six months ended April 30, 2025 have been prepared by and are the responsibility of the Company's management, and have not been reviewed by the Company's auditors.

ESE ENTERTAINMENT INC.
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited - Prepared by Management)

	Note		April 30, 2025		October 31, 2024
ASSETS					
Current assets					
Cash		$	811,141	$	838,937
Receivables	**9**		1,072,165		741,187
Term deposits			69,967		70,640
Prepaid expense and deposits			184,138		126,455
Accrued revenue			347,930		117,465
			2,485,341		1,894,684
Equipment	**10**		209,504		275,966
Intangible assets	**8, 11**		1,121,027		1,245,000
Goodwill	**8, 12**		3,442,596		3,442,596
Total assets		$	7,258,468	$	6,858,246
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	**15, 21**	$	4,940,917	$	4,059,397
Acquisition payment commitment	**6, 8**		1,612,801		1,612,801
Loans and credit facilities	**17**		851,073		324,098
Convertible notes	**18**		251,000		615,000
Deferred revenue	**22**		1,374,521		112,015
			9,030,312		6,723,311
Deferred income tax liability	**8**		154,670		154,670
			9,184,982		6,877,981
DEFICIT					
Share capital	**19**		56,239,988		56,176,604
Share subscriptions received			1,050		1,050
Commitment to issue shares	**7, 19**		103,042		103,042
Contributed surplus			6,664,766		6,489,176
Accumulated other comprehensive income (loss)			(1,645)		13,603
Deficit			(63,922,400)		(61,791,895)
Equity attributable to shareholders			(915,199)		991,580
Non-controlling interest			(1,011,315)		(1,011,315)
Total deficit			(1,926,514)		(19,735)
		$	7,258,468	$	6,858,246

Nature and continuance of operations – Note 1
Subsequent events – Note 25

APPROVED ON BEHALF OF THE BOARD:

"Konrad Marian Wasiela"	Director	***"Ryan Maarschalk"***	Director
Konrad Marian Wasiela		Ryan Maarschalk	

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

ESE ENTERTAINMENT INC.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
For the Three and Six Months Ended April 30, 2025 and 2024
(Expressed in Canadian Dollars)
(Unaudited - Prepared by Management)

		For the three months ended April 30,		For the six months ended April 30,	
	Note	**2025**	**2024**	**2025**	**2024**
Revenue	**22**	$ 1,862,613	$ 633,970	$ 3,991,890	$ 1,082,381
Cost of sales	**22**	1,796,590	390,597	3,483,162	766,175
Gross profit		66,023	243,373	508,728	316,206
Expenses					
Share-based payments	**19, 21**	24,599	373,873	238,974	874,393
Wages, benefits and consulting	**21**	481,951	167,724	939,588	413,021
General and administration		327,762	261,052	550,227	344,702
Advertising and promotion		95,274	124,189	116,138	177,137
Professional fees	**21**	248,906	233,623	395,081	488,848
Amortization	**10, 11**	99,464	16,091	199,945	28,006
Filing fees, bad debts and other		19,335	(61,863)	28,814	63,203
		1,297,291	1,114,689	2,468,767	2,389,310
Loss before other items		(1,231,268)	(871,316)	(1,960,039)	(2,073,104)
Other items:					
Interest expense	**17, 18**	(30,871)	69,111	(113,285)	(27,433)
Interest income		-	12,473	-	27,005
Restructuring and other		5,025	-	(24,313)	-
Accretion expense	**18**	-	(44,254)	-	(97,493)
Gain on revaluation of consideration payable	**6**	-	-	-	15,934
Equity income from investment in GameAddik	**13**	-	(73,750	-	183,705
Loss on disposal of fixed assets		(11,052)	-	(11,052)	-
Foreign exchange gain (loss)		(93,055)	120,220	(21,816)	114,372
		(129,953)	(83,800)	(170,466)	216,090
Net loss for the period from continuing operations		(1,361,221)	(787,516)	(2,130,505)	(1,857,014)
Net loss for the period from discontinued operations, net of tax	**23**	-	(151,342)	-	(255,253)
Net loss for the period		(1,361,221)	(938,858)	(2,130,505)	(2,122,267)
Other comprehensive (loss) income					
Income on translation of foreign operations		61,666	(27,110)	(15,248)	(18,732)
Total comprehensive loss for the period		$ (1,299,555)	$ (965,968)	$ (2,145,753)	$ (2,130,999)
Net loss from discontinued operations attributable to:					
Shareholders of the company		$ -	$ (77,934)	$ -	$ (142,876)
Non-controlling interest		-	(73,709)	-	(112,377)
Net loss for the period from discontinued operations		$ -	$ (151,643)	$ -	$ (255,253)
Net loss attributable to:					
Shareholders of the company		$ (1,361,221)	$ (865,149)	$ (2,130,505)	$ (1,999,890)
Non-controlling interest		-	(73,709)	-	(112,377)
Net loss for the period		$ (1,361,221)	$ (938,858)	$ (2,130,505)	$ (2,112,267)
Total comprehensive loss attributable to:					
Shareholders of the company		$ (1,299,555)	$ (892,259)	$ (2,145,753)	$ (2,018,622)
Non-controlling interest		-	(73,709)	-	(112,377)
Total comprehensive loss for the period		$ (1,299,555)	$ (965,968)	$ (2,145,753)	$ (2,130,999)
Basic and diluted loss per share		$ (0.01)	$ (0.01)	$ (0.02)	$ (0.06)
Basic and diluted loss per share – continuing operations		$ (0.01)	$ (0.01)	$ (0.02)	$ (0.06)
Basic and diluted income per common share – discontinued operations		$ -	$ -	$ -	$ -
Basic and diluted loss per common share – continuing operations attributable to shareholders of the company		$ (0.01)	$ (0.01)	$ (0.02)	$ (0.06)
Weighted average number of common shares outstanding		111,734,523	81,052,663	111,734,523	81,052,663

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

ESE ENTERTAINMENT INC.
Condensed Interim Consolidated Statements of Changes in Equity
For the Six Months Ended April 30, 2025 and 2024
(Expressed in Canadian Dollars)
(Unaudited - Prepared by Management)

