TSXV:SBIO · OTCQB:SABOF

Sabio Holdings Inc.

Condensed Interim Consolidated Financial Statements

For the three months ended
March 31, 2026 and 2025 (unaudited)

Expressed in U.S. Dollars

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	March 31, 2026	December 31, 2025
	$	$
Assets		
Current assets		
Cash	**1,046,338**	1,343,131
Accounts receivable, net of expected credit losses (Note 6)	**9,103,712**	12,969,867
Due from related parties (Note 12)	**32,368**	32,319
Promissory notes receivable (Note 12)	**466,069**	465,355
Prepaid expenses and other current assets	**566,847**	413,936
	11,215,334	15,224,608
Right of use asset (Note 9)	**1,713,146**	1,894,183
Intangible assets (Note 7)	**177,857**	174,375
Goodwill	**2,478,774**	2,478,774
	15,585,111	19,771,940
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (Note 8)	**18,461,428**	15,394,116
Deferred revenue	**201,688**	199,500
Current income tax liabilities	**91,636**	71,488
Lease liability (Note 9)	**796,541**	766,580
Loans payable (Note 10)	**8,057,302**	10,935,074
	27,608,595	27,366,758
Lease liability (Note 9)	**1,377,859**	1,601,593
Loans payable (Note 10)	**427,990**	431,375
	29,414,444	29,399,726
Shareholders' Equity (Deficiency)		
Common shares (Note 11)	**14,376,816**	14,360,272
Common stock issuable (Note 11)	**133,029**	5,267
Share-based benefits reserve (Note 11)	**1,815,103**	1,778,418
Deficit	**(30,086,021)**	(25,666,230)
Foreign currency translation reserve	**(68,260)**	(105,513)
	(13,829,333)	(9,627,786)
	15,585,111	19,771,940

Events after the reporting period (Note 16)

Approved by Directors:

'Aziz Rahimtoola' — Director

'Muizz Kheraj' — Director

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

	For the three months ended	
	March 31, 2026	March 31, 2025
	$	$
Net revenues (Note 3)	**7,158,342**	9,087,266
Cost of sales	**3,347,166**	3,530,847
Gross profit	**3,811,176**	5,556,419
Expenses		
Sales and marketing	**3,876,618**	3,688,689
General and administrative	**1,394,762**	1,462,547
Research and technology costs	**1,973,485**	1,939,661
Amortization of intangible assets (Note 7)	**35,861**	44,860
Occupancy (Note 9)	**214,138**	197,066
Amortization of lease (Note 9)	**181,037**	141,449
Share-based compensation (Note 11)	**48,721**	54,685
	7,724,622	7,528,957
Loss from operations	**(3,913,446)**	(1,972,538)
Other income	**794**	7,937
Loss on lease termination (Note 9)	**-**	(20,275)
Loss before finance costs and income taxes	**(3,912,652)**	(1,984,876)
Finance costs	**486,738**	295,561
Loss before income taxes	**(4,399,390)**	(2,280,437)
Income tax expense	**20,401**	12,765
Net loss for the period	**(4,419,791)**	(2,293,202)
Other comprehensive gain		
Foreign currency translation gain	**37,253**	35,542
Comprehensive loss	**(4,382,538)**	(2,257,660)
Loss per share		
Basic	**(0.08)**	(0.05)
Diluted	**(0.08)**	(0.05)
Weighted average number of shares outstanding		
Basic	**54,350,111**	50,565,835
Diluted	**54,350,111**	50,565,835

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

Condensed Interim Consolidated Statements of Changes In Shareholder's Equity (Deficit) (unaudited)

For the three months ended March 31, 2026 and year ended December 31, 2025

	Number of Common Shares	Common shares	Common stock issuable	Treasury shares	Equity component of convertible notes	Share-based benefits reserve	Deficit	Foreign currency translation reserve	Total shareholders' equity (deficiency)
	#	$	$	$	$	$	$	$	$
Balance, December 31, 2024	50,549,485	13,307,749	-	(1,809)	99,060	1,672,778	(15,930,297)	(119,128)	(971,647)
Issuance of common shares under LIFE offering (Note 11)	3,048,800	747,937	-	-	-	-	-	-	747,937
Issurance of warrants to agents of LIFE offering (Note 11)	-	-	-	-	-	16,627	-	-	16,627
Issurance of bonus shares as part of debenture offering (Note 10)	170,066	49,373	-	-	-	-	-	-	49,373
Issurance of shares to settle interest payable on secured convertible notes (Note 11)	162,477	60,692	-	-	-	-	-	-	60,692
Repayment of convertible notes	-	-	-		(99,060)	-	99,060	-	-
Share-based compensation (Note 11)	-	-	-	-	-	290,610	-	-	290,610
Shares issued due to vesting of restricted stock units (Note 11)	399,021	196,330	-	-	-	(196,330)	-	-	-
Common stock issuable (Note 11)	-	-	5,267	-	-	(5,267)	-	-	-
Repurchased shares cancellation (Note 11)	(5,500)	(1,809)	-	1,809	-	-	-	-	-
Net loss and total comprehensive loss	-	-	-	-	-	-	(9,834,993)	13,615	(9,821,378)
Balance, December 31, 2025	**54,324,349**	**14,360,272**	**5,267**	**-**	**-**	**1,778,418**	**(25,666,230)**	**(105,513)**	**(9,627,786)**
Balance, December 31, 2025	54,324,349	14,360,272	5,267	-	-	1,778,418	(25,666,230)	(105,513)	(9,627,786)
Share-based compensation (Note 11)	-	-	-	-	-	49,279	-	-	49,279
Shares issued due to vesting of restricted stock units (Note 11)	15,319	11,277	-	-	-	(11,277)	-	-	-
Common stock issuable (Note 11)	16,666	5,267	127,762	-	-	(1,317)	-	-	131,712
Net loss and total comprehensive loss	-	-	-	-	-	-	(4,419,791)	37,253	(4,382,538)
Balance, March 31, 2026	**54,356,334**	**14,376,816**	**133,029**	**-**	**-**	**1,815,103**	**(30,086,021)**	**(68,260)**	**(13,829,333)**

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

	For the three months ended	
	March 31, 2026	March 31, 2025
	$	$
Cash flows from operating activities		
Net loss	**(4,419,791)**	(2,293,202)
Adjustments for:		
Share-based compensation to employees (Note 11)	**48,721**	54,685
Share-based compensation to contractors (Note 11)	**558**	594
Finance costs (Note 9)	**64,048**	52,242
Gain on lease modification (Note 9)	**-**	(7,317)
Fair value loss on revaluation of derivative liabilities (Note 10)	**131,712**	-
Foreign exchange	**37,253**	35,542
Amortization of intangible assets (Note 7)	**35,861**	44,860
Amortization of lease (Note 9)	**181,037**	141,449
Loss on lease termination (Note 9)	**-**	20,275
	(3,920,601)	(1,950,872)
Changes in non-cash working capital items:		
Accounts receivable	**3,866,155**	7,378,526
Prepaid expenses and other current assets	**(153,625)**	(166,342)
Deferred revenue	**2,188**	(38,249)
Accounts payable and accrued liabilities	**3,087,460**	(4,251,175)
	2,881,577	971,888
Cash flows used in investing activities		
Development costs (Note 7)	**(39,343)**	(7,325)
	(39,343)	(7,325)
Cash flows used in financing activities		
Advances of loan payable (Note 10)	**(2,881,157)**	(174,386)
Advances to related parties (Note 12)	**(49)**	(702)
Lease payments (Note 9)	**(257,821)**	(269,422)
	(3,139,027)	(444,510)
Net (decrease) increase in cash	**(296,793)**	520,053
Cash, beginning of period	**1,343,131**	3,300,439
Cash, end of period	**1,046,338**	3,820,492

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

1. Description of business

Sabio Holdings Inc. (the "Company" or "Sabio") (formerly Spirit Banner II Capital Corp. and hereafter referred to as "Spirit"), was incorporated under the Business Corporation 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.

