

YANGAROO Inc.

Condensed Interim Financial Statements

For the Three and Nine Months Ended September 30, 2025 and 2024

(Expressed in US Dollars)

(Unaudited)

November 28, 2025

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed consolidated interim financial statements ("interim financial statements") have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

YANGAROO Inc.

Condensed Consolidated Interim Statements of Financial Position (Unaudited)

(Expressed in United States dollars)

	September 30 2025	December 31 2024
Assets		
Current		
Cash	\$160,165	\$231,083
Accounts Receivable (note 4)	1,207,140	1,496,475
Prepaid and Sundry Assets	137,379	126,595
Contract Assets	51,479	58,985
Other Receivable	4,702	10,321
	1,560,865	1,923,459
Non-current		
Property and Equipment and Right of Use Assets (note 5)	328,083	449,159
Intangible Assets (note 6)	1,873,356	1,938,212
Goodwill (note 7)	359,146	359,146
Government Assistance Receivable	429,977	429,977
	\$4,551,427	\$5,099,953
Liabilities		
Current		
Trade and Other Payables (note 8)	\$914,310	\$1,138,063
Contract Liabilities	146,086	87,738
Current Portion of Lease Obligations (note 9)	158,732	144,139
Term Loan Facility (note 10)	955,064	1,159,680
Revolving Credit Facility (note 10)	772,215	729,750
Convertible Debenture (note 11)	571,286	417,484
Contingent Consideration (note 12)	76,354	88,100
	3,594,047	3,764,954
Non-current		
Lease Obligations (note 9)	196,113	303,920
	3,790,160	4,068,874
Equity		
Share Capital (note 13)	27,864,591	27,826,282
Share-Based Payments Reserve	6,003,681	5,971,266
Foreign Currency Translation Reserve	1,157,622	1,157,622
Deficit	(34,264,627)	(33,924,091)
	761,267	1,031,079
	\$4,551,427	\$5,099,953

Going concern (note 2(b))

Approved by the Board of Directors

"H. Shepard Boone"
Director

"Phil Benson"
Director

See accompanying notes, which are an integral part of these condensed interim financial statements

YANGAROO Inc.

Condensed Consolidated Interim Statements of Net Loss and Comprehensive Loss (Unaudited)

Three and Nine Months Ended September 30, 2025 and 2024

(Expressed in US dollars)

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Revenue (note 16)	\$1,572,017	\$1,942,525	\$5,005,516	\$5,814,845
Expenses				
Salaries and Consulting (notes 14 & 17)	1,052,559	1,112,425	3,224,280	3,442,297
Depreciation of Property and Equipment, Right of Use Assets and Intangible Assets (notes 5 & 6)	237,533	117,475	682,251	551,155
General and Administrative	216,893	192,456	643,200	627,940
Technology and Production	126,642	142,998	407,470	520,690
Marketing and Promotion	33,999	28,188	138,175	182,062
Restructuring Expense	-	-	-	12,182
Acquisition Fees	-	-	-	1,463
	1,667,626	1,593,542	5,095,376	5,337,789
Income (Loss) from Operations	(95,609)	348,983	(89,860)	477,056
Other Income (Expenses)				
Acquisition Related Settlement Gain (note 19)	150,000	-	210,000	-
Interest Income	-	-	374	-
Interest Expense	(53,136)	(87,848)	(232,834)	(309,246)
Foreign Exchange Gain/(Loss)	121,518	(58,039)	(50,904)	16,386
Remeasurement of Contingent Consideration	(20,571)	-	(20,571)	-
Revaluation of Foreign Exchange Embedded Derivatives (note 11)	(31,356)	(33,519)	(147,754)	(5,270)
	166,455	(179,406)	(241,689)	(298,130)
Net Income (Loss) before Income Tax	70,846	169,577	(331,549)	178,926
Income Tax Expense	1,407	-	8,987	122,822
Net Income (Loss) and Comprehensive Income (Loss)	\$69,439	\$169,577	(\$340,536)	\$56,104
Basic Income (Loss) per Share (note 15)	\$0.00	\$0.00	(\$0.01)	\$0.00
Diluted Income (Loss) per Share (note 15)	\$0.00	\$0.00	(\$0.01)	\$0.00

See accompanying notes, which are an integral part of these condensed interim financial statements

YANGAROO Inc.

Condensed Consolidated Interim Statements of Changes in Equity (Unaudited)

Nine months ended September 30, 2025 and 2024

(Expressed in US dollars)

	Number Of Shares	Share Capital	Share- Based Payments Reserve	Foreign Currency Translation Reserve	Deficit	Total
Balance at December 31, 2023	62,437,140	\$27,826,282	\$5,971,266	\$1,157,622	\$(34,460,504)	\$494,666
Net and Comprehensive Income for the Period	-	-	-	-	56,104	56,104
Balance at September 30, 2024	62,437,140	\$27,826,282	\$5,971,266	\$ 1,157,622	\$(34,404,400)	\$550,770
Balance at December 31, 2024	62,437,140	\$27,826,282	\$5,971,266	\$1,157,622	\$(33,924,091)	\$1,031,079
Share Based Compensation	-	-	45,675	-	-	45,675
Exercise of Stock Options	500,000	26,988	(13,260)	-	-	13,728
Issuance of Shares	281,473	11,321	-	-	-	11,321
Net and Comprehensive Loss for the Period	-	-	-	-	(340,536)	(340,536)
Balance at September 30, 2025	63,218,613	27,864,591	6,003,681	\$ 1,157,622	(34,264,627)	761,267

See accompanying notes, which are an integral part of these condensed interim financial statements

YANGAROO Inc.

