

Sabio Holdings Inc.

Management's Discussion & Analysis

For the three and nine months ended
September 30, 2025

Expressed in U.S. Dollars

All amounts herein are expressed in U.S. Dollars unless otherwise stated.

The Management's Discussion and Analysis ("MD&A") explains the variations in the consolidated operating results and financial position and cash flows of Sabio Holdings Inc. ("Sabio" or the "Company") (formerly Spirit Banner II Capital Corp., hereafter referred to as "Spirit") as at and for the three and nine months ended September 30, 2025. References in this MD&A to "us", "we" and "our" mean Sabio unless otherwise stated.

This analysis should be read in conjunction with Sabio's Condensed Interim Consolidated Financial Statements for the three and nine months ended September 30, 2025, and related notes (the "Condensed Interim Consolidated Financial Statements"). The Condensed Interim Consolidated Financial Statements and extracts of those Condensed Interim Consolidated Financial Statements provided in this MD&A, were prepared in U.S. dollars and in accordance with IFRS® Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), using the accounting policies described therein. As a result of the rounding of dollar differences, certain total dollar amounts in this MD&A may not add exactly to their constituent amounts. All amounts are presented in U.S. dollars unless otherwise indicated. Throughout this MD&A, percentage changes are calculated using numbers rounded as they appear. Readers are cautioned that this MD&A contains certain forward-looking information. (Please see the "Forward Looking Statements" section below for a discussion of the use of such information in this MD&A).

Management of the Company ("Management") is responsible for ensuring that processes are in place to provide sufficient knowledge to support the representations made herein. The Company's Board of Directors ("Board of Directors") provides an oversight role with respect to all public financial disclosures by the Company and has reviewed this MD&A and the accompanying Condensed Interim Consolidated Financial Statements.

Investors should be aware of the inherent limitations of certifying officers of a venture issuer to design and implement, on a cost-effective basis, appropriate Disclosure Controls and Procedures and Internal Controls over Financial Reporting as defined in NI 52-109. Such limitations may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

This MD&A is dated and approved by the Board of Directors as of November 24, 2025.

Forward-Looking Statements

Certain statements in this MD&A may constitute forward-looking statements, including those identified by the expressions such as "may", "will", "intend", "anticipate", "believe", "expect", "foresee", "intend", "plan", or similar expressions to the extent that they relate to the Company or its management. The forward-looking statements are not historical facts but reflect the Company's current assumptions and expectations regarding future events. Forward-looking statements in this MD&A include but are not limited to statements regarding subscriber additions, the variability of the revenues going forward, anticipated market trends and technology adoption by customers and industry peers, anticipated growth in revenue and expenses, the potential impacts of additional expenditures on revenue growth rates, the sufficiency of cash on hand, the benefits of the App Science™ platform, and the Company's ability to obtain the financing necessary to continue operations. There can be no assurance that such statements will prove to be accurate, and actual results and future events may differ materially from those anticipated in such statements.

By their nature, forward-looking statements are subject to several risks and uncertainties that could cause actual results or events to differ materially from current expectations and assumptions or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. These risks and uncertainties include, but are not limited to, the factors discussed in the "Risk Factors" section of this MD&A. Readers are cautioned not to place undue reliance on forward-looking information.

Non-IFRS Measures

The Company prepares its Condensed Interim Consolidated Financial Statements in accordance with IFRS. Non-IFRS measures are used by management to provide additional insight into Sabio's performance and financial condition. The Company believes non-IFRS measures are an important part of the financial reporting process and are useful in communicating information that complements and supplements the Condensed Interim Consolidated Financial Statements.

This MD&A also includes certain measures which have not been prepared in accordance with IFRS, such as Adjusted EBITDA. To evaluate the Company's operating performance as a complement to results provided in accordance with IFRS, the term "Adjusted EBITDA", as defined by Management, refers to net income (loss) before adjusting earnings for finance costs, interest earned, transaction costs, gain or loss on loan forgiveness, employee retention tax credit received, income taxes, state and local taxes (recovery), stock-based compensation, amortization, gain or loss on lease modification, impairment loss, settlement fees, foreign exchange differences, severance costs, and gain (loss) on disposal of intangibles. Management believes that the items excluded from Adjusted EBITDA are not connected with and do not represent the operating performance of the Company.

Management believes that Adjusted EBITDA is useful supplemental information as it provides an indication of the results generated by the Company's main business activities prior to taking into consideration how those activities are financed and taxed as well as expenses related to stock-based compensation, depreciation, amortization, impairment, restructuring costs, other expense (income), and foreign exchange (gain) loss. Accordingly, Management believes that this measure may also be useful to investors in enhancing their understanding of the Company's operating performance. It is a key measure used by the Management and Board of Directors to understand and evaluate the Company's operating performance, to prepare annual budgets and to help develop operating plans.

The Company also reports Gross Revenue as a non-IFRS measure to provide additional insight into the scale of its advertising operations, particularly in its programmatic advertising business. Management believes Gross Revenue is a useful supplemental measure for investors as it reflects the total value of advertising transactions delivered through the Company's platform before deducting third party platform costs.

Gross Revenue represents the total dollar value of advertising impressions sold through the Company's programmatic platforms, including amounts billed to advertisers and agencies, prior to deductions for third party platform costs. This measure is not a standardized financial measure under IFRS and may not be comparable to similar measures used by other companies. Refer Note 3 in the Condensed Interim Consolidated Financial Statements for a reconciliation of the Gross Revenues to Net Revenues as reported in the Condensed Interim Consolidated Financial Statements.

Company Overview

Sabio was incorporated under the Business Corporations Act of Ontario, Canada on September 29, 2017. The registered corporate office is located at 150 King Street West, Suite 200, Toronto, Ontario, M5H 1J9. The corporate head office of the Company is located at 315 Culver Boulevard, Playa Del Rey, California, 90293.

Sabio is a technology and services leader in the fast-growing ad-supported streaming space. Since 2015, the Company has enabled brands and their agencies to enhance advertising effectiveness on streaming TV and mobile

apps. Sabio's core differentiation involves leveraging its continuously updated database of 80 million U.S. households. This data is contained in App Science™, a non-cookie-based software-as-a-service (SaaS) analytics and insights platform featuring AI-powered natural language capabilities, with continuously updated mobile phone and streaming TV device user data that enables Sabio's clients to precisely reach, engage, and validate target audiences.

Sabio's customers include many of the most significant U.S. brands and advertising agencies. Led by a team of experienced ad-tech executives and media professionals, the Company employs more than 120 individuals across the U.S., Canada, India, Turkey and the United Kingdom.

On November 19, 2021, Sabio successfully completed a reverse takeover transaction with Spirit, resulting in the acquisition of all securities of Spirit by Sabio's U.S.-based subsidiary, Sabio, Inc. The company was renamed "Sabio Holdings Inc." and began trading on the TSX Venture Exchange ("TSX-V") on November 26, 2021 under the ticker "SBIO" as a Tier 2 technology issuer.