The Company became publicly listed in November 2021 following a reverse takeover transaction and the Shares commenced trading on the TSX Venture Exchange (the "Exchange") at opening on November 26, 2021, under the symbol "SBIO" as a Tier 2 technology issuer.

2. Basis of presentation

Statement of compliance

These condensed interim consolidated financial statements of the Company have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). These condensed interim consolidated financial statements do not include all of the disclosures required for annual consolidated financial statements prepared in accordance with IFRS® Accounting Standards ("IFRS") and should be read in conjunction with the annual audited consolidated financial statements of the Company for the year ended December 31, 2025.

These unaudited condensed interim consolidated financial statements of the Company were authorized for issuance by the Board of Directors on May 25, 2026.

Basis of preparation

The condensed interim consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. All financial information is presented in United States dollars ("U.S. dollars" or "USD"), the Company's reporting currency, except share and per share amounts or as otherwise noted.

Basis of consolidation

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly and indirectly, to govern the financial and operating policies of an entity and be exposed to the variable returns from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The condensed interim consolidated financial statements of the Company include Sabio Holdings Inc. and its wholly owned subsidiaries Sabio, Inc, AppScience, Inc., FWD Tech Inc. (formerly, Vidillion Corp.), Sabio Canada Inc., Sabio London Limited and Sabio Mobile India Private Limited.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

2. Basis of presentation *(continued from previous page)*

Foreign currency translation

The condensed interim consolidated financial statements are presented in U.S. dollars. For each entity, the Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The functional currency of the U.S. based entities, including Sabio Inc., AppScience, Inc., FWD Tech Inc. (formerly, Vidillion Corp.), Sabio Canada Inc. (a Canadian entity) and Sabio Mobile India Private Limited (an Indian entity) is U.S dollars. The functional currency of Sabio Holdings Inc. (a Canadian entity) is Canadian dollars. The functional currency of Sabio London Limited (a U.K. entity) is British pounds.

Assets and liabilities of entities having a functional currency other than the U.S. dollar are translated at the rate of exchange at the reporting period date. Revenues and expenses are translated at average rates for the period, unless exchange rates fluctuated significantly during the period, in which case the exchange rates at the dates of the transaction are used. The resulting foreign currency translation adjustments are recognized in foreign currency translation reserve, one component of the Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficit). Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the date of the transactions. At the end of each reporting period, foreign currency denominated monetary assets and liabilities are translated to the functional currency using the prevailing rate of exchange at the reporting period date. Gains and losses on translation of monetary items are recognized in the statement of operations and comprehensive loss.

3. Material accounting policies

3.1 New standards, interpretations and amendments adopted from January 1, 2026

The accounting policies adopted in the preparation of the condensed interim consolidated financial statements are consistent with those disclosed in Note 2 to the Company's audited consolidated financial statements for the year ended December 31, 2025, except for the adoption of new standards effective as of 1 January 2026. These condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2025.

The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Two amendments and one improvement apply for the first time in 2026 but does not have an impact on the condensed interim consolidated financial statements of the Company.

Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- Clarifications of the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the 'settlement date' and an accounting policy choice is introduced (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date.

3. Material accounting policies *(continued from previous page)*

3.1 New standards, interpretations and amendments adopted from January 1, 2026 *(continued from previous page)*

Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 *(continued from previous page)*

- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed.
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments.
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

The amendments had no impact on the Company's condensed interim consolidated financial statements.

Annual Improvements to IFRS accounting Standards – Volume 11

In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statements of Cash Flows.

The amendments had no impact on the Company's condensed interim consolidated financial statements.

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB issued amendments to IFRS 9 and IFRS 7 regarding contracts referencing nature-dependent electricity, covering own-use clarifications, cash flow hedge designation, and new disclosure requirements.

The amendments had no impact on the Company's condensed interim consolidated financial statements.

3.2 Summary of other material accounting policies

Revenue recognition

The Company recognizes revenue in accordance with IFRS 15 Revenue from Contracts with Customers.

Revenue represents the fair value of consideration received or receivable from customers for goods and services provided by the Company, net of discounts and sales taxes. The Company generates revenue from managed service, programmatic sales, connected TV, and App Science™ insights.

The Company sells digital advertising directly to marketers or through advertising agencies. Revenue from advertising is mostly generated through video and display advertising delivered through advertising impressions. Advertising is typically sold on a cost-per-thousand ("CPM") basis and is evidenced by an Insertion Order, ("IO"). Revenue is recognized as the number of impressions are delivered.

3. Material accounting policies *(continued from previous page)*

3.2 Summary of other material accounting policies *(continued from previous page)*

Revenue recognition (continued from previous page)

The Company provides programmatic advertising services, to support customers automated buying and selling of digital advertising inventory through real-time third-party bidding platforms and private marketplaces. These services enable advertisers to deliver targeted advertising impressions across digital channels, including connected TV, over-the-top streaming, mobile and online video. Programmatic revenue includes fees earned for facilitating the placement and delivery of advertising impressions, and data and audience-targeting services. Programmatic revenue is recognized when the related performance obligations are satisfied, generally as the services are provided over the campaign period. Revenue is recognized as the margin between the price paid by the customer for impressions net of commissions, platform costs, and other deductions. Value of advertising impressions delivered, a supplemental non-IFRS measure, represents the total dollar value of advertising impressions delivered, before deducting third-party platform costs.

The following table presents our disaggregated revenue for the three months ended March 31, 2026, and 2025:

	For the three months ended	
	March 31, 2026	March 31, 2025
	$	$
Total dollar value of advertising impressions delivered	**8,202,355**	9,153,584
Platform costs	**1,044,013**	66,318
Net Revenues	**7,158,342**	9,087,266

Contracts with multiple products or services

The Company enters into contracts that contain multiple products and services such as campaign management, insights, and studies. The Company evaluates these arrangements to determine the appropriate unit of accounting (performance obligation) for revenue recognition purposes based on whether the product or service is distinct from some or all of the other products or services in the arrangement. A product or service is distinct if the customer can benefit from it on its own or together with other readily available resources and the Company's promise to transfer the good or service is separately identifiable from other promises in the contractual arrangement with the customer. Non-distinct products and services are combined with other goods or services until they are distinct as a bundle and therefore form a single performance obligation.

For such arrangements, the Company allocates revenue to each distinct performance obligation based on their relative standalone selling price ("SSP"). Advertising arrangements comprised of multiple performance obligations are recognized either at a point in time or over time depending on the nature of the distinct performance obligation.

4. Critical accounting judgments and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors and management are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

4. Critical accounting judgments and key sources of estimation uncertainty *(continued from previous page)*

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgments in applying accounting policies

The following are the critical judgments, apart from those involving estimations, that the directors and management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the condensed interim consolidated financial statements.

Selecting the option pricing model to estimate the fair value of equity instruments granted

The Company uses the Black-Scholes Merton formula to estimate the fair value of equity instruments granted in connection with equity-settled share-based payments. Management considers factors that knowledgeable, willing market participants would consider when selecting the option pricing model to apply.

Determination of functional currency

In determining its functional currency, the Company considers factors related to its primary economic environment. These include the currency which mainly influences the Company's sales prices for goods and services, the country whose competitive forces and regulations mainly determine sale prices of its services, and the currency which mainly influences costs related to providing its services. The Company also considers secondary factors including the currency in which funds from financing activities are generated, and the currency in which operating activities are usually retained.

Determination of rate used to estimate the fair value of the liability components of convertible notes/non-convertible debentures and related derivative liabilities

The rate used in determining the appropriate value of the liability components of the convertible notes/non-convertible debentures, as well as the derivative liability associated with the issuance of non-convertible debentures and to appropriately apply the effective interest rate method to these instruments is subject to management estimation.