Condensed Consolidated Interim Statements of Cash Flows (Unaudited)

Nine months ended September 30, 2025 and 2024

(Expressed in US dollars)

	Nine Months Ended September 30	
	2025	2024
Cash Flow From Operating Activities		
Net Income (Loss) for the Period	(\$340,536)	\$56,104
Items Not Affecting Cash:		
Depreciation of Property and Equipment, Right of Use Assets, and Intangible Assets (notes 5 and 6)	682,251	551,155
Share-Based Payments (note 14)	45,675	-
Loss Allowance (note 4)	15,000	22,913
Accrued Interest and Accretion	104,043	47,934
Remeasurement of Embedded Derivative Liability (note 11)	87,901	5,270
Changes in Non-Cash Operating Working Capital:		
Accounts Receivable	274,335	241,892
Prepaid and Sundry Assets	(10,784)	(10,515)
Contract Assets	7,506	5,957
Other Receivables	5,619	14,662
Trade and Other Payables	(137,113)	36,964
Contract Liabilities	58,348	10,502
Contingent Consideration	20,570	-
Net Cash from Operating Activities	812,815	982,838
Cash Flow Used in Investing Activities		
Acquisition of Property and Equipment (note 5)	(6,629)	(1,077)
Expenditures on Software Development Assets (note 6)	(482,574)	(496,539)
Net Cash Used in Investing Activities	(489,203)	(497,616)
Cash Flow Used in Financing Activities		
Payment of Lease Obligations (note 9)	(100,328)	(103,733)
Principal Repayment of Term Loan	(242,758)	(363,688)
Proceeds of Revolving Credit Facility (note 10)	42,465	1,323
Payment of Contingent Consideration	(118,958)	(64,146)
Issuance of Common Shares (note 13)	11,321	-
Exercise of Stock Options (note 14)	13,728	-
Net Cash Used in Financing Activities	(394,530)	(530,244)
Net Decrease in Cash	(70,918)	(45,022)
Cash, Beginning of Period	231,083	150,928
Cash, End of Period	\$160,165	\$105,906
Supplemental Cash Flow Information:		
Cash Interest Paid	\$138,681	\$267,785
Taxes Paid	\$8,987	\$9,853
Capitalized Software Development Included in Trade and Other Payables	\$15,189	\$20,865
Right of Use Assets Acquired via Lease Obligation	\$7,114	\$234,650

See accompanying notes, which are an integral part of these condensed interim financial statements

YANGAROO Inc.

Notes to the Condensed Interim Financial Statements (Unaudited)
For the three and nine months ended September 30, 2025 and 2024
(Expressed in US dollars, unless otherwise noted)

1. Nature of Operations

YANGAROO Inc. ("YANGAROO" or "the Company") is a software company that provides workflow management solutions within the media and entertainment ecosystem. The Company's Digital Media Distribution System (DMDS) platform is a patented cloud-based technology that provides customers with a fully integrated workflow and broadcaster-connected managed network for digital content delivery and related data management across the advertising, music, and entertainment award show markets.

YANGAROO Inc. is a publicly listed company incorporated on July 28, 1999, under the laws of Ontario as Musicrypt.com Inc. and changed to its present name on July 17, 2007. YANGAROO trades on the TSX Venture Exchange (TSX-V) under the symbol YOO.V.

The address of the Company's corporate office and principal place of business is 360 Dufferin Street, Suite 203, Toronto, Ontario, M6K 1Z8.

2. Basis of Preparation

(a) Basis of Compliance

These unaudited condensed interim financial statements ("interim financial statements") are in compliance with International Accounting Standard (IAS) 34, Interim Financial Reporting. Accordingly, certain information and footnote disclosures normally included in the annual financial statements prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), have been omitted. The preparation of these interim financial statements in accordance with IAS 34 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

These interim financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2024.

These interim financial statements were authorized for issue by the Board of Directors on November 28, 2025.

(b) Basis of Measurement

The interim financial statements have been prepared on a historical cost basis except for certain financial instruments measured at fair value.

The interim financial statements are presented in **US dollars**, which is also the Company's functional currency.

The financial statements were prepared on a going concern basis, which assumes that YANGAROO will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

YANGAROO Inc.