Significant developments during the three and nine months ended September 30, 2025, and to the date of this report include the following:

- On November 12, 2025, the Company announced the closing of a brokered private placement offering of common shares of the Company (each, a "LIFE Share") at a price of CAD \$0.43 per LIFE Share. The Offering closed on November 11, 2025, with a total of 2,960,000 LIFE Shares issued for aggregate gross proceeds of CAD \$1,272,800. The Offering was led by Canaccord Genuity Corp., together with Beacon Securities Ltd. (collectively, the "Agents"). LIFE Shares issued pursuant to the Listed Issuer Financing Exemption are immediately freely tradeable and are not subject to a hold period under applicable Canadian securities laws.
- On October 23, 2025, the Company announced that its owned and operated streaming network, Creator Television® (Creator TV), launched its AVOD (ad supported video on demand) offering on Plex and Xumo Play, expanding availability across desktop, mobile, and connected TV apps. The on-demand service will feature a curated lineup of original formats and storytelling and the AVOD launch is an important step in the Company's distribution strategy, enabling it to grow and significantly expand its premium on demand content offerings in the coming months.
- On October 9, 2025, the Company announced that Creator TV and World Poker Tour® ("WPT") will co-produce the "Creator Poker Championship," a first-of-its-kind poker tournament featuring popular content creators. The event will take place in Las Vegas on December 18, 2025, and will be livestreamed on Creator Television and WPT distribution channels, including Amazon Fire TV Channels, LiveTVx, Plex, Sling Freestream, Xumo Play, and on WPT's YouTube, Twitch, and other streaming platforms.
- On September 22, 2025, the Company announced that Creator TV entered a strategic partnership with content studio MADCOOL Media. Under the agreement, MADCOOL Media will produce scripted and unscripted original series across all genres for Creator TV, with a focus on comedy, entertainment, and culturally resonant storytelling. These original series will be distributed on Creator TV across platforms including Xumo Play, Amazon Fire TV Channels, Sling Freestream, Plex, and LiveTVx, reaching a global audience of over 65 million viewers.
- On August 25, 2025, the Company announced the completion of a non-brokered, private placement offering of 15% subordinated and unsecured, non-convertible debentures of the Company for gross proceeds of \$1,302,734 (CAD \$1,802,850). The Company used the debenture proceeds to retire the entire \$1,261,645

- (CAD \$1,737,850) in aggregate principal, plus accrued interest, under the secured and unsecured convertible notes issued on August 16, 2023. As a part of this offering, Aziz Rahimtoola, Sabio's CEO, subscribed to the new debenture note in the aggregate principal amount of \$388,649 (CAD \$537,850); an amount equal to the principal portion of his unsecured convertible note retired. The new debentures have a six-month term and bear a simple interest at a rate of 15% per annum (calculated as 7.5% on a 6-month period). In connection with the offering, the Company issued an aggregate of 170,066 common shares (each, a "Bonus Share") in the capital of the Company at a price of \$0.38 (CAD \$0.53) per Bonus share, including 50,740 Bonus Shares issued to Mr. Rahimtoola. The Bonus Shares are subject to hold periods under applicable Canadian securities laws. Prior to maturity, the Company has the option to extend the debt instrument for an additional 6-month term in return for Bonus Shares equal to 10% of the principal amount extended.
- On July 31, 2025, Sabio announced a shares-for-debt transaction to settle CAD \$84,000 (\$61,529) of interest due on secured convertible notes issued on August 16, 2023. The settlement will be completed through the issuance of 162,477 common shares at a deemed price of CAD \$0.517 (\$0.38) per share, based on the 20-day volume weighted average price ending June 25, 2025. The convertible notes bear interest at 14% per annum, payable semi-annually in cash or shares at the Company's option. All shares issued will be subject to a statutory holding period of four months and one day from the date of issuance in accordance with applicable securities laws.
 - In June and July 2025, the Company expanded the distribution of its Creator TV Free Ad-Supported Streaming Television ("FAST") channel. Creator TV is now available on Amazon Fire TV Channels, a free ad-supported service accessible across all Fire TV, Fire Tablet, and Echo Show devices in the U.S. Additionally, Sabio launched Creator TV on Xumo Play, a leading U.S. FAST platform operated by Comcast and Charter Communications. The Company also partnered with Anoki to distribute Creator TV through LiveTVx, Anoki's AI-powered native FAST service on Google TV devices. These launches broaden Creator TV's reach to diverse audiences, aligning with its mission to bring the authenticity and energy of social media storytelling to traditional TV formats.
 - In June 2025, the Company received two prestigious industry awards. Creator TV was named Most Significant Newcomer at the 21st Annual InteractiveTV Today (ITVT) Awards—recognizing its sustainable production, innovative formats, and strong commitment to diversity and inclusivity. Additionally, Sabio earned a Pollie Award from the American Association of Political Consultants (AAPC) for Best Ad Technology Innovation during the 2024 political season. This honor reflects Sabio's use of proprietary ad-tech, including the App Science™ database of 80 million U.S. streaming households, to deliver precise, privacy-compliant targeting of Spanish-dominant U.S. adults—a historically under-represented group in political advertising.
 - On May 16, 2025, the TSX Venture Exchange accepted a notice filed by the Company to implement a Normal Course Issuer Bid, whereupon the Company may, during the 12-month period commencing May 24, 2025 and ending May 23, 2026, purchase up to 883,550 shares in total, being 5% of the total number of 17,671,006 shares outstanding as at April 30.
 - The Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") provided an employee retention tax credit ("ERTC"), a refundable tax credit against certain employment taxes. The Consolidated Appropriations Act extended and expanded the availability of the ERTC through December 31, 2021. In April 2025, the Company received payments from the U.S. Internal Revenue Service ("IRS") totaling \$583,069 from ERTC claims covering the first and second quarters of 2021, inclusive of accrued interest.

- On March 21, 2025, 617,456 share options of the Company were granted to certain directors and employees of the Company and 25,000 share options were granted to a consultant at an exercise price of CAD \$0.62 (\$0.43). The options granted to directors and employees will vest quarterly from the grant date over a three-year vesting period while the options granted to the consultant will vest quarterly from the grant date over a one-year vesting period.
- On March 3, 2025, the Company entered into a new office lease on the second floor of 10 Crosby (also known as 444 Broadway), New York with Madison Capital Madison 444 Realty LLC. The lease commences on April 1, 2025 and expires on June 30, 2028. The total lease payments over the term amount to \$1,476,992, including non-lease components for maintenance and usage charges.
- On February 20, 2025, the Company announced a partnership with Sling TV, a leading streaming service and subsidiary of EchoStar Corporation, for distribution of its Creator TV FAST channel on its platform, Sling Freestream. This partnership marks a significant step in the expansion of Creator TV's reach, ensuring that the diverse and authentic voices it showcases can connect with the broad audiences on Sling Freestream, particularly Gen Z and millennial audiences.
- On February 14, 2025, the Company announced that Computershare Investor Services Inc. has replaced TSX Trust Company as the registrar and transfer agent of the Company effective February 14, 2025.
- On February 11, 2025, the Company announced that its App Science™ database now comprises 80 million households, representing 70% of all U.S. streaming households. This milestone highlights the App Science™ platform's ability to track and analyze streaming TV audiences through a vast dataset that includes mobile devices, connected TVs, and other streaming platforms.
- On January 30, 2025, the Company launched Creator TV, its owned-and-operated FAST channel that targets the valuable Gen Z and millennial audiences. As part of this launch, global streaming media company, Plex, will distribute Creator TV internationally.

OVERALL PERFORMANCE AND DISCUSSION OF OPERATIONS

The following table provides selected financial information for the Company's recent operations for the three and nine months ended September 30, 2025, and 2024. This information should be read together with the Condensed Interim Consolidated Financial Statements.

	For the three months ended		For the nine months ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
	\$	\$	\$	\$
Gross Revenues (1)	9,282,638	16,052,759	30,091,212	31,301,723
By source:				
Mobile ads	2,089,048	3,503,799	7,652,332	6,638,202
Ad-Supported Streaming	7,071,995	12,305,213	21,836,477	24,072,272
Other	121,595	243,747	602,403	591,249
Net Revenues	8,208,049	16,052,759	28,452,634	31,301,723
By source:				
Mobile ads	1,840,135	3,503,799	7,365,516	6,638,202
Ad-Supported Streaming	6,246,320	12,305,213	20,484,717	24,072,272
Other	121,594	243,747	602,401	591,249
Gross Profit	4,816,991	10,128,836	17,190,784	19,340,634
Adjusted EBITDA (1)	(2,248,399)	2,578,743	(5,047,128)	988,185
Loss from operations	(3,018,299)	2,093,321	(6,021,609)	(309,108)
Net loss	(3,347,114)	1,749,633	(7,017,974)	(1,305,403)

(1) As defined in "Non-IFRS Measures"

Revenue:

Three-month periods ended September 30, 2025 and 2024.