	Number of Shares	Share Capital	Share subscriptions received	Commitment to issue shares	Contributed Surplus	Accumulated other comprehensive (loss) income	Deficit	Non-Controlling Interest	Total
Balance October 31, 2023	81,052,663	$ 52,288,061	$ 1,050	$ 2,235,346	$ 6,032,669	$ (11,432)	$ (56,951,453)	$ (916,090)	$ 2,678,151
Deferred compensation shares issued to WPG	-	250,053	-	-	-	-	-	-	250,053
Deferred compensation shares issued to GameAddik	-	653,023	-	(134,985)	-	-	-	-	518,038
Share-based payments	-	-	-	-	106,302	-	-	-	106,302
Loss and comprehensive loss for the period	-	-	-	-	-	(18,732)	(1,999,890)	(112,377)	(2,130,999)
Balance April 30, 2024	81,052,663	$ 53,191,137	$ 1,050	$ 2,100,361	$ 6,138,971	$ (30,164)	$ (58,951,343)	$ (1,028,467)	$ 1,421,545
Balance October 31, 2024	111,734,523	$ 56,176,604	$ 1,050	$ 103,042	$ 6,489,176	$ 13,603	$ (61,791,895)	$ (1,011,315)	$ (19,735)
Deferred compensation shares issued to GameAddik	-	63,384	-	-	-	-	-	-	63,384
Share-based payments	-	-	-	-	175,590	-	-	-	175,590
Loss and comprehensive loss for the period	-	-	-	-	-	(15,248)	(2,130,505)	-	(2,145,753)
Balance April 30, 2025	111,734,523	$ 56,239,988	$ 1,050	$ 103,042	$ 6,664,766	$ (1,645)	$ (63,922,400)	$ (1,011,315)	$ (1,926,514)

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

ESE ENTERTAINMENT INC.
Condensed Interim Consolidated Statements of Cash Flows
For the Six Months Ended April 30, 2025 and 2024
(Expressed in Canadian Dollars)
(Unaudited - Prepared by Management)

	2025	2024
CASH FLOWS PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Loss from continuing operations for the period	$ (2,130,505)	$ (1,857,014)
Items not affecting cash:		
Accretion on convertible notes	-	97,493
Accretion on lease liabilities	-	3,268
Amortization	199,945	28,006
Share-based payments	238,974	874,393
Loss on disposal of fixed assets	11,052	-
Gain on revaluation of consideration payable	-	(15,934)
Equity income from Investment in GameAddik	-	(183,705)
Changes in non-cash working capital items:		
Receivables	(330,978)	859,999
Accrued revenue	(230,465)	-
Prepaid expenses and deposits	(57,683)	(421,838)
Deferred revenue	1,262,506	7,886
Accounts payable and accrued liabilities, income tax payable and shareholder loans	931,520	277,777
Net cash used in operating activities from continuing operations	(105,634)	(329,669)
Net cash used in operating activities from discontinued operations	-	(788,960)
Net cash used in operating activities	(105,634)	(1,118,629)
INVESTING ACTIVITY		
Property and equipment	(8,129)	-
Net cash used in investing activity	(8,129)	-
FINANCING ACTIVITIES		
Proceeds from (repayment of) loans, net	450,000	(180,784)
Repayment of convertible notes	(364,000)	(200,000)
Repayment of lease liabilities	-	(57,277)
Net cash provided by (used in) financing activities from continuing operations	86,000	(438,061)
Net cash provided by financing activities from discontinued operations	-	55,630
Net cash provided by (used in) financing activities	86,000	(382,431)
Foreign exchange effect on cash	(33)	89,236
Change in cash for the period	(27,796)	(1,411,824)
Cash, beginning of period	838,937	2,125,251
Cash, end of period	$ 811,141	$ 713,427

Supplemental disclosures with respect to cash flows – Note 23

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

1 Nature and Continuance of Operations

ESE Entertainment Inc. (the "Company" or "ESE") is a global entertainment company focused on gaming and esports events, primarily in the business of attracting gamers and fans to its clients, such as video game developers, publishers, and brands. The Company provides a range of services to leading video game developers, publishers, and brands as well as other entertainment organizations by providing infrastructure and fan engagement services internationally. The Company was incorporated on June 14, 2018 in British Columbia, Canada. The Company's registered office is at 6th Floor, 905 West Pender Street, Vancouver, British Columbia, V6C 1L6 and its head office is located at 1000-409 Granville Street, Vancouver, British Columbia, V6C 1T2.

These condensed interim consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. At April 30, 2025, the Company has not achieved profitable operations, has accumulated losses of $63,922,400 (October 31, 2024 - $61,791,895) since inception and expects to incur further losses in the development of its business. The above material uncertainties cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon successful results from its operating activities, its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events and potential economic global changes such as the rise of higher inflation and energy prices, may create further uncertainty and risk with respect to the prospects of the Company's business. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about on its business, results of operations, financial position and cash flows in the future.

2 Basis of Preparation

Statement of Compliance
These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The condensed interim consolidated financial statements were authorized for issue by the Board of Directors on June 30, 2025.

3 Accounting Policies

Basis of Measurement
These condensed interim consolidated financial statements have been prepared on an accrual basis, except for cash flow information, and are based on historical costs except for certain financial instruments which are measured at fair value. The consolidated financial statements are presented in Canadian dollars which is the Company's functional currency.

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the audited consolidated financial statements as at October 31, 2024.

Recent accounting pronouncements and changes in accounting policies
The following new standards and interpretations are not yet effective and have not been applied in preparing these consolidated financial statements. The Company will adopt the amendments on their effective dates and do not expect the amendments to have a significant impact on the condensed interim consolidated financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 introduces three sets of new requirements to give investors more transparent and comparable information about companies' financial performance for better investment decisions.

1. Three defined categories for income and expenses (operating, investing and financing) to improve the structure of the income statement, and require all companies to provide new defined subtotals, including operating profit.
2. Requirement for companies to disclose explanations of management-defined performance measures (MPMs) that are related to the income statement.
3. Enhanced guidance on how to organise information and whether to provide it in the primary financial statements or in the notes.

This new standard is effective for reporting periods beginning on or after January 1, 2027. The Company is currently in the process of assessing its impact on future condensed interim consolidated financial statements.

Significant accounting judgement, estimates and uncertainties
The preparation of consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and notes to the consolidated financial statements. These estimates are based on management's best knowledge of current events and actions the Company may undertake in the future. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized in the period in which the estimates are revised.