Notes to the Condensed Interim Financial Statements (Unaudited)
For the three and nine months ended September 30, 2025 and 2024
(Expressed in US dollars, unless otherwise noted)

The Company generated net and comprehensive loss of \$340,536 and positive cash flows from operations of \$812,815 for the nine months ended September 30, 2025, and has a working capital deficit of \$2,033,182 as at September 30, 2025. The Company's ability to continue as a going concern is dependent upon the Company's ability to successfully refinance the term loan of \$955,064 and revolving credit facility of \$772,215 (the "Credit Facility"), which matured on June 26, 2025. The Company remains in active discussions with the Bank to extend the Credit Facility and remains current on all scheduled interest and principal payments in accordance with the original terms of the Credit Facility. The Company also continues to have access to the revolving portion of the Credit Facility, which supports its working capital requirements on an as-needed basis, while discussions with the Bank continue. In parallel, the Company is evaluating additional options to repay or refinance the Credit Facility through equity financing, debt financing, or rights offerings from existing shareholders, on an ongoing basis. There is no assurance that the Company will successfully raise sufficient funds through equity or debt financing. As a result of these conditions, there is material uncertainty that may cast significant doubt regarding the Company's ability to continue as a going concern. These financial statements do not reflect the adjustments that might be necessary to the carrying amount of reported assets, liabilities, revenue, and expenses and the statement of financial position classification used if the Company was unable to continue operations in accordance with this assumption. Such adjustments could be material.

(c) Significant Accounting Judgements and Sources of Estimation Uncertainty

The preparation of these interim financial statements in conformity with IFRS requires management to make judgements, estimates, and assumptions that affect the reported amounts and the valuation of assets and liabilities and the disclosure of contingent assets and liabilities at the date of these interim financial statements and the reported amounts of revenues and expenditures during the period reported.

The most significant judgements and estimates made by management in preparing the Company's interim financial statements are described as follows:

Judgements:

(i) Revenue Recognition

To the extent a contract includes multiple performance obligations, the Company applies judgement to determine whether these performance obligations are capable of being distinct in the context of the contract. If these criteria are not met, the promised services are accounted for as a combined performance obligation. Additionally, recognition of revenue requires significant judgement to determine if revenue is recognized at a point in time or over time.

(ii) Investment Tax Credits

The Company uses judgement to determine the reasonable assurance of collection and estimates the valuation of investment tax credits to be accrued.

(iii) Collectability of Accounts Receivable

The Company applies judgement to measure estimated credit loss on accounts receivable at an amount equal to the lifetime expected credit loss ("ECL"). The Company applies judgement to evaluate each receivable at year end based on factors such as the age of the receivable, payment risk, and credit risk.

(iv) Share-Based Payments

Share-based payments which include stock options and Restricted Share Units ("RSU") granted to employees, officers and directors and warrants granted to agents and debenture holders, to the extent that they are not measured at the fair value of the services received, are based on the fair value at the date of the award. Stock

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options are valued using the Black-Scholes option pricing model, which includes inputs that require management's estimates and assumptions, and judgement with respect to the expected forfeiture rate.

(v) Capitalized Software Development Costs

The Company uses judgement to determine when internally generated development costs are available for intended use and to assess if expenditures meet the criteria for capitalization under IAS 38.

(vi) Functional and Presentation Currency

These financial statements are presented in US dollars, which is the functional currency of the Company. Transactions in foreign currencies are translated to the respective functional currencies of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency using the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency using the exchange rate at the date that the fair value was determined. Revenues and expenses are measured using the actual exchange rates prevailing on the dates of the transactions. Gains and losses resulting from re-measurement are recorded in the Company's profit or loss as Foreign exchange (loss) gain.

Estimates:

(i) Business Combinations

On initial recognition, the assets and liabilities of the acquired business and consideration paid for them are included in the statement of financial position at their fair value. In measuring fair value, management uses estimates of future cash flows and discount rates.

(ii) Contingent Consideration

The Company measures the contingent consideration payable in a business combination at the estimated fair value at each reporting date. The fair value is estimated using a probability weighted approach, which includes inputs that require management's estimates and assumptions. The Company applies judgement annually at every anniversary of the acquisition to remeasure the contingent consideration based on the revenue history of the related Millenia3 customers.

3. Significant Accounting Policies

These interim financial statements follow the same accounting policies and methods of their application as the Company's December 31, 2024, annual audited financial statements.

4. Risk Management

Capital Risk Management

The Company includes equity comprised of share capital, share-based payments reserve, foreign currency translation reserve, and deficit, in the definition of capital. As at September 30, 2025, the amount of equity was \$761,267 (December 31, 2024 - \$1,031,079). The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to further develop and market platform services, and to maintain its ongoing operations. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity and warrants, debt, or by securing strategic partners.

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The Company has a Credit Facility (see note 10), which matured on June 26, 2025. The Company remains in active discussion with the Bank to extend the Credit Facility and remains current on all scheduled interest and principal payments in accordance with the original terms of the Credit Facility. The Company continues to have access to the revolving portion of the Credit Facility, which supports its working capital requirements on an as-needed basis, while discussions with the Bank continue.