Sabio generates most of its revenue by reaching, engaging, and validating streaming (R.E.V.) audiences in a highly fragmented media ecosystem. In addition, through its proprietary, end-to-end technology stack, its AppScience, Inc. subsidiary provides unique, ROI-focused analytics and insights to help its clients validate and optimize their ad spend. Sabio's supply-side platform ("SSP") and newly launched streaming channel, Creator TV, leverage direct relationships with streaming platforms for both pricing and margin efficiency. This ecosystem also leads to a high reoccurring business model, as evidenced by Sabio's 85% reoccurring revenue rate in the nine months ended September 30, 2025.¹ Overall, Sabio tracks 115 million connected TV devices and 280 million mobile devices in 80 million validated U.S. households that use platforms such as Roku, Amazon Fire, Plex, Sling, Apple TV+, Samsung TV, Vizio, and LG, amongst others, reaching approximately 70% of U.S. streaming households.

Sabio sells to brands through their respective advertising agencies. Revenue from advertising is largely generated through video and display advertising delivered through ad impressions, which are typically sold on a cost-per-thousand (CPM) basis. Revenue is recognized as ad impressions are delivered. On the Company's newly launched Creator TV streaming channel, revenue on delivered ad impressions is recognized net of any applicable revenue-sharing arrangements. Revenue for AppScience, Inc. is generated via the sales of insights reports and brand study reports and licenses to use the App Science platform.

¹ Excluding political campaigns.

Consolidated gross revenues for the three months ended September 30, 2025, decreased 42% to \$9,282,638, compared to \$16,052,759 for the same period in 2024, a decrease of \$6,770,121. Consolidated net revenues for the three months ended September 30, 2025, declined 49% to \$8,208,049, compared to \$16,052,759 for Q3 2024, a decrease of \$7,844,710. Normalized to exclude political and advocacy campaigns, consolidated gross revenues decreased by 11% or \$1,031,647 year-over-year, from \$9,756,278 for Q3 2024 to \$8,724,631 for this quarter. The year-over-year decline was driven by non-returning political dollars (political campaigns contributed approximately \$5 million in the prior year's third quarter), as well as major brands frontloading budgets into earlier quarters to mitigate anticipated tariff impacts. To that end, Sabio's consolidated net revenues grew by 33% in the first half of 2025. Despite these challenges, our strategy and early investments are beginning to pay off. The areas we invested in to diversify both product mix and geography accounted for 40% of Sabio's sales mix and all of its core, branded growth, positioning the Company for strong performance ahead. Gross international sales increased 240% year over year, with Sabio London Limited contributing 19% of consolidated gross revenues, up from 3% in the prior year. In addition, Sabio's new programmatic offering—the dominant category in ad-supported streaming—achieved strong early adoption, accounting for 20% of consolidated gross sales and generating \$1,883,315 in gross revenues for the three months ended September 30, 2025. As part of this diversification strategy, Sabio saw a 54% year-over-year growth rate in the branded logos that spent with the Company in Q3, including several leading global advertisers. Among existing relationships, nearly 70% of our top customers who spent with Sabio in 2024 increased their spend year-to-date in 2025, demonstrating expanding customer reach and strong retention among Sabio's largest partners. These results highlight the impact of intentional investments made over the past year and demonstrate meaningful progress toward a more diversified and resilient revenue base across markets and products.

By segment, ad-supported streaming gross revenues for the three months ended September 30, 2025, decreased 43% to \$7,071,995, compared to \$12,305,213 for the same period in 2024, a decrease of \$5,233,218. Normalized to exclude political and advocacy campaigns, ad-supported streaming gross revenue increased 2% or \$144,323 year-over-year from \$6,675,495 for Q3 2024 to \$6,819,817 for the current quarter, highlighting the underlying strength and resiliency of Sabio's core, despite budget pressures stemming from tariff-related uncertainty. The continued strength in normalized streaming revenues underscores the benefits of investments made over the past year to build a broader, more resilient demand base and advance the Company's strategy of diversification and growth across product, brand, and geography. Ad-supported streaming net revenues for the three months ended September 30, 2025, decreased 49% to \$6,246,320, compared to \$12,305,213 for Q3 2024. The decrease reflected the anticipated reduction in political and advocacy spending.

Ad-supported streaming TV, one of digital advertising's fastest-growing arenas, is the Company's dominant sales category. Notably, the sales model for streaming TV advertising offers inherent cost efficiencies versus mobile display advertising (where campaign parameters often require more customization). Ad-supported streaming TV remained a consistent contributor, representing 76% of the sales mix for the quarter versus 77% in the prior year's period. Sabio's rapid growth in this category reflects the Company's ability to leverage its proprietary data to deliver marketable insights in an increasingly fragmented media landscape – without the use of increasingly obsolete cookie-based tracking methods. These insights drive a more powerful connection to target audiences, helping brands and political advertisers effectively reach, engage, and validate ("R.E.V.") audiences in a fragmented media ecosystem.

Through its demand-side platform ("DSP") and ad server, Sabio provides targeted campaigns solutions to top agencies and brands by monetizing the Sabio SSP ad slots, as well as via other third-party ad-supported streaming apps.

With its expertise in using mobile device user data for precise audience targeting, the Company is uniquely positioned to provide next-level consumer behavior analytics for a wide range of consumer marketers. To this end, Sabio has established a wholly-owned subsidiary, AppScience, Inc., to more broadly commercialize the App Science platform's analytics and validation capabilities.

For the three months ended September 30, 2025, mobile ad gross revenues decreased 40% to \$2,089,048 from \$3,503,799 for the three months ended September 30, 2024, a decrease of \$1,414,751. Excluding political advertising, mobile gross revenue decreased by 37% or \$1,053,170 year-over-year, from \$2,837,036 for Q3 2024 to \$1,783,866 Q3 2025. The decrease primarily reflects the expected moderation in political and advocacy activity, together with temporary softness in advertiser budgets amid tariff-related uncertainty. Within the automotive vertical, clients front-loaded their spend with Sabio into the first half of the year ahead of anticipated tariff impacts, contributing to the lower Q3 revenue comparison. Mobile ad net revenues decreased 47% to \$1,840,037 from \$3,503,799 for the three months ended September 30, 2024, a decrease of \$1,663,762.

Nine-month periods ended September 30, 2025 and 2024.

Consolidated gross revenues for the nine-month period ended September 30, 2025, decreased 4% to \$30,091,212, compared to \$31,301,723 for the same period in 2024, a decrease of \$1,210,511. Normalized to exclude political and advocacy campaigns, consolidated gross revenues increased 10% or \$2,345,616 year-over-year from \$22,504,509 for Q3 2024 to \$24,850,125 for Q3 2025. This growth reflects broad-based strength within Sabio's core, branded business across multiple verticals, including finance, utilities, legal and professional services, telecom, travel and tourism, and technology, and underscores the Company's ongoing efforts to diversify its sales mix across both verticals and geographies. Highlighting the continued rapid expansion of Sabio's international operations, Sabio London Limited sales grew 256%, contributing 8% of consolidated gross revenues for the nine months ended September 30, 2025, up from 2% in the prior-year period. In addition, the Company further diversified its revenue base through product innovation, with Sabio's new programmatic offering achieving strong early adoption and accounting for approximately 10% of consolidated gross sales, generating \$2,891,121 in gross revenues during the period. Month-over-month programmatic sales grew at an average rate of 57% during the nine months ended September 30, 2025, reflecting consistent traction and scalability across the platform. Consolidated net revenues for the nine months ended September 30, 2025, decreased 9% to \$28,452,634, compared to \$31,301,723 for the same period in 2024, a decline of \$2,849,089, as the scaling of Sabio's programmatic offering impacted gross revenues.