Critical judgement exercised in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is as follows:

Going concern
These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The assessment of the Company's ability to source future operations and continue as a going concern involves judgement. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. If the going concern assumption were not appropriate for these consolidated financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported revenue and expenses and the statement of financial position classifications used.

Discontinued operations
Discontinued operations are reported when a component of the Company, representing a separate major line of business or geographical area of operations with clearly distinguishable cash flows, has been disposed of or is held for sale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. Discontinued operations are reported as a separate element on the consolidated statements of loss and comprehensive loss for both the current and comparative periods. Auto Simulation Limited (DBA "Digital Motorsports") and World Performance Group Ltd. ("WPG") have been classified and reported as discontinued operations.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment are as follows:

Valuation of receivables
Management monitors the financial stability of its customers and the environment in which they operate to make estimates regarding the likelihood that the individual trade balances will be paid. Credit risks for outstanding customer receivables are regularly assessed and allowances are recorded for estimated losses, if required.

Purchase price allocation
The acquisition of Bombee on October 21, 2024 was accounted for as a business combination at fair value in accordance with IFRS 3, Business Combinations. The purchase price allocation process resulting from a business combination requires management to estimate the fair value of the consideration paid, and the fair value of the identifiable assets acquired, including intangible assets, and liabilities assumed. The Company relies on work performed by third-party valuation specialists. These valuations are closely linked to the assumptions used by management including revenue growth rates, earnings margins, royalty rate, attrition rate and the discount rate applied.

Convertible notes
The identification of convertible note components is based on interpretations of the substance of the contractual arrangement and therefore requires judgement from management. The separation of the components affects the initial recognition of the convertible note at issuance and the subsequent measurement of interest on the liability component. The determination of fair value of the liability is also based on a number of assumptions, including contractual future cash flows, discount rates, and the presence of any derivative financial instruments. Additionally, significant judgement is required when accounting for the redemption, conversion or modification of these instruments. The key assumptions applied in the valuation include an estimated 20% market discount rate.

4 Acquisition of WPG

On April 12, 2021, the Company acquired 51% of the issued and outstanding shares of WPG. The purchase price consisted of (i) $10,000 refundable deposit (paid), (ii) $128,019 in cash on closing of the transaction (the "Closing") (paid), and (iii) issuance of 585,156 common shares of the Company. The Company was also required to (i) issue 6,664,845 common shares (the "Deferred Compensation Shares"), vesting over three years, and (ii) advance $750,000 to WPG (the "Working Capital Amount"). The Deferred Compensation Shares are considered a post-combination expense (Note 19b). Pursuant to the agreement, WPG is not required to repay or reimburse the Company all or any portion of the Working Capital Amount.

The transaction was accounted for as a business combination, as the operations of WPG meet the definition of a business. As the transaction was accounted for as a business combination, transaction costs were expensed.

On August 31, 2023, WPG sold its two European operating subsidiaries, WPG Racing Solutions SRL and Foresight Resolution SRL for gross proceeds of $2. $133,701 was recognized as loss on disposal. During the year ended October 31, 2024, WPG ceased all operations and was treated as a discontinued operation.

(Expressed in Canadian Dollars)

5 Acquisition of Digital Motorsports

On September 15, 2021, the Company acquired 100% of the issued and outstanding shares of Digital Motorsports. The consideration consisted of (i) $1,681,250 in cash on closing of the transaction (the "Closing") (paid), (ii) issuance of 941,500 common shares of the Company, and (iii) up to 8,473,500 contingent earn-out shares (the "DMS Contingent Shares") to be issued in six equal installments, with the first installment being issued on October 14, 2021, subject to Digital Motorsports generating revenue greater than €2,587,005 for the prior four quarters, assessed every six months between Closing and January 1, 2027. The Company will also advance €250,000 to Digital Motorsports (the "DMS Working Capital Amount"). Pursuant to the agreement, Digital Motorsports is not required to repay or reimburse the Company all or any portion of the DMS Working Capital Amount.

The transaction was accounted for as a business combination, as the operations of Digital Motorsports met the definition of a business. As the transaction was accounted for as a business combination, transaction costs were expensed.

The number of DMS Contingent Shares to be issued as at October 31, 2023 was 3,601,238 for a commitment of $1,879,382. As of October 31, 2023, the Company decided to discontinue the business of Digital Motorsports. During the year ended October 31, 2024, the Company recognized an extinguishment of commitment to issue shares of $1,879,382, as operations of Digital Motorsports have ceased and the DMS Contingent Shares installments can no longer be earned. As at October 31, 2024 and April 30, 2025 there is no longer a commitment to issue shares.

6 Acquisition of Frenzy

On November 12, 2021, the Company completed the acquisition of 100% of the issued and outstanding shares of Frenzy, a European esports media and technology company. The acquisition of Frenzy is a key addition to ESE's ability to produce, host, and execute esports and gaming events and content. The acquisition included key equipment, operators, and distribution channels that allow ESE to expand its service offerings and capacity for new media business.

The consideration consisted of (i) $1,380,044 in cash paid on the closing of the transaction which included a working capital adjustment (paid); (ii) $1,183,123 in cash payable six months following closing; (iii) 656,606 common shares of the Company issued on closing (issued); and (iv) a minimum of 1,363,720 common shares (the "Frenzy Earn Out Shares") to be issued in four equal instalments, subject to Frenzy generating revenue (as defined) greater than PLN7,460,950 for the prior four quarters, assessed every six months following closing. The Company also agreed to discharge a loan owed by Frenzy in the amount of $118,754 concurrently with closing.

The transaction was accounted for as a business combination, as the operations of Frenzy met the definition of a business. As the transaction was accounted for as a business combination, transaction costs were expensed.

The changes in the consideration payable during the year ended October 31, 2024 and six months ended April 30, 2025 are as follows:

Balance, October 31, 2023	$	63,735
Fourth tranche of Frenzy Earn Out Shares issued		(47,801)
Gain on revaluation of consideration payable		(15,934)
Balance, October 31, 2024 and April 30, 2025	$	-

The Frenzy acquisition payment commitment at April 30, 2025 was $862,801 (October 31, 2024 - $862,801). There was no change in the Frenzy acquisition payment commitment during the year ended October 31, 2024 and six months ended April 30, 2025.

7 Acquisition of GameAddik

On February 1, 2022, the Company completed the acquisition of 100% of the issued and outstanding shares of GameAddik, a Canadian technology and data company focused on gaming and esports, primarily in the business of attracting gamers and fans to its clients, such as video game developers, publishers, and brands. The acquisition of GameAddik allowed ESE to bring a new revenue channel of video game advertising to expand its service offerings.