CGU Identification

A cash generating unit ("CGU") is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The identification of which assets or groups of assets constitute CGUs of the company requires significant judgment.

Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs when available and is required to make certain entity-specific estimates.

4. Critical accounting judgments and key sources of estimation uncertainty *(continued from previous page)*

Critical judgments in applying accounting policies (continued from previous page)

Estimating the incremental borrowing rate *(continued from previous page)*

The determination of whether revenue should be presented on a gross or net basis is based on an assessment of whether the Company acts as the principal or as an agent in the transaction. In making this assessment, the Company applies the accounting guidance on principal–agent considerations. This assessment requires judgment and is based on an evaluation of the specific terms and conditions of each arrangement, with no single factor being solely determinative.

Going Concern

The determination of whether the Company has the ability to continue as a going concern depends on its ability to achieve profitable operations. These consolidated financial statements have been prepared on a going concern basis, which assumes the Company will realize its assets and discharge its liabilities in the normal course of business. This assessment requires significant judgment, including management's evaluation of forecasted cash flows and available sources of liquidity.

Management expects that, based on its current forecasts, the continued scaling of its international and programmatic offerings, access to receivables-based financing, and the Company's demonstrated ability to access capital markets when required, the Company will be able to continue as a going concern for the foreseeable future. The Company has access to an approximately $10 million accounts receivable facility in the United States (undrawn: $6,942,762 as at March 31, 2026) and a GBP £3 million facility in the United Kingdom (undrawn: GBP £586,333 as at March 31, 2026), which scale with revenue and support working capital needs. In addition, the Company is in advanced stages of securing multi-million dollar political and advocacy commitments for 2026 and has finalized upfront supply arrangements in the United Kingdom, certain of which include upfront payment components expected to support near-term liquidity.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Expected credit losses

The Company recognizes a loss allowance for the expected credit losses associated with its financial assets, other than financial assets measured at fair value through profit or loss. Expected credit losses are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past events, current conditions and forecasts of future economic conditions.

The Company applies the simplified approach for trade receivables. Using the simplified approach, the Company records a loss allowance equal to the expected credit losses resulting from all possible default events over the assets' contractual lifetime.

The Company assesses whether a financial asset is credit-impaired at the reporting date. Regular indicators that a financial instrument is credit-impaired include significant financial difficulties as evidenced through borrowing patterns or observed balances in other accounts and breaches of borrowing contracts such as default events or breaches of borrowing covenants. For financial assets assessed as credit-impaired at the reporting date, the Company continues to recognize a loss allowance equal to lifetime expected credit losses.

4. Critical accounting judgments and key sources of estimation uncertainty *(continued from previous page)*

Key sources of estimation uncertainty (continued from previous page)

Expected credit losses *(continued from previous page)*

For financial assets measured at amortized cost, loss allowances for expected credit losses are presented in the consolidated statement of financial position as a deduction from the gross carrying amount of the financial asset.

Financial assets are written off when the Company has no reasonable expectations of recovering all or any portion thereof.

Valuation of common share purchase options and equity-settled share-based payments

The Company uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of common share purchase options/warrants and equity-settled share-based payments. The valuation techniques require the input of subjective assumptions including expected volatility, dividend yield and expected life of the instrument. Management believes that the chosen valuation techniques and assumptions used are appropriate in determining the fair value of these instruments.

Amortization of intangible assets

The Company applies the straight-line method to recognize amortization of intangible assets. Management is satisfied that the straight-line method best reflects the pattern in which the assets' future economic benefits are expected to be consumed by the Company.

Impairment of intangible assets and goodwill

IAS 36 requires that the Company ensures that its assets are carried at no more than their recoverable amount. An asset is carried at more than its recoverable amount if its carrying amount exceeds the amount to be recovered through use or sale of the asset. If this is the case, the asset is described as impaired, and the standard requires the entity to recognize an impairment loss. In assessing impairment, management uses judgment to allocate goodwill to each of the Company's cash-generating units (CGUs) and estimates recoverable amount for each CGU based on expected future cash flows and discount rates. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Revenue recognition - Estimating volume incentive discounts

The Company's expected volume incentive discounts ("incentive") are analysed on a per customer basis for contracts that are subject to multiple tiered volume thresholds. Determining whether a customer is likely to be entitled to a discounted rate will depend on the customer's historical incentive entitlement and accumulated purchases to date.

The Company applies a statistical model to estimate expected volume incentive for these contracts. The model uses the historical purchasing patterns and rebate entitlements of customers to determine the expected incentive percentages and the expected value of the variable consideration. Any significant changes in a customer's purchasing behavior compared to historical patterns will impact the expected incentive percentages estimated by the Company.

The Company updates its assessment of volume incentive quarterly and the incentive liabilities are adjusted accordingly. Estimates of volume incentive are sensitive to changes in circumstances and the Company's past experience regarding-

4. Critical accounting judgments and key sources of estimation uncertainty *(continued from previous page)*

Key sources of estimation uncertainty (continued from previous page)

Revenue recognition - Estimating volume incentive discounts *(continued from previous page)*

-incentive entitlements may not be representative of customers' actual rebate entitlements in the future. Volume incentive discounts are accounted for as variable consideration under IFRS 15 and are reflected in the amount of revenue recognized.

As at 31 March 2026, the amount recognised as incentive liabilities for volume incentives was $1,994,752 (2025: $1,462,988). These incentive liabilities are included within accounts payable and accrued liabilities disclosed in Note 8.

5. Standards issued but not yet effective

A. IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 *Presentation of Financial Statements* and applies for annual reporting periods beginning on or after 1 January 2027. The Company has not early adopted this new accounting standard in preparing these consolidated financial statements. The new accounting standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present new required subtotals, "operating profit" and "profit or loss before financing and income taxes". Entities' net profit will not change.
- Disclosure of certain non-GAAP measures related to the statement of profit or loss referred to as management-defined performance measures ("MPMs") within a single note to the financial statements.
- Enhanced requirements for grouping (aggregation/disaggregation) of financial information in all primary financial statements and notes.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Company is still in the process of assessing the impact of the new accounting standard, particularly with respect to the structure of the Company's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Company is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as 'other'.

6. Accounts receivable

	March 31, 2026	December 31, 2025
	$	$
Trade receivables	**9,277,694**	13,128,112
Expected credit loss provision	**(173,982)**	(158,245)
Net carrying value	**9,103,712**	12,969,867

7. Intangible assets

	Internally Generated Intangible Assets	Acquired Technology and Patents	Acquired Customer/Publisher Relationships	Acquired Brand Name	Total
	$	$	$	$	$
Cost					
Balance at December 31, 2025	3,710,608	129,000	83,000	75,000	3,997,608
Additions	39,343	-	-	-	39,343
Balance at March 31, 2026	**3,749,951**	**129,000**	**83,000**	**75,000**	**4,036,951**
Accumulated amortization and impairment losses					
Balance at December 31, 2025	3,623,050	97,753	62,250	40,180	3,823,233
Amortization expense	22,582	6,450	4,151	2,678	35,861
Balance at March 31, 2026	**3,645,632**	**104,203**	**66,401**	**42,858**	**3,859,094**
Net book value as at:					
December 31, 2025	87,558	31,247	20,750	34,820	174,375
Balance at March 31, 2026	**104,319**	**24,797**	**16,599**	**32,142**	**177,857**

8. Accounts payable and accrued liabilities

	March 31, 2026	December 31, 2025
	$	$
Trade accounts payable and accrued liabilities	**18,309,915**	15,227,328
Interest payable	**151,513**	166,788
	18,461,428	15,394,116

9. Right of use asset and lease liabilities

Right-of-use asset

	Office premises
Cost	$
Balance, December 31, 2025	4,404,932
Balance, March 31, 2026	**4,404,932**
Accumulated amortization	
Balance, December 31, 2025	2,510,749
Amortization	181,037
Balance, March 31, 2026	**2,691,786**
Carrying amount	
December 31, 2025	1,894,183
March 31, 2026	**1,713,146**

Lease Liability

Cost	**$**
Balance, December 31, 2025	2,368,173
Finance costs	64,048
Lease payments	(257,821)
Balance, March 31, 2026	**2,174,400**
Current	796,541
Non-current	1,377,859
Balance, March 31, 2026	**2,174,400**

The following table provides the remaining lease commitments in 2026 and onward. The amounts disclosed in the maturity analysis are the contractual undiscounted cash flows before deducting interest or finance charges.