By segment, ad-supported streaming gross revenues for the nine months ended September 30, 2025, decreased 9% to \$21,836,477, compared to \$24,072,272 for the same period in 2024, a decrease of \$2,235,795. Normalized to exclude political and advocacy campaigns, gross ad-supported streaming revenues increased 13% or \$2,123,990 year-over-year from \$15,943,964 for Q3 2024 to \$18,067,954 for Q3 2025. The increase highlights the underlying strength and resiliency of Sabio's core, branded streaming business, supported by steady advertiser demand across multiple verticals and the successful rollout of the Company's new programmatic offering, which expanded access to incremental demand sources and enhanced monetization efficiency across Sabio's streaming inventory. Ad-supported streaming represented 72% of total net sales for the nine-month period, compared to 77% in the prior year, underscoring Sabio's core concentration in ad-supported streaming, which remains one of the fastest-growing areas of advertising. Ad-supported streaming net revenues for the nine months ended September 30, 2025, decreased 15% to \$20,484,717, compared to \$24,072,272 for the same period in 2024, a decrease of \$3,587,555. The year-over-year decrease primarily reflects the expected reduction in political and advocacy spending following the prior election cycle.

For the nine months ended September 30, 2025, mobile ad gross revenues increased 15% to \$7,652,332, an increase of \$1,014,130, from \$6,638,202 for the nine months ended September 30, 2024. Mobile ad net revenues increased 11% to \$7,365,516, an increase of \$727,314, from \$6,638,202 for the nine months ended September 30, 2024. The increase was driven by increased usage of non-OTT, mobile video in the period, in addition to growth in our new performance marketing offering.

Cost of Sales and Gross Margins:

The following table sets out a reconciliation of Gross Profit to Revenue for each of the periods indicated:

	For the three months ended		For the nine months ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
	\$	\$	\$	\$
Net Revenues	8,208,049	16,052,759	28,452,634	31,301,723
Cost of sales	3,391,058	5,923,923	11,261,850	11,961,089
Gross profit	4,816,991	10,128,836	17,190,784	19,340,634

Three-month periods ended September 30, 2025 and 2024.

Cost of sales consist of purchased publisher media inventory, production, and technical service costs and fees, in addition to data center, bandwidth, and cloud hosting costs connected to our revenue-producing platform. For the three months ended September 30, 2025, cost of sales decreased 43% to \$3,391,058, compared to \$5,923,923 for Q3 2024, was primarily driven by the corresponding decline in revenues during the quarter. Gross profit margin was 59%, compared to 63% in the prior-year third quarter, reflecting a strategic shift toward scalable programmatic revenues. Sabio's end-to-end technology stack, including proprietary App Science™ analytics and the Sabio SSP ad inventory, continued to enhance operational performance and efficiency across the platform, helping to protect margins amid an evolving revenue mix.

Nine-month periods ended September 30, 2025 and 2024.

Cost of sales consist of purchased publisher media inventory, production, and technical service costs and fees, in addition to data center, bandwidth, and cloud hosting costs connected to our revenue-producing platform. For the nine-month period ended September 30, 2025, cost of sales decreased 6% to \$11,261,850, compared to \$11,961,089 for the same period in 2024, a reduction of \$699,239, primarily reflecting lower revenues during the period. Gross profit margin was 60% for the nine months ended September 30, 2025, compared to 62% for the prior-year period, as Sabio's end-to-end technology stack helped mitigate margin pressure from the ongoing shift to programmatic revenues, a strategically scalable and higher-velocity business line.

Reconciliation of Net income (loss) to Adjusted EBITDA for the three and nine months ended September 30, 2025, and 2024:

The following table presents a reconciliation of Net income (loss) to Adjusted EBITDA for the periods indicated:

	For the three months ended		For the nine months ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
	\$	\$	\$	\$
Net loss for the period	(3,347,114)	1,749,633	(7,017,974)	(1,305,403)
Adjustments				
Finance costs	309,447	335,461	951,846	963,289
Interest earned	(9,156)	(8,547)	(29,978)	(33,611)
Amortization of intangible assets	43,508	47,594	133,122	148,615
Stock-based compensation	77,901	58,586	229,220	162,908
Employee retention tax credit received	-	-	(583,145)	-
Loss on lease termination	-	-	20,275	-
Gain on lease modification	-	-	(7,317)	-
Amortization of lease	185,060	181,525	509,556	540,628
Income taxes	19,368	8,227	44,519	33,006
Foreign exchange differences	10,240	5,445	22,969	12,772
State and local taxes	301	11,535	48,531	40,883
Severance expenses	462,046	189,284	631,248	425,098
Total adjustments	1,098,715	829,110	1,970,846	2,293,588
Adjusted EBITDA (1)	(2,248,399)	2,578,743	(5,047,128)	988,185

(1) As defined in "Non-IFRS Measures"

Three-month periods ended September 30, 2025 and 2024.

Adjusted EBITDA for the three-month period ended September 30, 2025, was a loss of \$2,248,399, compared to a profit of \$2,578,743 for Q3 2024, representing a decrease of \$4,827,142. The loss was primarily driven by a reduction in political advertising revenues, which decreased by \$5,058,882 during the quarter in an off-election year, tariff-related softness in select advertiser categories, and continued investment in scalable growth initiatives. During the quarter, Sabio advanced its key objective of diversification and growth through targeted investments aimed at expanding its business model across product, brand, and geography while driving revenue outside of political cycles. Programmatic and international offerings together represented 40% of consolidated Q3 gross revenues, reflecting the progress of investments made over the past year. Ongoing efficiency initiatives helped offset these investments, with normalized operating expenses (excluding sales commissions, bonuses, and severance) decreasing 10% sequentially from Q2 2025, supporting a more scalable cost structure.

For the three months ended September 30, 2025, non-recurring adjustments included Severance expenses of \$462,046 resulted from operational efficiency initiatives undertaken by Management.

Nine-month periods ended September 30, 2025 and 2024.

Adjusted EBITDA for the nine-month period ended September 30, 2025, was a loss of \$5,047,128, a decrease of \$6,035,313 compared to the \$988,185 profit for the nine months ended September 30, 2024. The decline was driven by a \$5,351,655 reduction in political advertising revenues during an off-election year, continued investment in scalable growth initiatives including the Creator TV streaming channel and programmatic and performance marketing offerings, and higher cloud infrastructure costs. Cloud infrastructure expenses, which rose 114% year over

year to enhance data security and platform capacity, contributed \$1,584,012 to the Adjusted EBITDA decline but decreased 10% sequentially (\$96,519) from Q2 2025 as efficiencies began to take hold.

For the nine months ended September 30, 2025, non-recurring adjustments included:

- A gain of \$583,145, including accrued interest, recognized in connection with Employee Retention Tax Credit (ERTC) claims received from the U.S. Internal Revenue Service (IRS) in April 2025, related to the first and second quarters of 2021. The ERTC was originally introduced under the CARES Act and later extended through the end of 2021 by the Consolidated Appropriations Act; and
- Severance expenses of \$631,248 resulted from operational efficiency initiatives undertaken by Management.

Operating Expenses:

The following table summarizes various expenses for the three and nine months ended September 30, 2025, and 2024:

	For the three months ended		For the nine months ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
	\$	\$	\$	\$
Sales and marketing	4,166,260	4,129,942	12,140,322	10,407,537
General and administrative	1,355,015	1,649,637	4,731,912	3,926,627
Occupancy cost	222,440	163,806	617,660	485,018
Finance costs	309,447	335,461	951,846	963,289
Research and technology costs	1,778,017	1,804,425	5,414,973	3,978,409
Stock-based compensation	77,901	58,586	229,220	162,908
Amortization of intangible assets	43,508	47,594	133,122	148,615

Three-month periods ended September 30, 2025 and 2024.