Financial Instruments and Risk Management

The Company is exposed to a variety of financial risks by virtue of its activities: market risk (including currency risk, interest rate risk, and other price risk), credit risk, and liquidity risk. The overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on financial performance. Risk management is carried out by management under policies approved by the Board of Directors. Management is charged with the responsibility of establishing controls and procedures to ensure that financial risks are mitigated in accordance with the approved policies. The Company's exposure to financial instrument related risks and the methods used to manage those risks have not changed significantly over the last year.

(a) Market Risk:

Market risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in the market prices. Market risk is comprised of three types of risk such as foreign currency risk, interest rate risk, and other price risk. Two types of risk are applicable to the Company:

(i) Currency Risk:

The Company operates internationally, and the US dollar ("USD") is the presentation currency. The Company, however, does have revenues, expenses, assets, and liabilities denominated in currencies other than USD, primarily the Canadian dollar ("CAD"). The principal foreign currency risk as at September 30, 2025, is therefore the CAD.

A 5% change in exchange rates would result in a \$137,867 impact on profit or loss. Financial instruments and lease obligations in CAD currency at September 30, 2025, are as follows:

	USD
Cash	\$36,310
Accounts Receivable	161,066
Prepaid and Sundry Assets	55,659
Contract Assets	8,440
Total Assets	\$261,475
Trade and Other Payables	\$398,039
Revolving Credit Facility	772,215
Convertible Debentures	571,286
Term Loan	955,065
Capital Lease Obligation	217,490
Contract Liabilities	104,729
Total Liabilities	\$3,018,824
Net Liability Exposure	\$2,757,349

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(Expressed in US dollars, unless otherwise noted)

(ii) Interest Rate Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk is limited to potential decreases on the interest rate offered on cash held with chartered Canadian financial institutions and potential increases on the prime rate applied on the Credit Facility available to the Company. The Company's Credit Facility and convertible debt are floating interest rate facilities. A 100 bps or 1% increase in the floating rate would result in a \$22,986 impact on profit or loss assuming all other factors are kept stable.

(b) Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments which are potentially subject to credit risk for the Company consists primarily of non-payment of accounts receivable.

The Company mitigates this risk by monitoring the credit worthiness of its customers and by offering the platform service to numerous smaller customers. As at and during the nine months ended September 30, 2025, approximately 17% (September 30, 2024 - 15%) of accounts receivable and 18% (September 30, 2024 - 19%) of revenue are from two customers, respectively.

The definition of items that are past due is determined by reference to payment terms agreed to with individual customers, which are normally within 30 to 60 days.

Aging of trade receivables that are past due, but not impaired are as follows:

	September 30 2025	December 31 2024
0 to 30 days	\$862,204	\$1,097,142
31 to 60 days	86,484	105,355
Over 60 days	258,452	293,978
Total	\$1,207,140	\$1,496,475

Continuity of expected credit losses:

	September 30 2025	December 31 2024
Balance, Beginning of Period	\$202,598	\$179,684
Accounts Written Off	(148,808)	-
Remeasurement of Loss Allowance	15,000	22,914
Balance, End of Period	\$68,790	\$202,598

The Company's estimated credit losses as at September 30, 2025, is \$68,790 (December 31, 2024 - \$202,598) to address any anticipated collectability issues based on payment history and the expected credit loss of each customer.

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Notes to the Condensed Interim Financial Statements (Unaudited)
For the three and nine months ended September 30, 2025 and 2024
(Expressed in US dollars, unless otherwise noted)

(c) Liquidity Risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's policy is to ensure that it will have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages its liquidity risk by forecasting cash flows from operations and anticipating investing and financing activities. Senior management is also actively involved in the review and approval of planned expenditures.

Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses. To achieve this objective, the Company prepares annual expenditure budgets, which are regularly monitored and updated as considered necessary.

The Company manages liquidity risk on the basis of expected maturity dates.

The following tables analyze financial liabilities and lease obligations by remaining contractual maturity (contractual and undiscounted cash flows).

	Lease Obligations	Contract Liabilities	Term Loan Facility	Trade & Other Payables	Revolving Credit Facility	Convertible Debt	Total
< 1 year	\$179,946	\$146,086	\$955,064	\$914,310	\$772,215	-	\$2,967,621
1- 3 years	210,297	-	-	-	-	477,354	687,651
Balance at September 30, 2025	\$390,243	\$146,086	\$955,064	\$914,310	\$772,215	\$477,354	\$3,655,272

	Lease Obligations	Contract Liabilities	Term Loan Facility	Trade & Other Payables	Revolving Credit Facility	Convertible Debt	Total
< 1 year	\$172,828	\$87,738	\$1,197,822	\$1,138,063	\$729,750	-	\$3,326,201
1- 3 years	330,880	-	-	-	-	361,775	692,655
Balance at December 31, 2024	\$503,708	\$87,738	\$1,197,822	\$1,138,063	\$729,750	\$361,775	\$4,018,856

At present, the Company expects to pay all liabilities at their contractual maturity. To meet these cash commitments, the Company anticipates generating sufficient cash inflows from operating activities and raising equity capital or obtaining the necessary financing to meet current and future obligations. Additionally, the Company utilizes a Credit Facility to provide cash on an as-needed basis. The Credit Facility matured June 26, 2025 and the Company remains in active discussion with the Bank to extend the Credit Facility and remains current on all scheduled interest and principal payments in accordance with the original terms of the Credit Facility. The Company continues to have access to the revolving portion of the Credit Facility, which supports its working capital requirements, while discussions with the Bank continue.