	$
Less than 1 year	1,005,168
1-2 years	1,011,835
2-3 years	492,510
	2,509,513

The Company has certain short-term office leases which are not capitalized in accordance with IFRS 16 due to their short-term nature. The Company recorded occupancy expenses of $214,138 for the three months ended March 31, 2026 (2025 - $197,066) related to these short-term office leases in the condensed interim consolidated statements of operations and comprehensive loss.

9. Right of use asset and lease liabilities *(continued from previous page)*

During the quarter ended March 31, 2025, the Company early terminated a lease agreement for its office in Surat, India. The lease was originally scheduled to expire in November 2025 but was mutually terminated with the lessor effective February 18, 2025. In accordance with IFRS 16, the Company adjusted the associated lease liabilities and right-of-use assets to reflect the early termination. This modification resulted in a reduction of lease liabilities of $7,317, which was recognized in the quarter under other income in the condensed interim consolidated statements of operations and comprehensive loss. Additionally, the Company recorded a loss on lease termination of $20,275 related to the right-of-use assets in the quarter.

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 with lease commencement date of April 1, 2025 and expiry on June 30, 2028. The Company recognized right-of-use assets and lease liabilities for the lease entered during Q2 2025, which were initially measured at the present value of the future lease payments, discounted at rate of 10%. As at March 31, 2026, the Company has provided Madison Capital with an irrevocable standby letter of credit in the amount of $160,075 with the expiry date of August 14, 2026, as security for obligations under the lease agreement. No amounts have been drawn on the letter of credit as at March 31, 2026.

There was no new lease entered during the quarter ended March 31, 2026.

10. Loans payable

	Note	**March 31, 2026**	December 31, 2025
		$	$
U.S. Small Business Administration promissory note	(a)	**440,000**	440,000
SLRDF Revolving Credit Facility	(b)	**3,057,238**	6,038,272
Revamp Receivables-Purchase Facility	(c)	**3,189,806**	3,045,859
Debentures	(d)	**1,298,248**	1,342,318
Unsecured promissory notes	(e)	**500,000**	500,000
		8,485,292	11,366,449
Current portion of loans payable		**8,057,302**	10,935,074
U.S. Small Business Administration promissory note	(a)	***12,010***	8,625
SLRDF Revolving Credit Facility	(b)	***3,057,238***	*6,038,272*
Revamp Receivables-Purchase Facility	(c)	***3,189,806***	*3,045,859*
Debentures	(d)	***1,298,248***	*1,342,318*
Unsecured promissory notes	(e)	***500,000***	*500,000*
Long-term portion of loans payable		**427,990**	431,375
U.S. Small Business Administration promissory note	(a)	***427,990***	431,375
		8,485,292	**11,366,449**

Less than 1 year	**8,057,302**
1-2 years	**13,863**
2-3 years	**14,392**
3 years and beyond	**399,735**
	8,485,292

10. Loans payable *(continued from previous page)*

a) On April 1, 2020, the Company closed on an unconditional guarantee disaster loan from the U.S. Small Business Administration in the amount of $500,000. The Loan is intended to alleviate economic injury caused by disaster occurring in the month of January 2020. The loan bears interest at a fixed rate of 3.75% per annum, with a maturity date of thirty years from the date of the Loan. Interest and principal payments were deferred for the first 30 months. During the three months ended March 31, 2026, the Company paid $nil (2025 - $ nil) in principal and recognized and paid $4,125 (2025 - $4,125) of interest expense.

(b) On July 31, 2024, the Company closed a credit facility pursuant to the terms of a credit agreement between its U.S. operating subsidiaries, including Sabio, Inc., AppScience, Inc. and FWD Tech Inc., and SLR Digital Finance ("SLRDF").

The facility has replaced the Company's previous credit facility with Avidbank and provides for a US$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%. The facility has a three (3)-year term and is secured against all of the assets of the Company's U.S. operating subsidiaries. Advances made under the facility will be available up to an amount equal to: (a) 85% of eligible accounts receivable of the Company's U.S. operating subsidiaries; plus (b) the lesser of (i) 70% of the aggregate outstanding amount of eligible unbilled receivables or (ii) $3,000,000. On February 25, 2026, the Company signed a loan addendum with SLR Digital Finance to increase the advance rate applicable to eligible unbilled receivables to 80%, effective March 31, 2026.

When accounts receivables are collected, the amounts received are first directly paid towards the outstanding loan balance, which the Company can then use for working capital purposes through subsequent withdrawals, subject to availability under the facility. During the three months ended March 31, 2026, the Company withdrew $5,858,329 (2025 - $15,310,696) and paid $8,839,363 (2025 - $15,479,744) in principal and recognized $132,140 (2025 - $174,352) of interest expense.

(c) On September 17, 2025, the Company, through its subsidiary Sabio London Limited, entered into receivables purchase agreement with Revamp Funding Designated Activity Company ("Revamp"). The facility has a minimum term of six months, and it is cancellable at the Company's option with prior written notice. The receivables purchase facility is available for the Company's 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. Revamp retains a reserve representing the remaining balance, which is payable to the Company only after the related receivables are fully collected. 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.

Under the terms of the arrangement, certain trade receivables are legally sold to the Revamp in exchange for an upfront cash advance. Although structured as a legal sale, the Company retains substantially all risks and rewards of ownership - including credit risk and exposure to the timing of collection - and is entitled to receive any residual amounts ("Surplus Value") only after Revamp has recovered the full advance and related fees. Accordingly, the Company recognizes interest and related fees payable to Revamp as finance costs in profit or loss.

As a result, the transfers do not meet the derecognition criteria in IFRS 9 Financial Instruments, and the related trade receivables continue to be recognized on the Company's statement of financial position.

10. Loans payable *(continued from previous page)*

The table below summarizes the carrying amount of the financial assets that continue to be recognized, as well as the associated liabilities representing the cash received from Revamp:

In $	March 31, 2026
Trade receivables subject to transfer arrangements	3,825,917
Liability arising from transferred financial assets	3,189,806

The liability is presented as "Revamp Receivables-Purchase Facility" – part of the loan payable in the statement of financial position.

The associated liability will be extinguished only as cash flows from the transferred receivables are remitted to Revamp. Revamp has recourse only to the transferred receivables and does not have further claim on other Company assets, except to the extent that the Company is obligated to compensate Revamp for any shortfall arising from customer defaults.

Cash flows collected from customers are remitted directly to Revamp until the full amount of the advance and related finance costs have been recovered. Any residual amounts collected thereafter are returned to the Company. The cash flows from the transferred receivables cannot be used by the Company until Revamp has been fully reimbursed.

During the three months ended March 31, 2026, the Company withdrew $3,401,158 (2025 - nil) and paid $3,257,211 (2025 - $nil) in principal and recognized s$144,354 (2025 - $nil) of interest expense.

(d) 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 "debt rollover"). The debentures had 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 calculated at 5% of the principal amount divided by the greater of: (a) $0.38 (CAD $0.53) and (b) the lowest permitted price pursuant to the policies of the TSX Venture Exchange, 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 had 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.

The debentures are accounted for as a compound financial instrument under IAS 32, comprising a liability component representing the host debt contract, an equity component representing the Bonus Shares, and a derivative component representing the option to extend the term.