Sales and marketing

Sales and marketing consist of all costs associated with selling and marketing the Company's products and services. These costs include all salaries and wages, benefits, commissions, travel, marketing and payroll taxes for Sabio's sales, marketing, and account management teams. Sales and marketing expenses for the three months ended September 30, 2025, were \$4,166,260, an increase of \$36,318 (1%) from \$4,129,942 for Q3 2024, as lower commission and bonus accruals substantially offset planned investments in Sabio's domestic and international salesforce and targeted resource allocation to support the launches of the Company's programmatic, Creator TV, and performance marketing offerings. Sabio's sales organization expanded in 2025, with 46% of hires made within the past nine months, positioning the Company to capture the full benefits of these investments in 2026. These initiatives are already delivering meaningful early returns, highlighted by Sabio London Limited contributing 19% of consolidated gross revenues in the third quarter of 2025 and the new programmatic offering accounting for 20% of consolidated gross sales during the same period.

Notably, sales and marketing expenses were down 3% sequentially in Q3 2025 versus Q2 2025, or 8% after normalizing for sales commissions, bonuses, and severance expenses, reflecting Sabio's continued focus on efficiency.

General and administrative

General and administrative costs include legal and professional fees, employee training, bank charges, contractors, administrative salaries and wages, employee meetings and office supplies. General and administrative costs for the three months ended September 30, 2025, were \$1,355,015, a decrease of \$294,622 (18%) from \$1,649,637 in Q3 2024, primarily due to lower variable compensation and cost optimization measures implemented during the period. Sequentially, general and administrative costs declined 29% from \$1,914,350 in Q2 2025, reflecting the absence of certain non-recurring employee event costs and continued cost discipline across the organization.

Occupancy

Occupancy costs include short-term leases, utilities and incidental costs incurred throughout the Company's operating footprint. Occupancy costs for the three months ended September 30, 2025, were \$222,440, an increase of \$58,634 (36%) from \$163,806 in Q3 2024. The increase was due to the commencement of a shared office space lease for Sabio London Limited in November 2024.

Finance

Finance costs for the three months ended September 30, 2025, were \$ 309,447, a decrease of \$26,014 (8%) from \$335,461 for Q3 2024, primarily attributable to decreased borrowings under our accounts receivable line of credit with SLR Digital Finance. As at September 30, 2025, the company had an outstanding loan balance of \$4,265,616 with SLR Digital Finance, a decrease of \$953,771, from the balance of \$5,219,387 as at December 31, 2024.

Research and technology

Research and technology costs consist primarily of cloud storage costs associated with running and maintaining Sabio's proprietary ad-server, App Science analytics platform, and related headcount costs. The majority of such costs are comprised of cloud computing, salaries & wages and data and analytics costs. Research and technology costs for the three months ended September 30, 2025, were \$1,778,017, a decrease of \$26,408 (1%) compared to \$1,804,425 for Q3 2024. On a sequential basis, research and technology expenses increased 5% or \$80,722 from \$1,697,295 for Q2 2025, primarily due to 13% or \$109,396 increase in cloud infrastructure costs. With the heaviest infrastructure investments completed in early 2025, spending has since begun to normalize, evidenced by a 10% sequential reduction (\$96,519) in aggregate cloud costs from Q2 2025. Excluding cloud-related expenses, research and technology costs decreased 3%, or \$28,674, sequentially, demonstrating ongoing cost discipline and improved operating efficiency within the technology function.

Stock-based compensation

The Company uses its Omnibus Equity Incentive Plan for employee compensation, retention, and incentives. Stock-based compensation for the three months ended September 30, 2025, was \$77,901, an increase of \$19,315 (33%) from \$58,586 in Q3 2024. There were no stock-based compensation awards issued during the quarter.

Nine-month periods ended September 30, 2025 and 2024.

Sales and marketing

Sales and marketing consist of all costs associated with selling and marketing the Company's products and services. These costs include all salaries and wages, benefits, commissions, travel, marketing and payroll taxes for Sabio's sales, marketing, and account management teams. Sales and marketing expenses for the nine months ended September 30, 2025, were \$12,140,322, an increase of \$1,732,785 (17%) from \$10,407,537 for the same period in the prior year. The year-over-year increase reflects planned investments in Sabio's expanding domestic and international salesforce and strategic resource allocation to support the launches of the Company's programmatic, Creator TV, and performance marketing offerings. Sabio's sales organization grew in 2025 with 46% of hires made within the past nine months, positioning the Company to capture the full benefits of these investments in 2026. These efforts are already delivering meaningful early returns, highlighted by Sabio London Limited contributing 8% of consolidated gross revenues for the nine months ended September 30, 2025, and the new programmatic offering achieving strong early adoption, accounting for 10% of consolidated gross sales during the same period.

General and administrative

General and administrative costs include legal and professional fees, employee training, bank charges, contractors, administrative salaries and wages, employee meetings and office supplies. General and administrative costs for the nine months ended September 30, 2025, were \$4,731,912, an increase of \$805,285 (21%) from \$3,926,627 in the same period in the prior year. The year-over-year increase was primarily attributable to an increases in audit accruals and headcount additions since the first quarter of 2024 to support the Company's continued growth, in addition to an employee recognition event held within the second quarter.

Occupancy

Occupancy costs include short-term leases, utilities and incidental costs incurred throughout the Company's operating footprint. Occupancy costs for the nine months ended September 30, 2025, were \$617,660, an increase of \$132,642 (27%) from \$485,018 in the same period of the prior year. The increase was primarily due to the commencement of a shared office space lease for Sabio London Limited in November 2024.

Finance

Finance costs for the nine months ended September 30, 2025, were \$951,846, a decrease of \$11,443 (1%) from \$963,289 for nine months ended September 30, 2024, primarily attributable to decreased borrowings under our accounts receivable line of credit with SLR Digital Finance. As at September 30, 2025, the company had an outstanding loan balance of \$4,265,616 with SLR Digital Finance, a decrease of \$953,771, from the balance of \$5,219,387 as at December 31, 2024.

Research and technology

Research and technology costs consist primarily of cloud storage costs associated with running and maintaining Sabio's proprietary ad-server, App Science analytics platform, and related headcount costs. The majority of such costs are comprised of cloud computing, salaries & wages and data and analytics costs. Research and technology costs for the nine months ended September 30, 2025, were \$5,414,973, an increase of \$1,436,564 (36%) compared to the same period of 2024. The year-over-year increase was primarily due to cloud infrastructure costs, whose

operating expense component was up 109% or \$1,519,302 year-over-year. During the first quarter of 2025, Sabio completed a one-time migration of its legacy Sabio SSP (formerly "Vidillion") and implemented new direct supply integrations into its secure and scalable AWS platform, enhancing security and supporting long-term growth. With the heaviest infrastructure investments completed early in 2025, costs have since begun to normalize, evidenced by a 10% sequential reduction (\$96,519) in aggregate cloud costs from Q2 2025. Management remains focused on unlocking additional efficiencies and optimizing platform scalability in the quarters ahead.

Stock-based compensation

The Company uses its Omnibus Equity Incentive Plan for employee compensation, retention, and incentives. Stock-based compensation for the nine months ended September 30, 2025, was \$229,220, an increase of \$66,312, or 41%, from \$162,908 in the same period of the prior year. The stock-based compensation granted in fiscal 2025 year-to-date is related to executive and non-executive and consultant compensation in the ordinary course of business.