The consideration consisted of: (i) $2,061,000 in cash to be paid on closing (paid); (ii) $2,751,000 in cash to be paid 6 months from closing, plus working capital adjustment of $2,378,394 (paid); and (iii) 7,377,143 common shares of ESE (the "Consideration Shares") (issued). The Company had the right to repurchase 6,497,959 of the Consideration Shares for nominal consideration if revenues of GameAddik did not reach $5,000,000 for 2022 and $6,250,000 for the 2023 and 2024 fiscal years. 5,378,887 of the Consideration Shares are considered a post-combination expense (Note 19b), and 1,119,072 of the Consideration Shares are considered an acquisition cost.

The transaction was accounted for as a business combination, as the operations of GameAddik met the definition of a business. As the transaction was accounted for as a business combination, transaction costs were expensed. The goodwill resulting from the allocation of the purchase price to the total fair value of net liabilities represented the sales and growth potential of GameAddik.

In August 2023, the Company sold 70% of the issued and outstanding shares of GameAddik (see Note 13). In July 2024, the Company sold the remaining 30% of the issued and outstanding shares of GameAddik (see Note 13).

8 Acquisition of Bombee

On October 21, 2024, the Company completed the acquisition of 100% of the issued and outstanding shares of Bombee, the North American arm of a global production company specialized in live production, special effects, broadcast and event management for the gaming sector. The acquisition of Bombee is a key addition to ESE's ability to produce, host, and execute esports and gaming events and content. The acquisition allows ESE to expand its service offerings and capacity for new media business.

The consideration consisted of: (i) $750,000 in cash to be paid on closing (paid); (ii) $375,000 in cash to be paid 6 months from closing, plus working capital adjustment; (iii) $375,000 in cash to be paid 12 months from closing; and (iv) 30,000,000 common shares of ESE (issued).

The transaction was accounted for as a business combination, as the operations of Bombee met the definition of a business. As the transaction was accounted for as a business combination, transaction costs were expensed. The goodwill resulting from the allocation of the purchase price to the total fair value of net assets represents the sales and growth potential of Bombee.

The fair value of the 30,000,000 common shares issued ($2,550,000) was determined based on the share price of the Company on the date of acquisition.

The consideration was allocated to the assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition. The purchase price was allocated as follows:

(Expressed in Canadian Dollars)

Cash	$	750,000
30,000,000 common shares of the Company		2,550,000
Deferred cash payments		750,000
Fair value of consideration		4,050,000
Allocated to the fair value of net assets acquired (liabilities assumed):		
Cash		76,800
Receivables		581,441
Term deposit		70,114
Equipment		14,133
Brand presence (Note 11)		495,000
Customer relationships (Note 11)		750,000
Goodwill (Note 12)		3,442,596
Accounts payable and accrued liabilities		(859,859)
Loans payable		(203,000)
Deferred revenue		(153,482)
Deferred income tax liability		(163,743)
Total net assets acquired	$	4,050,000

Bombee's operating results have been included in the consolidated statement of loss and comprehensive loss from October 21, 2024, the date control was obtained.

The changes in the Bombee acquisition payment commitment during the year ended October 31, 2024 and six months ended April 30, 2025 are as follows:

Balance, October 31, 2023	$	-
Incurred		750,000
Balance, October 31, 2024 and April 30, 2025	$	750,000

Subsequent to April 30, 2025, the Company has paid $175,000 towards the acquisition commitment outstanding.

9 Receivables

		April 30, 2025		**October 31, 2024**
Sales taxes receivable	$	51,161	$	4,494
Trade accounts receivable, net of loss allowance		1,021,004		736,693
Receivables		$1,072,165	$	741,187

(Expressed in Canadian Dollars)

10 Equipment

	Equipment	Software	Total
Cost as at October 31, 2023	$ 534,833	$ 67,771	$ 602,604
Acquisition of Bombee	14,133	-	14,133
Disposals and write-off – continued operations	(53,393)	-	(53,393)
Disposals and write-off – discontinued operations	-	(5,542)	(5,542)
Foreign exchange	25,018	3,105	28,123
Cost as at October 31, 2024	520,591	65,334	585,925
Additions	1,565	6,564	8,129
Disposals	(182,233)	-	(182,233)
Foreign exchange	37,208	4,150	41,358
Cost as at April 30, 2025	$ 377,131	$ 76,048	$ 453,179
Accumulated amortization as at October 31, 2023	$ 162,318	$ 8,821	$ 171,139
Amortization – continuing operations	127,371	13,073	140,444
Disposals and write-off – continued operations	(10,679)	-	(10,679)
Disposals and write-off – discontinued operations	-	(524)	(524)
Foreign exchange	8,969	610	9,579
Accumulated amortization as at October 31, 2024	287,979	21,980	309,959
Amortization – continuing operations	69,172	6,800	75,972
Disposals	(171,181)	-	(171,181)
Foreign exchange	27,057	1,868	28,925
Accumulated amortization as at April 30, 2025	$ 213,027	$ 30,648	$ 243,675
Net Book Value as at October 31, 2024	$ 232,612	$ 43,354	$ 275,966
Net Book Value as at April 30, 2025	$ 164,104	$ 45,400	$ 209,504

11 Intangibles

	Customer Relationships	Brand and Media Presence	Total
Cost as at October 31, 2023	$ -	$ -	$ -
Acquisition of Bombee (Note 8)	750,000	495,000	1,245,000
Cost as at October 31, 2024 and April 30, 2025	$ 750,000	$ 495,000	$ 1,245,000
Accumulated amortization as at October 31, 2023 and 2024	$ -	$ -	$ -
Amortization – continued operations	123,973	-	123,973
Accumulated amortization as at April 30, 2025	$ 123,973	$ -	$ 123,973
Net Book Value as at October 31, 2024	$ 750,000	$ 495,000	$ 1,245,000
Net Book Value as at April 30, 2025	$ 626,027	$ 495,000	$ 1,121,027

(Expressed in Canadian Dollars)

12 Goodwill

Balance, October 31, 2023	$	-
Acquisition of Bombee (Note 8)		3,442,596
Balance, October 31, 2024 and April 30, 2025	$	3,442,596

13 Investment in GameAddik

On July 18, 2024, the Company sold its 30% interest in GameAddik to BlackPines. As consideration for the sale, the Company received: (i) cash consideration of $4,030,925 and (ii) addition of $34,649 to its holdback receivable. The Company incurred $199,533 in transaction costs.