10. Loans payable *(continued from previous page)*

At inception, the Company used the residual value method to allocate the principal amount of the debentures between the liability and equity components. The Company valued the debt component of the debentures by calculating the present value of the principal and interest payments, discounted at a rate of 22%, being management's best estimate of the rate that a non-convertible debenture with similar terms would bear. The equity component of the debentures comprises the value of the Bonus Shares, being the difference between the face value of the debentures and the liability element calculated above. Total transaction costs of $22,840 (CAD $31,624) were proportionally allocated between the host debt and the equity component based on their relative fair values. Based on this calculation, the net liability component is $1,238,050 (CAD $1,713,334) and the residual equity component is $49,373 (CAD $68,310). The option to extend the term of the debentures is not closely related to the host debt contract and meets the definition of a derivative liability under IFRS 9. Accordingly, it is accounted for separately from the debentures and measured at fair value through profit or loss ("FVTPL"). At inception, the probability of exercising the option was considered remote, and its fair value was determined to be $nil.

The liability component is subsequently carried at amortized cost at an effective interest rate of 28.0% while the derivative liability is remeasured at fair value through profit or loss ("FVTPL") at the end of each reporting period.

The debt rollover represented a substantial modification of the original terms, as the present value of the cash flows under the new terms differed by more than 10% from the present value of the remaining cash flows of the original liability. Accordingly, the original debt was derecognized, and a new liability was recognized in accordance with IFRS 9. The carrying amount of the liability at the rollover date was $388,649, and the total consideration paid was $396,178. The transaction resulted in a loss on extinguishment of debt of $7,529, recognized in finance costs in profit or loss in Q3 2025.

The breakdown of non-convertible debentures by components upon issuance is as follows:

	Proceeds	Debentures liability	Bonus shares	Derivative liability
	$	$	$	$
Debentures upon issuance	1,302,734	1,252,767	49,967	-
Loss on extinguishment of convertible notes	7,529	7,529	-	-
Transaction cost - cash	(22,840)	(22,246)	(594)	-
Net balance upon issuance	**1,287,423**	**1,238,050**	**49,373**	**-**

A summary of changes in non-convertible debentures during the three months ended March 31, 2026, and the year ended December 31, 2025, is as follows:

10. Loans payable *(continued from previous page)*

	March 31, 2026	December 31, 2025
	$	$
Proceeds from issue of debentures	-	1,302,734
Transaction cost	-	(22,840)
Net proceeds	-	1,279,894
Debentures, beginning of period	1,342,318	-
Amount allocated to bonus shares (net of transaction costs)	-	(49,373)
Interest expense	63,553	111,519
Interest paid	(15,000)	(21,101)
Impact of debenture term extension (*)	(70,843)	-
Loss on extinguishment of convertible notes	-	7,529
Foreign exchange fluctuation	(21,780)	13,850
Debentures, end of period	**1,298,248**	**1,342,318**

The breakdown of debentures from related and non-related parties as of March 31, 2026, is as follows:

	From related party	**From other parties**	**Total**
Balance as on December 31, 2025	387,729	954,589	1,342,318
Interest expense	18,861	44,692	63,553
Interest paid	(15,000)	-	(15,000)
Impact of debenture term extension (*)	(7,246)	(63,597)	(70,843)
Foreign exchange fluctuation	(5,786)	(15,994)	(21,780)
Balance as on March 31, 2026	**378,558**	**919,690**	**1,298,248**

(*) During the quarter ended March 31, 2026, the Company reassessed the option to extend the debentures, including remeasuring the related derivative liability, and elected to extend the maturity date from February 25, 2026 to August 25, 2026. In connection with the extension, the Company issued 581,561 common shares at a price of $0.23 (CAD $0.31) per share, based on the 10-day VWAP of Sabio's shares on the TSXV. The resulting fair value loss of $131,712 (CAD $180,285) on the derivative liability, re-measured as the fair value of the common shares issued, representing the most reliable measure of the derivative's fair value at settlement, was recognized in Finance costs in the statements of operations and comprehensive loss. Upon settlement, the derivative liability was derecognized and the corresponding amount was credited to the common shares account, reflecting the issuance of shares in exchange for the extension right. Accordingly, the carrying amount of the debentures was remeasured by discounting the revised contractual cash flows using the original effective interest rate. The resulting decrease in the carrying amount of $70,843 (CAD $98,703) was recognized as a reduction in finance costs.

During the three months ended March 31, 2026, the effective interest on the debentures recorded in finance costs was $63,553 (2025: nil). This amount is added to the liability component on the statements of financial position and is included in finance cost on the statements of loss and comprehensive loss. The actual interest paid during the three months ended March 31, 2026, was $15,000 (2025: nil).

(e) On October 1, 2025, the Company issued unsecured, non-convertible promissory notes to its Chief Executive Officer, Mr. Aziz Rahimtoola, for gross proceeds of $500,000. The notes are payable on demand and bear simple interest at 15% per annum. The Company may repay all or any portion of the principal at any time without penalty.

10. Loans payable *(continued from previous page)*

During the quarter ended March 31, 2026, the Company paid $nil (2025 - $nil) in principal and recognized $18,750 (2025 - $nil) of interest expense.

All interest accrued related to these loans have been recorded under accounts payables and accrued liabilities.

11. Share capital

a) Authorized share capital

The authorized share capital of the Company consists of an unlimited number of common shares with a nominal par value.

	#	$
Balance, December 31, 2024	50,549,485	13,307,749
Issuance of common shares under LIFE offering	3,048,800	747,937
Issuance of common shares due to vesting of restricted stock units	399,021	196,330
Issuance of bonus shares in connection with debenture offering	170,066	49,373
Issurance of shares to settle interest payable on secured convertible notes	162,477	60,692
Repurchased shares cancellation	(5,500)	(1,809)
Balance December 31, 2025	**54,324,349**	**14,360,272**
Balance, December 31, 2025	54,324,349	14,360,272
Common stock issuable	16,666	5,267
Issuance of common shares due to vesting of restricted stock units	15,319	11,277
Balance March 31, 2026	**54,356,334**	**14,376,816**

On March 26, 2024, 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 April 2, 2024, and ending April 1, 2025, purchase up to 852,184 shares in total, being 5% of the total number of 17,043,687 shares outstanding as at March 19, 2024. For the year ended December 31, 2024, the Company repurchased a total of 39,500 shares under this bid at a total cost of $13,560 (CAD $18,895). These shares were purchased at a price ranging from CAD 0.42 to CAD 0.50 per share ($0.30 to $0.36). Out 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 quarter ended March 31, 2025, was $11,751 (CAD $16,332) and $1,809 (CAD $2,563), respectively. These amounts were recorded as a reduction in common shares.

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, 2025. There were no share repurchases under this bid up to March 31, 2026.

On July 31, 2025, the Company completed a shares-for-debt transaction to settle $60,692 (CAD $84,000) of interest due on the secured convertible notes issued on August 16, 2023. The settlement was completed through the issuance of 162,477 common shares at a deemed price of $0.37354 (CAD $0.517) per share, based on the 20-day volume weighted average price ending July 25, 2025. The secured convertible notes were retired at the maturity date 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-

11. Share capital *(continued from previous page)*

a) Authorized share capital *(continued from previous page)*

- at the maturity date, as disclosed in Note 10(d). All shares issued were subject to a statutory holding period of four months and one day from the date of issuance in accordance with applicable securities laws.

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). 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. The Bonus Shares are subject to hold periods under applicable Canadian securities laws. The fair value of the Bonus Shares issued on the issuance date was calculated using the residual method, being the difference between the face value of the debentures and the fair value of the liability component, and was netted off against the related transaction costs, as disclosed in Note 10(d).