Research and Development Expenditures:

Research and development expenses consist of certain remunerations paid to engineering personnel. Development costs that meet the criteria under IAS 38 Intangible Assets are capitalized as Intangible Assets. Deferred development costs have finite lives and are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized using the straight-line method. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

During the three months ended September 30, 2025, the Company capitalized \$42,664 to Intangible Assets, compared to \$17,699 in Q3 2024. During the nine-month period ended September 30, 2025, the Company capitalized \$72,819 to Intangible Assets, compared to \$75,518 in the comparable period in fiscal 2024.

During the three months ended September 30, 2025, the Company amortized a total of \$30,230 in development expenses, compared to \$34,316 in Q3 2024. During the nine-month period ended September 30, 2025, the Company amortized a total of \$93,285 in development expenses, compared to \$108,529 in the comparable period in fiscal 2024.

OUTLOOK

Sabio enters the fourth quarter with expanding demand across programmatic ad-supported streaming (Connected TV/OTT), mobile video, Creator TV, and international markets. With the Company's investments in scalable revenue channels now contributing meaningfully to results, Sabio is structurally better positioned for 2026 than at any point in its history. The Company's Q1 2026 pipeline is currently up close to 60% year-over-year. As a reminder, Sabio delivered a strong Q1 this year as well, growing 43% over Q1 2024.

2026 marks the next U.S. mid-term election cycle, which historically drives significant political and advocacy spending across streaming TV and mobile video. Combined with Sabio's stronger branded revenue base, expanded international presence, and accelerated programmatic adoption, the Company is entering the year with a more diversified and scalable foundation.

While Q3 reflects the natural pacing of a non-political year and broader industry budget timing shifts, Sabio's enhanced revenue mix, high recurring customer base, and strengthened technology stack position the Company for improved performance in 2026 and long-term growth.

Summary of Quarterly Results

The following unaudited table sets out selected financial information for the Company on a consolidated basis for the last eight most recently completed quarters.

	Sep 30, 2025	June 30, 2025	Mar 31, 2025	Dec 31, 2024	Sep 30, 2024	June 30, 2024	Mar 31, 2024	Dec 31, 2023
Net Revenue	8,208,049	11,157,319	9,087,266	18,301,162	16,052,759	8,897,431	6,351,533	12,671,038
Net Income (Loss)	(3,347,114)	(1,377,658)	(2,293,202)	1,194,528	1,749,633	(1,042,929)	(2,012,107)	1,132,414
Assets	15,480,183	16,888,985	16,219,624	23,110,312	19,962,987	15,875,407	14,861,763	20,181,393
Liabilities	23,077,939	21,324,739	19,393,652	24,081,959	22,159,200	19,886,480	17,892,887	21,262,110
Basic EPS	(0.07)	(0.03)	(0.05)	0.02	0.03	(0.02)	(0.04)	0.02

LIQUIDITY AND CAPITAL RESOURCES

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach in managing liquidity is to ensure, to the extent possible, that it will have sufficient liquidity to meet its liabilities when due, by continuously monitoring actual and forecasted cash flows.

Sabio intends to use its operating income and funds on hand to meet funding requirements for the development and commercialization of its products and services, based on anticipated market demand and working capital purposes. Actual funding requirements will vary depending on a variety of factors, including Sabio's success in executing its business plan, the progress of research and development efforts, commercial sales, and the Company's ability to manage working capital requirements.

While management believes Sabio has access to sufficient operating capital to meet its day-to-day operating expenses, it is possible that the Company could experience a working capital deficiency in the future, which would have a materially adverse effect on its liquidity. If future cash flows from operations are lower than expected, the Company may need to seek additional financing, either by issuing additional equity or by undertaking additional debt. If it raises additional funds by issuing equity or equity-linked securities, the ownership of existing stockholders will be diluted. If it raises additional financing by incurring additional indebtedness, Sabio may be subject to increased fixed payment obligations and could also be subject to additional restrictive covenants, such as limitations on its ability to incur further debt, and other operating restrictions that could adversely impact the Company's ability to conduct its business. Any further indebtedness may result in terms that could be unfavorable to equity investors. Furthermore, there is no certainty that additional financing, whether debt or equity, will be available or that it will be available on attractive terms.

The Company maintains two credit facilities secured against its strong accounts receivable base. The first is a three-year, \$10 million senior secured revolving credit facility with SLR Digital Finance, bearing interest at the greater of Prime plus 2.15 percent or 8.5 percent, and secured against all Company assets. The facility enables Sabio to borrow against eligible U.S. receivables prior to collection, which have historically experienced nominal loss rates given a customer base comprised largely of major U.S. brands and advertising agencies. Collections are applied directly to the loan balance, providing a self-replenishing source of working capital. Complementing this, the Company's U.K. subsidiary, Sabio London Limited, entered into a receivables purchase agreement on September 17, 2025, with

Revamp Funding Designated Activity Company, providing advances of up to 90 percent of eligible U.K. receivables, subject to an aggregate exposure limit of GBP £3 million. The Revamp facility, which carries a minimum six-month term and is cancellable at the Company's option, bears a discount charge of 0.54 percent per month and a service fee of 0.99 to 1.01 percent per month. Together, these facilities provide Sabio with flexible, recurring liquidity sources secured by high-quality receivables from blue-chip customers, supporting the Company's working capital and growth objectives.

As of September 30, 2025, the Company had cash of \$1,976,770 as compared to \$3,300,439 as at December 31, 2024, to settle current liabilities of \$20,825,549 (December 31, 2024 - \$22,377,617). The Company ended the third quarter with a net working capital deficit of \$10,585,053, compared to a net working capital deficit of \$3,800,993 at December 31, 2024. Included in the working capital deficit are the Company's revolving credit facility with SLR Digital Finance, with a balance at quarter-end of \$4,265,616, and Revamp Funding Designated Activity Company, with a balance at quarter-end of \$964,719. While outstanding balances under the credit arrangements are classified as current liabilities, Management believes these facilities, secured by receivables from a predominantly Fortune 500 branded-customer base, provide underlying long-term stability. The primary SLR Digital Finance facility also explicitly carries a multi-year term.

On August 16, 2023, the Company entered into agreement for issue of secured convertible notes (the "secured notes") and unsecured convertible notes (the "unsecured notes", and together with the "secured notes", the "notes") to raise aggregate gross proceeds of \$1,261,645 (CAD \$1,737,850), which comprises the issuance of secured notes in the aggregate principal amount of \$872,996 (CAD \$1,200,000) and unsecured notes in the aggregate principal amount of \$388,649 (CAD \$537,850). The secured convertible notes were retired at the maturity date of August 16, 2025 by the proceeds from the non-convertible debentures closed on August 25, 2025, while the unsecured convertible notes were rolled over into the non-convertible debentures issued on the same date at an amount equal to their principal at the maturity date.

On August 25, 2025, the Company closed a non-brokered, private placement offering of 15% subordinated and unsecured, non-convertible debentures of the Company for gross proceeds of \$1,302,734 (CAD \$1,802,850). The proceeds were used to retire the entire principal amount of \$1,261,645 (CAD \$1,737,850), together with accrued interest, on the secured and unsecured convertible notes originally issued on August 16, 2023. As part of this offering, Aziz Rahimtoola, Sabio's CEO, subscribed to the new debenture note with an aggregate principal amount of \$388,649 (CAD \$537,850) by rolling over the principal portion of his previously retired unsecured convertible note. The new debentures have a six-month term and bear a simple interest at a rate of 15% per annum (calculated as 7.5% on a 6-month period). In connection with the offering, the Company issued an aggregate of 170,066 common shares (each, a "Bonus Share") in the capital of the Company at a price of \$0.38 (CAD \$0.53) per Bonus share, including 50,740 Bonus Shares issued to Mr. Rahimtoola. The Bonus Shares are subject to hold periods under applicable Canadian securities laws. Prior to maturity, the Company has the option to extend the debt instrument for an additional 6-month term in return for Bonus Shares equal to 10% of the principal amount extended.