Balance, October 31, 2023	$	3,761,567
Equity income		339,452
Balance, July 18, 2024		4,101,019
Consideration received		4,065,574
Less: Transaction costs		(199,533)
Loss on sale of investment in GameAddik	$	(234,978)

14 Investment in GR Games

During the year ended October 31, 2021, the Company made a deposit to GR Games SP. Z O.O. ("GR Games"), a private entity in Poland, for the purchase of 50,000 "Series B" shares in GR Games. The Company received the share certificate in the year ended October 31, 2022. During the year ended October 31, 2024, the Company recognized an impairment of $342,728 related to its Investment in GR Games.

15 Accounts Payable and Accrued Liabilities

		April 30, 2025		October 31, 2024
Trade payables	$	4,659,172	$	3,263,400
Interest payable on Convertible Notes (Note 18)		58,540		112,909
Due to WPGI		24,227		24,227
Accrued liabilities		198,978		579,091
Sales tax payable		-		79,770
Accounts payable and accrued liabilities	$	4,940,917	$	4,059,397

16 Lease Liabilities

Balance, October 31, 2023	$	110,062
Cash flows		
Principal payments – continuing operations		(110,062)
Interest payments – continuing operations		(4,492)
Non-cash changes		
Interest expense – continuing operations		4,492
Balance, October 31, 2024 and April 30, 2025	$	-

17 Loans and Credit Facilities

	Loans	Facilities	Total
Balance, October 31, 2023	$ 343,644	$ 330,632	$ 674,276
Loans received – continuing operations	200,496	-	200,496
Repayment of loan – continuing operations	(255,643)	-	(255,643)
Credit facility received – discontinued operations	-	338,443	338,443
Repayment of credit facility – discontinued operations	-	(606,804)	(606,804)
Net exchange difference	(26,670)	-	(26,670)
Balance, October 31, 2024	261,827	62,271	324,098
Loans received – continuing operations	500,000	-	500,000
Net exchange difference	26,975	-	26,975
Balance, April 30, 2025	$ 788,802	$ 62,271	$ 851,073

During the year ended October 31, 2021, a loan payable of $583,718 was assumed upon acquisition of Frenzy. The loan accrues interest at the WIBOR 1-year rate plus 2.25% per annum. The loan matured on December 31, 2022. As at April 30, 2025, the amount outstanding was $177,222 (October 31, 2024 - $160,294).

During the year ended October 31, 2021, WPG obtained a revolving demand credit facility of $400,000 which bore interest at Royal Bank Prime plus 2% for loans in Canadian dollars, and at Royal Bank US Base Rate plus 2% for loans in US dollars. The facility is secured by a general security agreement in all personal property of WPG, a first ranking security interest in all accounts receivable of WPG, and a guarantee and postponement of claim in the amount of $300,000 signed by the Company. During the year ended October 31, 2024, the Company drew $338,443 and repaid $606,804. On May 22, 2024, the Company entered into a forbearance agreement with the Royal Bank of Canada for repayment of WPG's revolving demand credit facility and repaid the principal of $300,000 and the accrued interest as at September 30, 2024. As at April 30, 2025, the amount drawn from the credit facility was $62,271 (October 31, 2024 - $62,271).

During the year ended October 31, 2024, Frenzy obtained an aggregate of PLN585,000 promissory notes. During the year ended October 31, 2024, Frenzy repaid PLN305,000 of the promissory notes. These loans accrue interest at the WIBOR 3-month rate plus 2% per annum and $111,580 remains outstanding as of April 30, 2025.

During the six months ended April 30, 2025, the Company received a loan with the principal amount of $500,000, less an Original Issue Discount of 10% ($50,000), for net proceeds of $450,000 to the Company. The loan matures on December 18, 2025, is unsecured, and bears interest at a simple rate of 10% per annum. In addition to the repayment of the principal and interest, the Company will pay the lender a one-time bonus of $100,000, if the Company successfully completes a listing of its shares on the Nasdaq Stock Exchange or completes the sale or disposition of its main operating assets. As at April 30, 2025, the amount outstanding was $500,000. During the six months ended April 30, 2025, the Company accrued interest and has outstanding payable of $18,219.

Subsequently, on May 26, 2025, the Company received a $15,000 loan from a Director of the Company and a $50,000 loan from a non-related party. The loans are unsecured and bear interest at a simple rate of 10% per annum.

(Expressed in Canadian Dollars)

18 Convertible Notes

Balance, October 31, 2023	$	2,517,507
Repayments		(2,000,000)
Accretion expense		97,493
Balance, October 31, 2024		615,000
Repayments		(364,000)
Balance, April 30, 2025	$	251,000

In February 2022, the Company raised gross proceeds of $1,575,000 through the issuance of 1,575 convertible note units at a price of $1,000 per unit. Each unit consisted of $1,000 in principal amount of an unsecured convertible note and 250 common share purchase warrants of the Company. The convertible note matured in February 2024 bearing interest at a simple rate of 10% per annum. Interest was payable quarterly on the last business day of each quarter, commencing in March 2022. The entire principal amount of the convertible note was convertible at the election of the holder into common shares of the Company at a conversion price of $1.60 per share at any time prior to the maturity date. The accrued but unpaid interest was also convertible into common shares at a conversion price equal to the greater of (i) $1.60 and (ii) the market price of the Company's common shares on the conversion date. Each warrant was exercisable into one common share of the Company at a price of $1.60 per share expiring two years from closing.

During the month of April 2022, the Company raised gross proceeds of $1,680,000 through the issuance of 1,680 convertible note units at a price of $1,000 per unit. Each unit consisted of $1,000 in principal amount of an unsecured convertible note and 313 common share purchase warrants of the Company. The convertible notes matured in April 2024 bearing interest at a simple rate of 10% per annum. Each warrant was exercisable into one common share of the Company at a price of $1.60 per share expiring two years from closing. The remaining convertible debentures were extended and continue to bear simple interest at 10%.

During the year ended October 31, 2023, the Company repaid $640,000 of the principal amount of the convertible notes and accrued interest. During the year ended October 31, 2024, the Company repaid $2,000,000 of the principal amount of the convertible notes and accrued interest of $223,611.