On November 11, 2025, the Company closed a brokered private placement offering of common shares pursuant to the Listed Issuer Financing Exemption ("LIFE") at a price of $0.31 (CAD $0.43) per common share (each, a "LIFE Share"). A total of 2,960,000 LIFE Shares were issued for aggregate gross proceeds of $908,430 (CAD $1,272,800). The offering was led by Canaccord Genuity Corp., together with Beacon Securities Ltd. (collectively, the "Agents"). LIFE Shares issued 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 aggregate cash commissions and advisory fees of $27,252 (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. The fair value of the compensation shares and compensation warrants at the issuance date of $27,252 (CAD$38,184) and $16,627 (CAD$23,297), respectively, were netted against share capital as share issuance costs. Legal fees and other administrative fees incurred in connection with the offering totaling $116,614 (CAD $163,389) were recorded as share issuance costs and netted against share capital.

As at December 31, 2024, 16,666 RSUs had vested in December 2024, with the related common shares issued in January 2025. The associated share benefits reserve of $5,267 was reclassified to common stock issuable as at December 31, 2024, and subsequently reclassified to common shares upon issuance of the shares in January 2025.

During the three months ended March 31, 2026, nil (2025 – nil) stock options and 15,319 (2025 – 38,817) restricted stock units were redeemed, for net proceeds of $nil (2025 – $nil) and $nil (2025 – $nil) respectively. The total share-based benefits reserve reclassified to common shares was $nil (2025 – $nil) for stock options and $11,277 (2025 - $29,169) for restricted stock units.

b) Common stock issuable

The following tables summarize information about the Company's common stock issuable as at March 31, 2026:

11. Share capital *(continued from previous page)*

b) Common stock issuable *(continued from previous page)*

	#	$
Balance, December 31, 2024	-	-
Common shares issuable for the vesting of restricted stock units	16,666	5,267
Balance December 31, 2025	**16,666**	**5,267**
Balance, December 31, 2025	16,666	5,267
Common shares issuable for the vesting of restricted stock units	4,167	1,317
Common shares issuable for the extension of debentures	581,561	131,712
Issuance of common shares for vesting of restricted stock units	(16,666)	(5,267)
Balance March 31, 2026	**585,728**	**133,029**

As at December 31, 2024, 16,666 RSUs had vested in December 2024, with the related common shares issued in January 2025. The associated share benefits reserve of $5,267 was reclassified to common stock issuable as at December 31, 2024, and subsequently reclassified to common shares upon issuance of the shares in January 2025.

On February 25, 2026, the Company announced a six-month extension of its unsecured non-convertible debentures, moving the maturity date from February 25, 2026 to August 25, 2026. The debentures were originally issued in August 2025, raising CAD$1,802,850. In connection with the extension, the Company was to issue 581,561 common shares in the capital of the Company ("Bonus Shares") at a price of CAD $0.31 per Bonus Share, based on the 10-day volume weighted average price ("VWAP") of Sabio's shares on the TSXV. The fair value of the bonus shares at the issuance date of $131,712 (CAD$180,285), as disclosed in Note 10(d). The common shares were issued on May 22, 2026 and the associated share benefits reserve of $131,712 was reclassified to Common stock issuable as at March 31, 2026.

As at March 31, 2026, 4,167 RSUs had vested in Q1 2026, with the related common shares issued on May 25, 2026. The associated share benefits reserve of $1,317 was reclassified to common stock issuable as at March 31, 2026.

c) Share based compensation and share based payment reserve

The Company has established an omnibus incentive plan for its employees, directors, officers and consultants under which the Company may grant security-based compensation, including options and restricted stock units, from time-to time to acquire a maximum of 10% of the issued and outstanding common shares. The grant of security-based compensation and the exercise price of each option granted under the plan shall be determined by the Board of Directors.

Stock options

Options may be exercised for a maximum term of ten years from the date of the grant. They are non-transferable and expire after 30 days to 90 days of termination of employment.

A summary of changes in share-based compensation during the three months ended March 31, 2026, and the year ended December 31, 2025, is as follows:

11. Share capital *(continued from previous page)*

c) Share based compensation and share based payment reserve *(continued from previous page)*

Stock options *(continued from previous page)*

Measurement date	Number of Options	Weighted average exercise price
	#	$
Balance, December 31, 2024	2,506,165	0.57
Granted	642,456	0.43
Forfeited	(265,314)	0.57
Balance, December 31, 2025	2,883,307	0.54
Forfeited	(24,586)	0.51
Balance, March 31, 2026	**2,858,721**	**0.54**
Options exercisable, December 31, 2025	2,184,744	0.59
Options exercisable, March 31, 2026	**2,277,866**	**0.58**

The following tables summarize information about the Company's share options outstanding as at March 31, 2026:

Range of exercise prices	Number of options	Weighted average exercise price	Weighted average remaining contractual life in years
	#	$	#
0.09	3,656	0.09	1.52
0.17	786,861	0.17	4.78
0.18	210,000	0.18	8.18
0.29	55,000	0.29	7.56
0.32	106,664	0.32	8.73
0.43	642,456	0.43	8.98
0.58	98,334	0.58	6.55
0.74	173,750	0.74	7.02
1.10	782,000	1.10	5.79
	2,858,721	**0.54**	**6.64**

The following tables summarize information about the Company's share options outstanding as at December 31, 2025:

11. Share capital *(continued from previous page)*

c) Share based compensation and share based payment reserve *(continued from previous page)*

Stock options *(continued from previous page)*

Range of exercise prices	Number of options	Weighted average exercise price	Weighted average remaining contractual life in years
	#	$	#
0.09	3,656	0.09	1.76
0.17	786,861	0.17	5.03
0.18	210,000	0.18	8.43
0.29	55,000	0.29	7.81
0.32	120,000	0.32	8.97
0.43	642,456	0.43	9.22
0.58	98,334	0.58	6.79
0.74	185,000	0.74	7.26
1.10	782,000	1.10	6.04
	2,883,307	**0.54**	**6.90**

During the quarter ended March 31, 2026, a total of nil share options (2025 – 642,456) were granted with a weighted average fair value of $0.43 per option at the grant date in Q1 2025. Of these, 617,456 options were issued to directors, officers and employees, and 25,000 options were issued to a consultant. The options granted to directors, officers and employees vest quarterly over a three-year period from the grant date, while the options granted to the consultant vest quarterly over a one-year period from the grant date.

The fair value of the share options granted during the periods was determined using the Black-Scholes-Merton option pricing model with the following weighted average assumptions:

	December 31, 2025
Estimated fair value per common share	$0.37
Exercise price of the option	$0.43
Expected volatility of the underlying common share	87.0%
Expected life of the option (in years)	10 years
Expected dividend yield	0.00%
Risk-free rate of interest	4.20%

During the three months ended March 31, 2026, the Company recognized stock-based compensation for granted options of $24,825 (2025 - $21,954) under share-based compensation expense and $558 (2025 - $594) under contractor and corresponding expenses.

11. Share capital *(continued from previous page)*

c) Share based compensation and share based payment reserve *(continued from previous page)*

Restricted stock units

On June 29, 2022, shareholders of the Company approved a replacement omnibus equity incentive plan that permits the granting of certain compensation securities, including restricted stock units. Restricted stock units are automatically converted into the Company's common shares upon vesting and when the common shares are issued upon redemption, the shares will be fully paid and non-assessable shares in the share capital of the Company.