Subsequent to quarter-end, on November 12, 2025, the Company announced the closing of a brokered private placement offering of common shares of the Company (each, a "LIFE Share") at a price of CAD \$0.43 per LIFE Share. The Offering closed on November 11, 2025, with a total of 2,960,000 LIFE Shares issued for aggregate gross proceeds of CAD \$1,272,800. The Offering was led by Canaccord Genuity Corp., together with Beacon Securities Ltd.

Below is a summary of cash provided by (used in) operating, investing, and financing activities for the periods indicated:

	For the nine months ended	
	September 30, 2025	September 30, 2024
	\$	\$
Cash flows (used in) from operating activities	(746,215)	2,654,610
Cash flows used in investing activities	(72,819)	(75,518)
Cash flows used in financing activities	(504,635)	(2,319,318)
Net (decrease) increase in cash	(1,323,669)	259,774
Cash, beginning of period	3,300,439	2,612,112
Cash, end of period	1,976,770	2,871,886

Cash provided by (used in) operating activities:

Operating activities used \$746,215 in cash for the nine months ended September 30, 2025, which primarily resulted from \$7,017,974 in net losses, which were offset by \$5,120,471 attributable to movements in non-cash working capital and \$1,151,288 of non-cash adjustments. The primary contributors to the movement in non-cash working capital were decreases in accounts receivable and in accounts payable and accrued liabilities, as well as an increase in deferred revenue.

Cash provided by (used in) investing activities:

For the nine months ended September 30, 2025, cash used in investing activities was \$72,819, which consisted of development costs related to internally generated intangible assets, compared to cash used for development costs of \$75,518 for the nine months ended September 30, 2024.

Cash provided by (used in) financing activities:

Cash used in financing activities for the nine months ended September 30, 2025, was \$504,635, primarily due to:

- A total net repayment of \$953,771 on the Company's credit facility with SLR Digital Finance;
- The retirement of the convertible notes of \$1,261,645 issued on August 16, 2023, through the issuance of a non-brokered private placement of 15% subordinated, unsecured, non-convertible debentures for gross proceeds of \$1,302,734 (CAD \$1,802,850) on August 25, 2025;
- The commencement of a receivables purchase facility with Revamp Funding Designated Activity Company, which had an outstanding balance of \$964,719; and
- Payments of \$614,730 toward the Company's lease liabilities.

Security-based compensation:

On June 29, 2022, shareholders of the Company approved a replacement Omnibus Equity Incentive Plan. Under the plan, the Company issues security-based compensation, including options and restricted stock units.

Stock options:

As at September 30, 2025, the Company was entitled to issue a maximum of 5,098,965 share options outstanding under the Omnibus Equity Incentive Plan, compared to 5,054,949 as at December 31, 2024.

The following table summarizes the continuity of stock options issued by the Company under the Omnibus Equity Incentive Plan:

Measurement date	Number of Options	Weighted average exercise price
	#	\$
Balance, December 31, 2023	2,841,731	0.63
Granted	350,000	0.24
Exercised	(33,359)	0.17
Forfeited	(652,207)	0.66
Balance, December 31, 2024	2,506,165	0.57
Granted	642,456	0.43
Forfeited	(154,632)	0.57
Balance, September 30, 2025	2,993,989	0.54
Options exercisable, December 31, 2024	1,947,588	0.60
Options exercisable, September 30, 2025	2,183,134	0.53

Restricted stock units (RSUs):

As at September 30, 2025, the Company was entitled to issue a maximum of 4,550,993 other security-based awards (including RSUs) outstanding under the Omnibus Equity Incentive Plan. The following table summarizes the continuity of RSUs issued by the Company under the Omnibus Equity Incentive Plan:

Measurement date	Number of RSUs	Weighted average grant price
	#	\$
Balance, December 31, 2023	778,627	0.59
Granted	320,585	0.36
Forfeited	(131,668)	0.74
Vested and redeemed	(479,548)	0.49
Balance, December 31, 2024	487,996	0.49
Forfeited	(8,335)	0.74
Vested and redeemed	(113,117)	0.75
Balance, September 30, 2025	366,544	0.41

CONTRACTUAL OBLIGATIONS

The following are the contractual maturities for the financial liabilities as at September 30, 2025:

September 30, 2025	Contractual cash flows	Less than 1 year	1-3 years	4-5 years	After 5 years
Trade and other payables	13,324,648	13,324,648	-	-	-
Lease liability	3,026,883	989,951	1,888,880	148,052	-
Loans payable	6,926,609	6,491,879	27,731	29,887	377,112
	23,278,140	20,806,478	1,916,611	177,939	377,112

The following are the contractual maturities for the financial liabilities as at December 31, 2024:

December 31, 2024	Contractual cash flows	Less than 1 year	1-3 years	4-5 years	After 5 years
Trade and other payables	15,424,579	15,424,579	-	-	-
Lease liability	2,176,107	644,687	1,057,760	473,660	-
Loans payable	6,855,377	6,415,377	22,359	29,060	388,581
	24,456,063	22,484,643	1,080,119	502,720	388,581

The loans payable balance as at September 30, 2025 includes:

- (i) \$4,265,616 outstanding under the credit facility with SLR Digital Finance, which provides for a three-year \$10 million senior-secured revolving credit facility at an interest rate of the greater of: (i) Prime rate plus 2.15%, or (ii) 8.5%, and is secured against all assets of the Company.
- (ii) \$964,719 outstanding under the receivables purchase facility with Revamp Funding Designated Activity Company, provided for the Company's subsidiary, Sabio London Limited. The facility covers approved debtors within the United Kingdom and provides for advances of up to 90% of eligible accounts receivable, subject to an aggregate exposure limit of GBP £3 million. Advances under the facility bear a discount charge of 0.54% per month and a service fee ranging from 0.99% to 1.01% per month.
- (iii) \$1,256,274 outstanding under the 15% subordinated, unsecured, non-convertible debentures issued on August 25, 2025, through a non-brokered private placement for gross proceeds of \$1,302,734 (CAD \$1,802,850) which were used to retire prior convertible notes issued on August 16, 2023. The debentures have a six-month term and bear a simple interest at a rate of 15% per annum (calculated as 7.5% on a 6-month period). Prior to maturity, the Company has the option to extend the debt instrument for an additional 6-month term in return for Bonus Shares equal to 10% of the principal amount extended. As part of this offering, Aziz Rahimtoola, Sabio's CEO, subscribed to the new debenture note with an aggregate principal amount of \$388,649 (CAD \$537,850) by rolling over the principal portion of his previously retired unsecured convertible note.

COMMITMENTS

On August 8, 2022, the Company entered a lease for an office in Hyderabad, India with Gowra Ventures (P) Ltd with the assured period of five years from the rent commencement date. The lease contains non-lease components for maintenance charges and usage charges amounting to \$273,253 (INR 22,589,800) for the assured period.

On March 17, 2023, the Company entered a lease for a new office in Playa del Rey, California for 67 months with Culver Studio Partners LLC. The lease contains non-lease components for maintenance charges and usage charges amounting to \$548,097 for the 67-month term.

The future minimum commitment for these contracts, excluding lease payments identified in Note 9 of the Condensed Interim Consolidated Financial Statements, as at September 30, 2025 is as follows:

Within one year	\$	150,127
Less than one year and not longer than five years		290,473
Thereafter		-
	\$	440,600

RELATED PARTY TRANSACTIONS

As of September 30, 2025, the related party loan balances include a loan principal plus interest of \$62,607 (\$62,156 as at December 31, 2024), with the interest rate of 1% per annum receivable from Simon Wong, an Officer of the Company and was due on July 15, 2025. During this quarter, the loan was further extended to December 31, 2025.