During the six months ended April 30, 2025, the Company repaid $364,000 principal and $71,757 interest of the convertible notes. During the six months ended April 30, 2025, the Company recorded $nil (2024 - $97,493) of accretion and accrued interest of $7,361 (2024 - $121,199) on the convertible notes. As at April 30, 2025, $58,540 (October 31, 2024 - $112,909) of accrued interest is recorded in accounts payable and accrued liabilities (Note 15).

19 Share Capital

a) Authorized

Unlimited common shares, without par value.

b) Issued

During the six months ended April 30, 2025:

During the six months ended April 30, 2025, the fair value of the GameAddik Consideration Shares recorded in share capital was $63,384 and the vesting of post-combination expense Consideration Shares recorded as share-based payments was $63,384.

During the year ended October 31, 2024:

681,860 Frenzy Earn Out Shares were issued in May 2024 (Note 6). The fair value of the common shares was determined to be $47,801.

On October 21, 2024, the Company issued 30,000,000 common shares pursuant to the acquisition of Bombee. The fair value of the common shares was determined to be $2,550,000 (Note 8).

During the year ended October 31, 2024, the fair value of the Deferred Compensation Shares issued to WPG recorded in share capital and share-based payments was $250,053. The fair value was determined based on the share price of the Company on the date of issuance.

During the year ended October 31, 2024, the fair value of the GameAddik Consideration Shares recorded in share capital was $1,040,689 and the vesting of post-combination expense Consideration Shares recorded as share-based payments was $787,767.

c)Stock Options

The Company adopted an equity incentive plan under which it is authorized to grant options to officers, directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. The options can be granted for a maximum of ten years and vest as determined by the Board of Directors. The exercise price of each option granted may not be less than the price as permitted by the stock exchange.

On September 12, 2024, the Company granted 250,000 stock options to a director of the Company. The stock options entitle the holder thereof the right to purchase one common share for each option at $0.11 per share expiring on September 12, 2026. The stock options vested immediately. The fair value of the stock options of $20,000 was determined using the Black-Scholes option valuation model.

On April 10, 2024, the Company granted 750,000 stock options to an officer, an employee and consultants of the Company. The stock options entitle the holder thereof the right to purchase one common share for each option at $0.12 per share expiring on April 10, 2027. The stock options vested immediately. The fair value of the stock options of $60,000 was determined using the Black-Scholes option valuation model.

During the three and six months ended April 30, 2025, the Company recorded $8,750 and $8,750 (2024 - $63,202 and $66,958) in share-based compensation related to stock options.

(Expressed in Canadian Dollars)

The fair value of each option grant during the year ended October 31, 2024 and six months ended April 30, 2025 was estimated using the Black-Scholes option pricing model with assumptions as follows:

	2025	2024
Weighted average exercise price	$0.07	$0.12
Weighted average grant date share price	$0.07	$0.12
Risk-free interest rate	2.57%	3.83%
Expected life	3 years	2.75 years
Expected volatility	112%	110%
Dividend rate	0%	0%
Fair value	$0.05	$0.08

The following table summarized the continuity of the Company's stock options:

	Number of Stock Options Outstanding	Weighted Average Exercise Price
Balance, October 31, 2023	7,340,000	$ 0.32
Granted	1,000,000	0.12
Cancelled	(1,835,000)	0.54
Balance, October 31, 2024	6,505,000	$ 0.23
Granted	250,000	0.07
Balance, April 30, 2025	6,755,000	$0.22

As at April 30, 2025, the Company had stock options outstanding enabling holders to acquire the following:

Number of Options Outstanding	Number of Options Vested	Exercise price per option	Expiry date
1,305,000	1,305,000	$0.25	August 17, 2025
250,000	250,000	$0.11	September 12, 2026
750,000	750,000	$0.12	April 10, 2027
200,000	200,000	$0.50	August 19, 2027
250,000	250,000	$0.51	September 16, 2027
500,000	500,000	$0.51	September 19, 2027
250,000	250,000	$0.32	December 28, 2027
350,000	350,000	$0.24	May 4, 2028
1,600,000	1,600,000	$0.155	September 22, 2028
1,050,000	1,050,000	$0.13	October 3, 2028
250,000	250,000	$0.07	February 5, 2028
6,755,000	6,755,000		

(Expressed in Canadian Dollars)

d) Share Purchase Warrants

The following table summarizes the continuity of the Company's share purchase warrants:

	Number of Share Purchase Warrants	Weighted Average Exercise Price
Balance, October 31, 2023	9,347,147	$ 0.93
Expired	(2,577,320)	1.54
Balance, October 31, 2024	6,769,827	0.70
Expired	(4,269,578)	0.28
Balance, April 30, 2025	2,500,249	$ 0.70

On January 14, 2025, the exercise price of 3,125,000 share purchase warrants with an expiry date of January 16, 2025 was amended from $0.70 to $0.125. The warrants expired unexercised.

As at April 30, 2025, the Company had share purchase warrants outstanding enabling holders to acquire the following:

Number of Share Purchase Warrants	Exercise price per warrant	Expiry date
248,687	$0.70	December 30, 2025
1,186,330	$0.70	January 23, 2026
1,065,232	$0.70	January 27, 2026
2,500,249		

e) Agent's Warrants

The following table summarized the continuity of the Company's Agent's Warrants:

	Number of Agent's Warrants	Weighted Average Exercise Price
Balance, October 31, 2023	323,408	$ 0.76
Expired	(96,557)	1.60
Balance, October 31, 2024 and April 30, 2025	226,851	$ 0.40

As at April 30, 2025, the Company had Agent's Warrants outstanding enabling holders to acquire the following:

Number of Agent's Warrants	Exercise price per warrant	Expiry date
24,928	$0.40	December 30, 2025
149,041	$0.40	January 23, 2026
52,882	$0.40	January 27, 2026
226,851		

(Expressed in Canadian Dollars)

f) Restricted Share Units

The Company adopted an equity incentive plan under which it is authorized to grant restricted share units ("RSU") to officers, directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. The RSUs can be granted for a maximum of three years and vest as determined by the Board of Directors. On the vesting date, the Company will be obligated to redeem the RSUs in cash or by issuing one common share for each RSU, at the election of the Company.

On April 10, 2024, the Company granted 6,650,000 restricted share units to officers, directors, employees and consultants of the Company. The restricted share units vest on April 10, 2025.