A summary of changes in restricted stock units during the three months ended March 31, 2026, and the year ended December 31, 2025, is as follows:

Measurement date	**Number of RSUs**	**Weighted average grant price**
	#	$
Balance, December 31, 2024	487,996	0.49
Granted	342,152	0.24
Forfeited	(8,335)	0.74
Vested and redeemed	(399,021)	0.49
Vested pending share issuance	(16,666)	0.32
Balance, December 31, 2025	406,126	0.28
Vested and redeemed	(15,319)	0.74
Vested pending share issuance	(4,167)	0.32
Balance, March 31, 2026	**386,640**	**0.26**

The following tables summarize information about the Company's restricted stock units outstanding as at March 31, 2026:

Range of grant prices	**Number of RSUs**	**Weighted average grant price**	**Weighted average remaining contractual life in years**
	#	$	#
0.74	15,321	0.74	0.01
0.32	29,167	0.32	1.72
0.24	342,152	0.24	0.68
	386,640	**0.26**	**0.73**

The following tables summarize information about the Company's restricted stock units outstanding as at December 31, 2025:

11. Share capital *(continued from previous page)*

c) Share based compensation and share based payment reserve *(continued from previous page)*

Restricted stock units *(continued from previous page)*

Range of grant prices	Number of RSUs	Weighted average grant price	Weighted average remaining contractual life in years
	#	$	#
0.74	30,640	0.74	0.26
0.32	33,334	0.32	1.97
0.24	342,152	0.24	0.93
	406,126	**0.28**	**0.96**

There were no restricted stock units issued during the three months ended March 31, 2026 (2025 – Nil).

During the three months ended March 31, 2026, 15,319 (2025 – 38,817) restricted stock units were redeemed for the same number of common shares upon vesting in accordance with the terms of the omnibus incentive plan. The total share-based benefits reserve reclassified to common shares was $11,277 (2025 – $29,169).

During the three months ended March 31, 2026, the Company recognized stock-based compensation for granted restricted stock units of $23,896 (2025 - $32,731) under share-based compensation expense and $nil (2025 - $nil) under contractor expenses.

Compensation warrants

In connection with the LIFE Offering closed on November 11, 2025, the Company issued an aggregate of 177,600 compensation warrants to Canaccord Genuity Corp., together with Beacon Securities Ltd. (collectively, the "Agents"). Each compensation warrant is exercisable to acquire one common share of the Company at a price of $0.31 (CAD$0.43) per compensation warrant share until November 12, 2027.

The compensation warrants were valued using the Black-Scholes option pricing model with the following assumptions: underlying share price of $0.34 (CAD$0.48), exercise price of $0.31 (CAD$0.43), expected life of 2.0 years, expected volatility of 35.0%, and a risk-free interest rate of 3.5%. The resulting fair value was $0.09 (CAD$0.13) per compensation warrant. An amount of $16,627 (CAD$23,297), representing the fair value of the compensation warrants at the issuance date, was netted against share capital as share issuance costs.

During the quarter ended March 31, 2026 (2025: Nil), no compensation warrants were exercised.

12. Related Party Transactions

Amounts due from related parties as at March 31, 2026, and December 31, 2025, were as follows:

	March 31, 2026	December 31, 2025
	$	$
Liam Farrell	**32,368**	32,319
	32,368	32,319

12. Related Party Transactions *(continued from previous page)*

On November 20, 2023, several arrangements were agreed to between the Company and certain Canadian parties (including one related party), for the exercise of an aggregate of 2,804,702 share purchase warrants (including 182,136 share purchase warrants held by Liam Farrell, a related party of the Company) at an exercise price of CAD$0.21 ($0.17) previously issued by the Company on January 11, 2021. These arrangements include the provision of promissory notes between the Company and warrant holders. The principal amount outstanding under the 3 year-term bears interest at the prime rate as published by the Bank of Canada and matures on December 31, 2026, and the interest is due on maturity. The Company agreed that (ii) no interest shall be due and payable by the promissory notes holders in the event the proceeds from the sale of the Company's common shares held by the notes holders are not sufficient to satisfy in whole the obligations to pay the principal amount outstanding and the accrued interest on the maturity date and (ii) the remaining obligation of the notes holders to repay the balance of the principal amount outstanding subsequent to the sale of the Company's common shares will be forgiven. In the circumstance where the notes holders seek to sell their common shares for proceeds insufficient to satisfy in whole their respective promissory note principal and interest obligations, the Company may elect to repurchase the common shares from the note holders, subject to applicable securities law, for cancellation in consideration of forgiving the principal amount outstanding. The balance of promissory notes including accrued interest as at March 31, 2026, comprised $32,368 (2025 - $32,319) due from Liam Farrell and $466,069 (2025 - $465,355) due from other parties.

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 "debt rollover"). 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 had 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. On February 24, 2026, the maturity date of the debentures was extended from February 25, 2026, to August 25, 2026. The balance of the non-convertible debenture due to Aziz Rahimtoola as at March 31, 2026 classified as a liability component was $378,558 (2025 - 387,729) and classified as share capital for the bonus shares issued as a part of the debenture offering was $15,400 (2025 - 15,400). Refer Note 10(d) above for further details.

On October 1, 2025, the Company issued unsecured, non-convertible promissory note to its Chief Executive Officer, Mr. Aziz Rahimtoola, for the Company to borrow gross proceeds of $500,000. The notes borrowed from Mr. Rahimtoola are payable on demand and bear simple interest at 15% per annum. The Company may repay all or any portion of the principal at any time without penalty. The balance of the non-convertible promissory notes due to Aziz Rahimtoola as at March 31, 2026, was $500,000 (2025 - $500,000). Refer Note 10(e) above for further details.

13. Risk management arising from financial instruments

a) Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's principal financial assets that expose it to credit risk are trade receivables and promissory note receivables. The Company mitigates this risk by monitoring the credit worthiness of its customers and promissory notes holders.

13. Risk management arising from financial instruments *(continued from previous page)*

a) Credit risk *(continued from previous page)*

The Company recognizes a provision for expected credit losses based on its assessment of the probability of specific losses, estimates of future individual exposures and provisions based on historical experience.

The following is the breakdown of the aging of trade receivables:

	March 31, 2026	December 31, 2025
Trade receivables aging		
0-30 days	**6,989,384**	8,373,401
31-60 days	**1,269,316**	1,953,569
61-90 days	**254,745**	1,638,466
Greater than 90 days	**764,249**	1,162,676
	9,277,694	13,128,112
Allowance for expected credit losses	**(173,982)**	(158,245)
Net trade receivables	**9,103,712**	12,969,867

At March 31, 2026, of the Company's trade receivables, one customer accounted for 30.0% (2025 – one customer for 16%).

The Company applies the simplified approach to provide for expected credit losses as prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables and contract assets. The expected credit loss provision is based on the Company's historical collections and loss experience and incorporates forward-looking factors, where appropriate. The provision matrix below shows the expected credit loss rate for each aging category of trade receivables as at March 31, 2026 and December 31, 2025.

March 31, 2026	**Total**	**0-30 days**	**31-60 days**	**61-90 days**	**>90 days**
Default rates		1.36%	3.90%	1.48%	3.36%
Trade receivables	**$ 9,277,694**	$ 6,989,384	$ 1,269,316	$ 254,745	$ 764,249
Expected credit loss	**$ 173,982**	$ 95,056	$ 49,503	$ 3,776	$ 25,647

December 31, 2025	**Total**	**0-30 days**	**31-60 days**	**61-90 days**	**>90 days**
Default rates		0.50%	1.53%	2.58%	3.80%
Trade receivables	**$ 13,128,112**	$ 8,373,401	$ 1,953,569	$ 1,638,466	$ 1,162,676
Expected credit loss	**$ 158,245**	$ 41,867	$ 29,890	$ 42,272	$ 44,216

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's revolving demand facilities have variable interest rates. Changes in the lending institution's prime lending rates can cause fluctuations in interest payments and cash flows.

13. Risk management arising from financial instruments *(continued from previous page)*

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach 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.