On August 16, 2023, the Company entered into agreements for issue of secured convertible notes and unsecured convertible notes. As a part of this offering, Aziz Rahimtoola, the CEO of the Company, subscribed for an unsecured note in the aggregate principal amount of \$388,649 (CAD \$537,850). At the date of issue, \$314,767 (net of transaction costs of \$12,757) were classified as a liability component and \$71,528 was classified as equity component. On August 25, 2025, the Company closed a non-brokered, private placement offering of 15% subordinated and unsecured, non-convertible debentures of the Company for gross proceeds of \$1,302,734 (CAD \$1,802,850). The proceeds were used to retire the entire principal amount of \$1,261,645 (CAD \$1,737,850), together with accrued interest, on the secured and unsecured convertible notes originally issued on August 16, 2023. As part of this offering, Aziz Rahimtoola, Sabio's CEO, subscribed to the new debenture note with an aggregate principal amount of \$388,649 (CAD \$537,850) by rolling over the principal portion of his previous unsecured convertible note (the "debt rollover"), thus retiring the previous instrument. The new debentures have a six-month term and bear a simple interest at a rate of 15% per annum (calculated as 7.5% on a 6-month period). Prior to maturity, the Company has the option to extend the debt instrument for an additional 6-month term in return for Bonus Shares equal to 10% of the principal amount extended. At the date of issue, \$1,238,050 (net of transaction costs of \$22,246 and including the associated loss on extinguishment of the convertible notes of \$7,529) were classified as a liability component and \$49,373 (net of transaction costs of \$594) was classified as share capital for the bonus shares issued as a part of the debenture offering. The balance of the non-convertible debenture due to Aziz Rahimtoola as at September 30, 2025 classified as a liability component was \$374,609 (2024 - nil) and classified as share capital for the bonus shares issued as a part of the debenture offering was \$15,400 (2024 - nil).

On November 20, 2023, several arrangements were agreed to between the Company and certain Canadian parties, including Liam Farrell (a related party of the Company) for exercising an aggregate of 2,804,702 share purchase warrants (including 182,136 share purchase warrants held by Liam Farrell) at an exercise price of CAD\$0.21 (\$0.17). The share purchase warrants were originally issued by the Company on January 11, 2021. These arrangements include the provision of promissory notes between the Company and warrant holders. As at September 30, 2025, the balance of promissory note due from Liam Farrell, including accrued interest, was \$31,285.

OFF-BALANCE SHEET ARRANGEMENTS

The Company is not aware of any material off-balance sheet arrangements.

ACCOUNTING POLICIES AND ESTIMATES

The preparation of the Condensed Interim Consolidated Financial Statements and application of IFRS often involve Management's judgment and the use of estimates and assumptions deemed to be reasonable at the time they are made. Significant assumptions and estimates used in preparing the financial statements include those related to credit quality of accounts receivable, income tax credits receivable, share-based payment transactions, capitalization and amortization of internally generated development costs, impairment tests for non-financial assets, as well as revenue and cost recognition. Sabio bases its estimates on historical experience and on various other assumptions that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, revenue, and expenses that are not

readily apparent from other sources. The Company reviews estimates and underlying assumptions on an ongoing basis. Revisions are recognized in the period in which estimates are revised and may impact future periods as well. Other results may be derived from different judgments or using different assumptions or estimates, and events may occur that could require material adjustment. Material accounting policies and estimates under IFRS are found in Notes 2, 3, and 4 of the Company's Condensed Interim Consolidated Financial Statements.

CHANGES IN ACCOUNTING POLICIES

For the three and nine months ended September 30, 2025, the Company adopted one amendment for the first time, but the adopted amendments do not have a material impact on the Condensed Interim Consolidated Financial Statements. Sabio's material accounting policies are provided in Notes 2, and 3 of the Condensed Interim Consolidated Financial Statements.

INTERNAL CONTROLS

Effective internal controls are necessary for Sabio to provide reliable financial reports and to help prevent fraud. Management is responsible for establishing and maintaining disclosure controls and procedures for the Company. Management has designed such disclosure controls and procedures, or caused them to be designed under its supervision, to provide reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, is made known to Sabio's CEO and to others within those entities on a timely basis, particularly during the period in which the annual filings are being prepared, so that appropriate decisions can be made regarding public disclosure.

An evaluation of the adequacy of the design and effective operation of the Company's disclosure controls and procedures was conducted under the supervision of management, including Sabio's CEO, as at December 31, 2024. Based on that evaluation, the CEO concluded that the design and operation of the system of disclosure controls and procedures were adequate as at December 31, 2024.

There have been no changes to Sabio's internal controls over financial reporting during the three and nine months ended September 30, 2025, that have materially affected, or are reasonably likely to materially affect, Sabio's internal control over financial reporting.

OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares without par value.

As at September 30, 2025, there were (i) 50,989,645 common shares issued and outstanding, (ii) 2,993,989 stock options outstanding with a weighted average exercise price per common share of \$0.54 and a weighted average contractual life of 7.11 years, and (iii) 366,544 RSUs outstanding with a weighted average grant price of \$0.41 and a weighted average contractual life of 0.13 years. As at December 31, 2024, there were (i) 50,549,485 common shares issued and outstanding, (ii) 2,506,165 stock options outstanding with a weighted average exercise price per common share of \$0.57 and a weighted average contractual life of 7.22 years, (iii) 487,996 RSUs outstanding with a weighted average grant price of \$0.49 and a weighted average contractual life of 0.90 years, and (iv) 5,500 treasury shares pending cancellation, with an average purchase price of \$0.33.

No shares were repurchased during the three and nine months ended September 30, 2025.

For the year ended December 31, 2024, the Company repurchased a total of 39,500 shares, under a Normal Course Issuer Bid (NCIB) accepted by the TSX Venture Exchange on March 26, 2024, at a total cost of CAD \$18,895 (\$13,560). These shares were purchased at a price ranging from CAD \$0.42 to CAD \$0.50 per share (\$0.30 to \$0.36). Of these shares, 34,000 shares were cancelled in 2024, and 5,500 shares were canceled on January 3, 2025. The total cost of 34,000 repurchased shares cancelled in 2024, and 5,500 repurchased shares cancelled during the nine months ended September 30, 2025, was CAD \$16,332 (\$11,751) and CAD \$2,563 (\$1,809), respectively. These amounts were recorded as a reduction in common shares.

RISK FACTORS

Sabio is exposed to a variety of business, financial and industry risks in the normal course of operations. A detailed description of risk factors associated with the Company's business is given in the "Risk Factors" section of the Annual Information Form for the year ended December 31, 2024, which is available under the Company's profile on SEDAR+ at sedarplus.ca.

SUBSEQUENT EVENTS

On November 12, 2025, the Company announced the closing of a brokered private placement offering of common shares of the Company (each, a "LIFE Share") at a price of CAD \$0.43 per LIFE Share. The Offering closed on November 11, 2025, with a total of 2,960,000 LIFE Shares issued for aggregate gross proceeds of CAD \$1,272,800. The Offering was led by Canaccord Genuity Corp., together with Beacon Securities Ltd. (collectively, the "Agents"). LIFE Shares issued pursuant to the Listed Issuer Financing Exemption are immediately freely tradeable and are not subject to a hold period under applicable Canadian securities laws. In connection with the Offering, the Company paid cash commissions and advisory fees in the aggregate amount of CAD \$38,184 (excluding applicable taxes) and issued an aggregate of 88,800 common shares (each, a "Compensation Share") and 177,600 compensation warrants (each, a "Compensation Warrant") to the Agents, subject to the final approval of the TSX Venture Exchange. Each Compensation Warrant is exercisable to acquire one Common Share (each, a "Compensation Warrant Share") at a price \$0.43 per Compensation Warrant Share until November 12, 2027.

ADDITIONAL INFORMATION

Additional information relating to the Company, including the Company's AIF, is posted on SEDAR+ at sedarplus.ca.