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(d) Trade Barrier Risks:

The rapidly evolving landscape stemming from the executive orders signed by the President of the United States regarding new tariffs and subsequently retaliatory tariffs by the Canadian government and other trade protectionist measures implemented are expected to create volatility in the Advertising industry. The Company is actively assessing the direct and indirect future impacts to its business as this situation develops. The magnitude of the impact remains unknown as at the date.

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(Expressed in US dollars, unless otherwise noted)

5. Property and Equipment and Right of Use Assets

	Office Equipment	Computer Equipment	Computer Software	Right of Use Office Property	Leasehold Improvements	Total
Cost						
Balance, January 1, 2024	\$35,580	\$748,407	\$436,619	\$1,265,660	\$45,619	\$2,531,885
Additions	-	74,026	-	234,650	-	308,676
Derecognition of Fully Depreciated Assets	-	(343,834)	(107,946)	(973,492)	-	(1,425,272)
Balance, December 31, 2024	35,580	478,599	328,673	526,818	45,619	1,415,289
Additions	1,185	12,558	-	-	-	13,743
Derecognition of Fully Depreciated Assets	-	(71,433)	(23,067)	-	-	(94,500)
Balance, September 30, 2025	\$36,765	\$419,724	\$305,606	\$526,818	\$45,619	\$1,334,532
Accumulated Depreciation						
Balance, January 1, 2024	31,300	710,977	387,803	1,010,630	23,883	2,164,593
Depreciation Expense	1,294	30,228	47,955	140,218	7,114	226,809
Derecognition of Fully Depreciated Assets	-	(343,834)	(107,946)	(973,492)	-	(1,425,272)
Balance, December 31, 2024	32,594	397,371	327,812	177,356	30,997	966,130
Depreciation Expense	963	28,231	861	99,749	5,015	134,819
Derecognition of Fully Depreciated Assets	-	(71,433)	(23,067)	-	-	(94,500)
Balance, September 30, 2025	\$33,557	\$354,169	\$305,606	\$277,105	\$36,012	\$1,006,449
Carrying Amounts						
December 31, 2024	\$2,986	\$81,228	\$861	\$349,462	\$14,622	\$449,159
September 30, 2025	\$3,208	\$65,555	-	\$249,713	\$9,607	\$328,083

Included in property and equipment are computer equipment under leases with a carrying value of \$57,199 (December 31, 2024 - \$96,870).

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(Expressed in US dollars, unless otherwise noted)

6. Intangible Assets

	Brand	Customer Relationships	Development Costs	Total
Cost				
Balance, January 1, 2024	\$70,000	\$1,098,000	\$1,813,293	\$2,981,293
Additions	-	-	647,830	647,830
Balance, December 31, 2024	70,000	1,098,000	2,461,123	3,629,123
Additions	-	-	482,574	482,574
Derecognition of Assets	-	-	(59,111)	(59,111)
Balance at September 30, 2025	\$70,000	\$1,098,000	\$2,884,586	\$4,052,586
Accumulated Amortization				
Balance, January 1, 2024	53,833	841,583	285,204	1,180,620
Amortization Expense	11,278	177,583	321,430	510,291
Balance, December 31, 2024	65,111	1,019,166	606,634	1,690,911
Amortization Expense	2,000	32,250	513,180	547,430
Derecognition of Assets	-	-	(59,111)	(59,111)
Balance at September 30, 2025	\$67,111	\$1,051,416	\$1,060,703	\$2,179,230
Carrying Amounts				
December 31, 2025	\$4,889	\$78,834	\$1,854,489	\$1,938,212
September 30, 2025	\$2,889	\$46,584	\$1,823,883	\$1,873,356

During the nine months ended September 30, 2025, the Company capitalized internally generated software development costs of \$482,574 (September 30, 2024 - \$496,539). Amortization expense of \$513,180 was expensed to development costs during the nine months ended September 30, 2025 (September 30, 2024 - \$159,691). The Company initiated new software development projects that would generate probable future economic benefits for the analytics dashboard, the clearance platform, and the awards platform. Costs capitalized include employee costs incurred on software development along with any relevant and appropriate overhead. These projects resulted in interface updates, improved visibility into traffic and occurrence data, and additional advertising performance metrics from third-party providers. The awards platform was redesigned to horizontally integrate the customization of modules to allow for the rapid construction of award show websites. Additionally, there have been updates to the reporting components, streamlining the tracking of submissions and ongoing substations in the Clearance platform.