On April 12, 2025, the Company granted 530,000 restricted share units to an employee and consultants of the Company. The restricted share units vest on April 12, 2026.

The following table summarizes the continuity of the Company's Restricted Share Units:

	Number of Restricted Share Units
Balance, October 31, 2023	-
Granted	6,650,000
Balance, October 31, 2024	6,650,000
Granted	530,000
Balance, April 30, 2025	7,180,000

During the three and six months ended April 30, 2025, the Company recorded $15,849 and $166,840 (2024 - $39,344 and $39,344) in share-based compensation related to restricted share units. Subsequently, on May 20, 2025, 4,650,000 vested Restricted Share Units were issued.

g) Nature and Purpose of Reserves

Share Subscriptions Received

The share subscriptions received reserve is used to recognize share subscription proceeds that the Company has received in advance of share issuances.

Commitment to Issue Shares

The commitment to issue shares reserve is used to recognize the value of common shares that the Company is obligated to issue.

Contributed Surplus

The contributed surplus reserve is used to recognize the grant date fair value of options, restricted share units and warrants issued but not exercised, and the value of the convertible option on issuance of convertible notes.

Accumulated Other Comprehensive (Loss) Income

The accumulated other comprehensive (loss) income reserve is used to recognize exchange differences arising from foreign currency translation adjustments of subsidiaries that have a functional currency other than the Canadian dollar.

Non-Controlling Interest

The non-controlling interest reserve is used to recognize the non-controlling interest of the Company's subsidiaries and the associated income or loss.

20 Financial Instruments

Determination of Fair Value:

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Fair Value Hierarchy:

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 – Applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.
- Level 2 – Applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.
- Level 3 – Applies to assets or liabilities for which there are unobservable market data.

The fair value hierarchy level at which a fair value measurement is categorized is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

Fair Value:

As at April 30, 2025, the Company believes that the carrying values of cash, receivables, term deposits, accounts payable and accrued liabilities, convertible notes, acquisition payment commitment, and loans and credit facilities approximate their fair values because of their nature and relatively short maturity dates or durations. As at April 30, 2025, there was no item measured at fair value subsequent to initial recognition.

The Company's financial instruments are exposed to certain financial risks which are in common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. The following note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them.

General Objectives, Policies and Processes

The Board of Directors have overall responsibility for the determination of the Company's risk management objectives and policies and have delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function. The Board of Directors are kept apprised on the process and would monitor the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility.

The Company's risk exposures and the impact on the Company's consolidated financial statements are summarized below.

Financial risk factors

Credit risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash and trade accounts receivable. The Company limits its exposure to credit loss by placing its cash with major financial institutions.

Trade accounts receivable balances are monitored on an ongoing basis. The Company maintains an allowance for expected credit losses to provide for the estimated amount of doubtful accounts. The allowance for expected credit losses is based on management's assessment of a customer's credit quality as well as subjective factors and trends, including the aging of receivable balances. The Company considers a financial asset not recoverable when the customer is more than 120 days past due or information obtained from the customer and other external factors indicate that the customer is unlikely to pay its creditors in full. Financial assets (and the related allowances) are normally written off, either partially or in full, when there is no realistic prospect of recovery. The Company applied the simplified model and determined the lifetime expected credit loss allowance as at April 30, 2025 was $67,851 (October 31, 2024 – $138,658).

Interest rate risk

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to floating rate of interest. The Company pays interest on its convertible notes at a fixed rate of 10% per annum. The loan payable assumed upon acquisition of Frenzy accrues interest at WIBOR 1-year rate plus 2.25% per annum and the Frenzy loans received during the year ended October 31, 2024 accrues interest at WIBOR 3-month rate plus 2% per annum. WPG's revolving demand credit facility bears interest at Royal Bank Prime plus 2% for loans in Canadian dollars, and at Royal Bank US Base Rate plus 2% for loans in US dollars. The loan received during the six months ended April 30, 2025 accrues interest at a fixed rate of 10% per annum. Therefore, the Company is exposed to interest rate risk on its loans and credit facilities.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined in the note.

(Expressed in Canadian Dollars)

The Company monitors its ability to meet its short-term administrative expenditures by matching investment income received to expenditures to be incurred. All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

As at April 30, 2025, the Company had a cash balance of $811,141 and receivables of $1,072,165 to settle current liabilities of $9,030,312. The Company intends to raise adequate funds to meet its liquidity needs for the next twelve months via cash flows from operations, private placement or the sale of over-performing investments.

Contractual cash flow requirements as at April 30, 2025 were as follows:

	< 1 year $	**1 – 2 years $**	**2 – 5 years $**	**>5 years $**	**Total $**
Accounts payable and accrued liabilities	4,940,917	-	-	-	4,940,917
Acquisition payment commitment	1,612,801	-	-	-	1,612,801
Credit facilities	62,271	-	-	-	62,271
Loans payable	788,802	-	-	-	788,802
Convertible notes	251,000	-	-	-	251,000
Total	7,655,791	-	-	-	7,655,791

Foreign currency risk

The Company may be exposed to foreign currency risk on fluctuations related to cash, receivables, accounts payable and accrued liabilities, lease liabilities and loans and credit facilities that are denominated in a foreign currency.

As at April 30, 2025, the Company held cash, receivables, accounts payable and accrued liabilities, and loans and credit facilities of around $37,000 in foreign currencies other than the functional currencies of the Company and its subsidiaries. These factors expose the Company to foreign currency exchange rate risk, which could have a material adverse effect on the profitability of the Company. A 10% change in the exchange rate would change other comprehensive income/loss by approximately $3,700. The Company currently does not plan to enter into foreign currency future contracts to mitigate this risk.

21 Related Party Transactions

Related party transactions are comprised of services rendered by directors and/or officers of the Company or by a company with a director and/or officer in common. Related party transactions are in the ordinary course of business and are measured at the exchange amount.