March 31, 2026	**Contractual cash flows**	**Less than 1 year**	**1-3 years**	**4-5 years**	**After 5 years**
Trade and other payables	**18,461,428**	18,461,428	-	-	-
Lease liability	**2,509,513**	1,005,168	1,504,345	-	-
Loans payable	**8,485,292**	8,057,302	28,255	30,452	369,283
	29,456,233	27,523,898	1,532,600	30,452	369,283

December 31, 2025	**Contractual cash flows**	**Less than 1 year**	**1-3 years**	**4-5 years**	**After 5 years**
Trade and other payables	**15,394,116**	15,394,116	-	-	-
Lease liability	**2,768,300**	997,559	1,733,728	37,013	-
Loans payable	**11,366,449**	10,935,074	27,992	29,887	373,496
	29,528,865	27,326,749	1,761,720	66,900	373,496

d) Foreign currency risk

The Company is exposed to currency risk related to the fluctuation of foreign exchange rates. The Company is exposed to currency risk through its operations in Indian rupees, Canadian dollars, British pounds and euros. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. A change of 1% in the INR/USD, CAD/USD, EURO/USD and GBP/USD exchange rates on the March 31, 2026, would have had an impact on the Company's cash in Indian rupees of $1,147, on the Company's cash, accounts receivable and promissory notes receivable in Canadian dollars of $104, $7 and $4,936 respectively, on the Company's cash and accounts receivable in British pounds of $1,126 and $39,252 respectively, on the Company's cash and accounts receivable in euros of $2 and $4,713, on the Company's Revamp receivables-purchase facility and accounts payable and accrued liabilities in British pounds of $31,588 and $28,602 respectively, on the Company's accounts payable and accrued liabilities in Canadian dollars of $403, on the Company's lease liabilities in Indian rupees of $528 and of $12,856 on the Company's non-convertible debentures in Canadian dollars.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting periods are as follows:

	March 31, 2026	December 31, 2025
	INR	INR
Cash	**10,870,957**	12,025,193
Net financial assets	**10,870,957**	12,025,193

13. Risk management arising from financial instruments *(continued from previous page)*

d) Foreign currency risk *(continued from previous page)*

	March 31, 2026	December 31, 2025
	CAD	CAD
Cash	**14,589**	11,633
Accounts receivable	**1,033**	1,470
Promissory notes receivable	**694,453**	682,270
Net financial assets	**710,075**	695,373

	March 31, 2026	December 31, 2025
	GBP	GBP
Cash	**86,012**	412,826
Accounts receivable	**2,999,200**	1,484,189
Net financial assets	**3,085,212**	1,897,015

	March 31, 2026	December 31, 2025
	EUR	EUR
Cash	**71**	-
Accounts receivable	**413,642**	1,733,497
Net financial assets	**413,713**	1,733,497

	March 31, 2026	December 31, 2025
	GBP	GBP
Revamp Receivables-Purchase Facility	**2,413,667**	2,263,737
Accounts payable and accrued liabilities	**2,185,489**	1,595,714
Net financial assets	**4,599,156**	3,859,451

	March 31, 2026	December 31, 2025
	CAD	CAD
Accounts payable and accrued liabilities	**56,708**	99,506
Net financial liabilities	**56,708**	99,506

	March 31, 2026	December 31, 2025
	INR	INR
Lease liabilities	**5,007,901**	5,660,732
Net financial liabilities	**5,007,901**	5,660,732

	March 31, 2026	December 31, 2025
	CAD	CAD
Debentures	**1,808,798**	1,840,206
Net financial liabilities	**1,808,798**	1,840,206

e) Management of capital

The Company's objective of managing capital, comprising of shareholder's equity, is to ensure its continued ability to operate as a going concern. The Company manages its capital structure and makes changes to it based on economic conditions. With approval from the Board of Directors, management will adjust its capital structure through the issue-

13. Risk management arising from financial instruments *(continued from previous page)*

e) Management of capital *(continued from previous page)*

-of new shares, debt or other activities deemed appropriate under specific circumstances. Management and the Board of Directors review the Company's capital management approach on an ongoing basis and believe this approach, given the relative size of the Company, is reasonable. The Company is subject to capital requirements from SLRDF for the use of the granted credit facility. There were no material changes in the Company's capital management objectives, policies and processes during the three months ended March 31, 2026.

14. Segmented Information

The Company is a technology provider in the high-growth advertising areas of connected TV ("CTV") and over-the-top ("OTT") streaming. The Company sells services in the United States of America ("USA") and Europe, the Middle East and Africa ("EMEA") with Sabio Inc. and Sabio London Limited providing targeted campaign solutions to top agencies and the brands they represent by filling the ad slots in Sabio SSP and other non-Sabio SSP CTV/OTT apps. AppScience, Inc. provides an agnostic platform to track, measure and analyze media buys across multiple partners, while Sabio Mobile India Private Limited and Sabio Canada Inc. work as operational extensions of the Company for data engineering, data science activities and administration activities.

The Company has identified two operating segments based on geography: North America and Europe, the Middle East and Africa ("EMEA"). Management reviews revenue and segment profit for resource allocation and performance assessment. Since the third quarter of 2025, the EMEA segment became reportable as revenue from this segment exceeded 10% of the Company's total revenue for the first time. In accordance with IFRS 8 – Operating Segments, revenue and profit are reported by geographic location of the customers.

The following tables presents revenue and profit/loss by reportable segment, together with a reconciliation to consolidated profit/loss.

	For the three months ended	
Geographic Region	**March 31, 2026**	March 31, 2025
	$	$
North America	**4,048,735**	8,842,969
EMEA	**3,109,607**	244,297
Total Net Revenue	**7,158,342**	9,087,266

	For the three months ended	
Geographic Region	**March 31, 2026**	March 31, 2025
	$	$
North America	**(4,714,246)**	(1,979,327)
EMEA	**278,324**	(320,435)
Total Profit (Loss)	**(4,435,922)**	(2,299,762)

14. Segmented Information *(continued from previous page)*

	For the three months ended	
	March 31, 2026	March 31, 2025
	$	$
Total segment profit (loss)	**(4,435,922)**	(2,299,762)
Exclude: Inter-segment eliminations	**36,532**	19,325
Consolidated profit (loss) before tax	**(4,399,390)**	(2,280,437)

Identifiable non-current assets

Identifiable non-current assets are attributed to geographic regions based on the location of the assets. Substantially all identifiable non-current assets are located in North America, consisting primarily of intangible assets, goodwill, and right-of-use assets related to our North American operations as disclosed in Note 7 and Note 9. EMEA and other geographic regions do not hold identifiable non-current assets.

The Company has restated comparative segment information for the prior year to reflect the current period's two-segment presentation, where practicable. Where restatement was not practicable, the Company has disclosed segment results on the most comparable basis available. Segment profit/loss represents the measure used by Management for evaluating performance; segment assets and liabilities are not reviewed separately and therefore are not disclosed.

15. Commitments

On August 8, 2022, the Company entered a lease for a new 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, as at March 31, 2026 is as follows:

Within one year	$	148,548
Less than one year and not longer than five years		212,426
Thereafter		-
	$	**360,974**

16. Subsequent Events

On April 29, 2026, the Company completed a tranche of a non-brokered private placement of 12% subordinated, secured convertible debentures for gross proceeds of CAD $900,000. The debentures have a 12-month term and bear simple interest at 12% per annum, calculated daily based on a 365-day year, payable in cash semi-annually in arrears and upon the earlier of conversion or maturity. The debentures are convertible, at the holder's option at any time prior to maturity, into common shares of the Company at a conversion price of C$0.30 per share. The debentures are-

16. Subsequent Events *(continued from previous page)*

-secured by a general security agreement over all present and after-acquired personal property of the Company. At maturity, any unconverted principal will be repaid in cash at 107% of the principal amount, together with all accrued and unpaid interest. The Company may decide to close further tranches under the offering.

On May 20, 2026, the Company was approved for an increase in the aggregate exposure limit, from GBP £3 million to GBP £5 million, under the receivables purchase agreement with Revamp Funding Designated Activity Company ("Revamp") dated as of September 17, 2025, effective immediately.