7. Goodwill

	September 30, 2025	December 31, 2024
Balance, Beginning of Period	\$359,146	\$359,146
Balance, End of Period	\$359,146	\$359,146

The goodwill balance of \$359,146 is related to the business acquisitions of Digital Media Services ("DMS") in fiscal year 2021 and Millenia3 in fiscal 2023. The Company tests goodwill for impairment on an annual basis or whenever there is an indication that the goodwill may be impaired. There has been no indication that the goodwill may have been impaired since the impairment analysis done at December 31, 2024.

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8. Trade and Other Payables

	September 30, 2025	December 31, 2024
Trade Payables	\$558,395	\$586,588
Accrued Liabilities	355,915	464,833
Contingent Consideration	-	86,642
Total	\$914,310	\$1,138,063

During the nine months ended September 30, 2025, the company incurred \$nil in restructuring expenses relating to employee severance (September 30, 2024 - \$12,182).

9. Lease Obligations

The Company has lease obligations until 2029 for computer equipment and property, with purchase options at the end of each lease term for computer equipment. The lease agreements have terms ranging between 3 to 5 years at inception and carry a weighted average incremental borrowing rate of 8.47% per annum (2024 – 4.60%). The remaining contractual balance on the lease obligations at September 30, 2025, was \$390,243 (note 4).

	Computer Equipment	Property	Total Lease Liability
Balance at January 1, 2025	\$78,266	\$369,793	\$448,059
Additions During the Period	7,114	-	7,114
Principal Payments	(11,857)	(88,471)	(100,328)
Balance at September 30, 2025	\$73,523	\$281,322	\$354,845
Current Lease Obligation	18,623	140,109	158,732
Long-Term Lease Obligation	54,900	141,213	196,113
Balance at September 30, 2025	\$73,523	\$281,322	\$354,845
Effective Annual Rate of Interest			
Amount of Interest Recognized in Profit or Loss	6,535	17,097	23,632

10. Loan Facility

The Company has a credit agreement (the “Credit Facility”) with a tier-1 Canadian financial institution (the “Bank”). The Credit Facility is secured by a first ranking security over all present and future assets and property of the Company.

The Credit Facility includes a revolving credit facility in the amount of CAD \$1,750,000 and a term loan facility with an initial principal balance of CAD \$3,250,000.

Revolving Credit Facility

The revolving credit facility of USD \$1,257,094 (CAD \$1,750,000) is available by loan advances and is subject to standard borrowing base calculations and margining against trade accounts receivable. Interest payments are based on the Bank’s prime rate plus 1.95% per annum. As at September 30, 2025, the Company has drawn USD \$772,215 (September 30, 2024 – USD \$851,920) of the revolving credit facility.

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Term Loan Facility

The term loan facility of CAD \$3,250,000 was fully advanced on May 21, 2021, and was used for the purchase of DMS and for general corporate purposes. The term of the loan is 42 months, amortized over 72 months, and had an initial 6-month interest only payment component. Interest payments are based on the Bank's prime rate plus 2.45%. The term loan facility is secured by the assets of the Company.

On August 21, 2024, the Bank entered into the third amendment agreement with the Company such that the Company will be in good standing with the modified covenants related to the term loan facility. The Company incurred CAD \$10,000 of amendment fees and has recorded these as deferred financing costs that are being amortized over the expected duration of the term loan facility. The amendment initially extended the term loan maturity date to June 26, 2025. The Company is in active discussion with the Bank to extend the Credit Facility and remains current on all scheduled interest and principal payments in accordance with the original terms of the Credit Facility. The Company continues to have access to the revolving portion of the Credit Facility, which supports its working capital requirements on an as-needed basis, while discussions with the Bank continue.

	September 30, 2025	December 31, 2024
Term Loan Facility	\$955,064	\$1,197,822
Less: Unamortized Deferred Financing Costs	-	(38,142)
Balance, End of Period	955,064	1,159,680
Current Portion of Term Loan	955,064	1,159,680
Long-Term Portion of Term Loan	-	-
Balance, End of Period	\$955,064	\$1,159,680
Revolving Credit Facility Balance, End of Period	\$772,215	\$729,750

11. Convertible Debentures

On December 2, 2022, the Company completed a non-brokered private placement offering of unsecured, convertible debentures ("the Debentures") for gross proceeds of CAD \$500,000. The Debentures will mature on November 30, 2027, and each CAD \$1,000 Debenture will bear interest at a simple rate of Bank's prime plus 8.00% per annum (subject to increase to Bank's prime plus 10.00% per annum in the event of certain defaults). The holders of the Debentures were required to exercise a Subordination and Postponement Agreement in favour of the term loan facility. During the term of the Subordination and Postponement Agreement, no payments to the holders of the Debentures in the form of cash will be permitted except for payments of interest. The holders of the Debentures will be entitled to convert the principal amount of the Debentures at any time on or prior to the maturity date into common shares of the Company at a conversion price of CAD \$0.10. Interest will be payable within 30 days of the end of each semi-annual period ended November 30th and May 31st throughout the term of the Debentures in cash or common shares of the Company, at the discretion of the Company. As certain directors of the Company participated in the Debenture financing, the Debenture is considered a "related party" transaction. See note 17 - Related Party Transactions.