Key Management Compensation:

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and include the Company's executive officers and members of the Board of Directors. Key management compensation consisted of the following:

(Expressed in Canadian Dollars)

	Three months ended April 30,		Six months ended April 30,	
	2025	**2024**	**2025**	**2024**
Wages, Benefits and Consulting fees				
Konrad Wasiela CEO	$ 60,000	$ 60,000	$ 120,000	$ 120,000
Andrea Hayward, CFO	50,000	37,500	100,000	58,000
	110,000	97,500	220,000	178,000
Share-based payments incurred with directors and officers	63,518	42,415	148,207	42,415
Legal fees, included in professional fees				
Segev LLP, of which Ron Segev, former Director is a principal partner	-	14,578	-	36,396
	$ 173,518	$ 154,493	$ 368,207	$ 256,811

Included in accounts payable and accrued liabilities at April 30, 2025 is $nil (October 31, 2024 - $12,955) in unpaid legal fees, consulting fees and other balances owing to officers of the Company and to companies with an officer or director in common. The balance owing is unsecured, non-interest bearing and due in 30 days.

Subsequent to April 30, 2025:

- The Company has released the Restricted Share Units of 2,200,000 shares to directors and officers of the Company on May 20, 2025.
- On May 26, 2025, Konrad Wasiela has loaned the Company $15,000 through a promissory note bearing interest at 10% per annum.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, unless otherwise noted.

(Expressed in Canadian Dollars)

22 Segmented Information and Revenue Disclosures

Segmented information

The Company operates in the industry segments of digital media and entertainment and event production. Information for the segments as at and for the six months ended April 30, 2025 is as follows:

	Digital media and entertainment	**Event Production**	**Corporate**	**Discontinued operations**	**Total**
Types of products and services from which each reportable segment derives its revenues	Contract revenue – content production and promotion	Contract revenue – special events and management	Activities not directly attributable to an operating segment		
Total assets	$ 317,053	$ 6,303,890	$ 637,525	$ -	$ 7,258,468
Total liabilities	$ 869,826	$ 2,731,663	$ 5,077,143	$ 506,350	$ 9,184,982
Revenue	$ 444,415	$ 3,547,475	$ -	$ -	$ 3,991,890
Net loss from continuing operations	$ (622,336)	$ (453,241)	$ (1,054,928)	$ -	$ (2,130,505)

Information for the segments as at and for the six months ended April 30, 2024 as follows:

	Digital media and entertainment	**Corporate**	**Discontinued operations**	**Total**
Types of products and services from which each reportable segment derives its revenues	Contract revenue – promotions and events	Activities not directly attributable to an operating segment		
Total assets	$ 2,009,936	$ 5,334,047	$ 40,533	$ 7,384,516
Total liabilities	$ 1,038,834	$ 4,080,710	$ 843,427	$ 5,962,971
Revenue	$ 1,082,381	$ -	$ 1,727,765	$ 3,945,272
Net loss from continuing operations	$ (67,343)	$ (1,789,671)	$ -	$ (1,857,014)

(Expressed in Canadian Dollars)

Information about geographical areas

The Company's non-current assets are allocated to geographic segments as at April 30, 2025 and October 31, 2024 as follows:

		April 30, 2025		October 31, 2024
Canada	$	4,582,439	$	4,701,548
Poland		190,688		262,014
Total non-current assets	$	4,773,127	$	4,963,562

The Company's net loss from continuing operations is allocated to geographic segments for the six months ended April 30, 2025 and 2024 as follows:

		2025		2024
Canada	$	(1,508,271)	$	(1,749,671)
Poland		(622,234)		(67,343)
Net loss from continuing operations	$	(2,130,505)	$	(1,857,014)

The Company's revenues are allocated to geographic segments for the six months ended April 30, 2025 and 2024 as follows:

		2025		2024
Poland	$	444,415	$	1,082,381
Canada		3,547,475		-
Total revenue	$	3,991,890	$	1,082,381

Disaggregation of revenue

During the six months ended April 30, 2025, the digital media and entertainment segment generated revenue of $444,415 (2024 - $1,082,381) and gross loss of $58,529 (2024 – profit of $316,206). During the six months ended April 30, 2025, the event production segment generated revenue of $3,547,475 (2024 - $nil) and gross profit of $567,257 (2024 - $nil).

During the six months ended April 30, 2025, the Company recognized as revenue $112,015 (2024 - $Nil) which was included in deferred revenue at the beginning of the period. The Company expects to recognize as revenue the remaining performance obligations represented by the deferred revenue balance as at April 30, 2025 in the next twelve months.

(Expressed in Canadian Dollars)

23 Supplemental Disclosures with Respect to Cash Flows

	Six months ended April 30, 2025	2024
Supplemental cash-flow disclosures		
Interest paid – continuing operations	$ 71,756	$ 10,765
Interest paid – discontinued operations	$ -	$ -
Taxes paid – continuing operations	$ -	$ -
Taxes paid – discontinued operations	$ -	$ -
Non-cash investing and financing activities		
Fair value of deferred compensation shares issued to GameAddik	$ 63,384	$ 653,023
Fair value of shares issued for commitment to issue shares	$ -	$ 134,985

24 Discontinued Operations

As at October 31, 2023, the Company had decided to discontinue the business of Digital Motorsports. Digital Motorsports are considered to be a discontinued operation for the Company, as it represents a separate major line of business and has been discontinued. Digital Motorsports' net incomes and cash flows have been presented in these consolidated financial statements as discontinued operations. During the year ended October 31, 2024, WPG has ceased all operations and as it represents a separate major line of business and had been discontinued, WPG's net incomes and cash flows have been presented in these consolidated financial statements as discontinued operations.

The results of operations for Digital Motorsports and WPG are presented as discontinued operations for the six months ended April 30, 2025 and 2024. There was no income or loss from discontinued operations during the six months ended April 30, 2025.

For the six months ended April 30, 2024	Digital Motorsports	WPG	Total
Revenue	$ 47,985	$ 1,679,780	$ 1,727,765
Cost of sales	(53,365)	(1,766,719)	(1,820,084)
Gross Loss	(5,380)	(86,939)	(92,319)
Expenses	(20,533)	(133,313)	(153,846)
Other items	-	(9,088)	(9,088)
Net loss for the period from discontinued operations	(25,913)	(229,340)	(255,253)
Other comprehensive (loss) income	(28)	256	228
Comprehensive loss for the period from discontinued operations	$ (25,941)	$ (229,084)	$ (255,025)

25 Subsequent Events

Subsequent to April 30, 2025, the Company has paid $175,000 towards the acquisition commitment outstanding for the purchase of Bombee.

On May 20, 2025, 4,650,000 vested Restricted Share Units were issued.

On May 26, 2025, the Company received a $15,000 loan from a Director of the Company and a $50,000 loan from a non-related party. The loans are unsecured and bear interest at a simple rate of 10% per annum.