In connection with the Debentures, the Company paid legal fees of \$17,309. During the nine months ended September 30, 2025, \$2,523 (September 30, 2024 - \$2,979) of deferred financing fees were amortized.

For accounting purposes, the debenture has been separated into a host debt liability and an embedded derivative liability component. The fair value of the derivative is calculated using a Black Scholes option model and

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remeasured at every period through profit or loss, with the residual being allocated as the host debt liability component. The host debt will be measured subsequently at amortized cost using the effective interest rate method.

	Host Debt Liability	Embedded Derivative Liability
Convertible Debenture Balance - December 31, 2024	\$331,090	\$86,394
Accretion of Convertible Debentures	15,507	
Interest Accrued	38,223	-
Fair Value Loss on Remeasurement of Embedded Derivative Liability	-	147,754
Foreign Exchange Loss (Gain)	9,648	(59,853)
Amortization of Issuance Costs	2,523	-
Convertible Debenture Balance - September 30, 2025	\$396,991	\$174,295

12. Contingent Consideration

As part of the Millenia3 acquisition, the Company incurred contingent consideration, consisting of additional cash payments as a result of the following:

(a) Fiscal 2023

- (i) 5% of revenues if revenues for the months of November and December 2023 combined are less than \$166,667; or
- (ii) 10% of revenues if revenues for the months of November and December 2023 combined are at least \$166,667 and less than \$250,000; or
- (iii) 15% of revenues if revenues for the months of November and December 2023 combined are at least \$250,000

(b) Fiscal 2024 and 2025

- (iv) 5% of revenues if revenues for the applicable 12-month period are less than \$1,000,000;
- (v) 10% of revenues if revenues for the applicable 12-month period are at least \$1,000,000 and less than \$1,500,000; or
- (vi) 15% of revenues if revenues for the applicable 12-month period are at least \$1,500,000

Measurement periods: Annual periods ending on the 1st, 2nd, and 3rd of December 31, 2023, December 31, 2024, and December 31, 2025.

During the nine months ended September 30, 2025, former shareholders earned \$40,183 of earnout and the Company paid \$32,316 to the seller of Millenia3 with respect to the earnout payment. As at September 30, 2025, the contingent consideration was remeasured and a change in value of \$20,570 was recognized in the statement of profit and loss.

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13. Share Capital

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

During the nine months ended September 30, 2025, the Company issued 781,473 common shares to Grant Schuetrumpf, President and CEO.

500,000 of these shares were issued through the exercise of the 500,000 stock options granted to Mr. Schuetrumpf during the first quarter. The remaining 281,473 shares were issued through the previously disclosed Shares for Services Arrangement between the Company and Mr. Schuetrumpf. The Company issued 62,469 shares for the month of January 2025 at a price of \$0.0375 CAD per share, 137,881 shares for the months of February to April 2025 at a price of \$0.05 CAD per share, 31,250 shares for the month of June 2025 at a price of \$0.07 CAD per share, and 49,603 shares for the months of May and July 2025 at a price of \$0.09 CAD per share. (See note 14 – Share-Based Payments).

The following is a summary of changes in common share capital:

	Number of Shares	Value
Balance at December 31, 2024	62,437,140	\$27,826,282
Exercise of Stock Options	500,000	26,988
Issuance of Shares	281,473	11,321
Balance at September 30, 2025	63,218,613	\$27,864,591

14. Share-Based Payments

The Company has an Omnibus Equity Incentive Plan (the “OEI Plan”), which was originally approved on June 29, 2021, and subsequently amended most recently in 2025. The OEI Plan permits the grant of stock options as well as restricted share units, deferred share units, performance share units, and share appreciation rights (all awards other than options referred to as the “Non-Option Awards”). Pursuant to the terms of the OEI Plan, the maximum number of common shares issuable pursuant to new options together with options granted under the Plan cannot exceed 2,622,360 in the aggregate, being 4.2% of the issued and outstanding common shares of the Company at the time of amendment. The Non-Option Awards may be settled, if and when vested, in common shares of the Company or the cash equivalent, at the election of the Company on issuance of the awards.

Stock Options

The Company has issued stock options to acquire common shares as follows:

	Weighted Average Price (CAD)	Outstanding Options	Vested Options	Weighted Average Remaining Life (Years)
Balance at December 31, 2024	\$0.11	533,000	533,000	0.14
Granted	\$0.04	500,000	500,000	
Expired	\$0.12	(533,000)	(533,000)	
Exercised	\$0.04	(500,000)	(500,000)	
Balance at September 30, 2025	-	-	-	-

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During the nine months ended September 30, 2025, 500,000 stock options were granted and exercised. In the first quarter, the Company granted 500,000 stock options with a fair value of \$13,260. Each of the 500,000 stock options vested immediately on the date of grant and had 90 days to maturity. The estimated fair value of the options was expensed over the vesting period. The compensation expense and charge to share-based payment reserves relating to the stock options for the first quarter was \$13,260. On June 6, 2025, the 500,000 options were exercised with an exercise price of \$0.0375 CAD per share. 500,000 common shares were issued, the value of the Company's share capital increased by \$26,988, and the deduction to share-based payment reserves relating to the stock options in the second quarter was \$13,260.

No stock options were issued or exercised during the three months ended September 30, 2024. 500,000 stock options were issued and exercised during the nine months ended September 30, 2025 and No stock options were issued or exercised during nine months ended September 30, 2024.

There were no stock options outstanding as at September 30, 2025.

Restricted Share Units

The Company may grant Restricted Share Units ("RSUs") to any participant under the Omnibus Equity Incentive Plan.

The fair value of RSUs is based on the closing price of the common shares of the Company on the trading day immediately preceding the date of the award and are recognized over the vesting period.

On January 2, 2025, the Company issued 500,000 RSUs to Mr. Kanniah, the Company's Chief Financial Officer. These RSUs vest fully on the second anniversary of the grant date, upon which they will be payable in cash or in common shares, or a combination of both, at the discretion of the Company, subject to the terms of the Plan. The estimated fair value has been based on the quoted market price on the date of issuance of \$0.04 per common share.

On March 10, 2025, the Company issued 2,000,000 RSUs to Mr. Schuettrumpf, the Company's Chief Executive Officer. These restricted share units are expected to be settled through the issuance of 2,000,000 common shares of the Company. 1,000,000 of these RSUs are subject to certain performance requirements and as such will vest on the later of either the satisfaction of the performance requirements or March 7, 2026. The remaining 1,000,000 RSUs will vest on March 7, 2027. The estimated fair value of the RSUs has been based on the quoted market price on the date of issuance of \$0.04 per common share.

The compensation expense and charge to share-based payment reserves relating to the RSUs for the nine months ended September 30, 2025, was \$32,415 (September 30, 2024 - \$nil).

The following table shows the RSUs outstanding as at September 30, 2025:

Number of Units	September 30, 2025	December 31, 2024
Balance, Beginning of Period	-	-
Granted	2,500,000	-
Balance, End of Period	2,500,000	-
Vested	-	-

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Shares for Services Arrangement

As of March 10, 2025, the Company has also agreed to a Shares for Services Arrangement with Grant Schuetrumpf, CEO, with respect to a portion of Mr. Schuetrumpf's compensation, in lieu of cash. The lesser of USD \$2,500 per month and CAD \$5,000 per month (less applicable withholding taxes) is to be paid in addition to Mr. Schuetrumpf's existing salary, by way of share issuance (the "Shares for Services Arrangement"). Pursuant to the Shares for Services Arrangement, common shares of the Company will be issued each month over a period of two years effective as of January 1, 2025, to Mr. Schuetrumpf, the number of Shares to be calculated using the Market Price on the last trading day of each month, except with respect to the month of January 2025, which was calculated using the Discounted Market Price as at March 10, 2025. The issuance of any shares under the Shares for Services Arrangement was approved by the TSX Venture Exchange and will be subject to applicable hold periods. No new insiders will be created, nor will any change of control occur, as a result of the issuance of these shares. For the months of January through July 2025, the Company issued 281,473 common shares of the Company.

15. Basic and Diluted Income (Loss) per Share

The income (loss) and weighted average number of common shares used in the calculation of basic and fully diluted income (loss) per share for the three and nine months ended September 30, 2025 and 2024 were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Numerator:				
Net Income (Loss)	\$69,439	\$169,577	\$(340,536)	\$56,104
Denominator:				
Weighted Average Number of Common Shares – Basic	63,173,643	62,437,140	62,749,474	62,437,140
Adjustments for Calculation of Diluted Income per Share:				
Options and RSU in the Money	1,875,000	-	2,004,888	-
Weighted Average Number of Common Shares – Fully Diluted	65,048,643	62,437,140	64,754,362	62,437,140
Basic Income (Loss) per Share	\$0.00	\$0.00	(\$0.01)	\$0.00
Fully Diluted Income (Loss) per Share	\$0.00	\$0.00	(\$0.01)	\$0.00

16. Segmented Information

The Company has only one reportable segment and provides Advertising, Entertainment, and Awards Management software workflow solutions to customers across multiple geographic regions. It considers the basis on which it is organized, including geographic areas and service offerings, in identifying its reportable segments. Operating segments of the Company are defined as components of the Company for which separate financial information is available and is evaluated regularly by the chief operating decision maker in allocating resources and assessing performance. The chief operating decision maker is the Chief Executive Officer of the Company. For revenues, the amounts included are from the originating country.

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Below is the breakdown of revenue, long-term assets, and payables by operating segment:

For the Nine Months Ended September 30, 2025	Canada	US	Total
Advertising	\$225,188	\$3,397,554	\$3,622,742
Music	333,117	372,461	\$705,578
Awards Management	58,509	618,687	\$677,196
Total Revenue	\$616,814	\$4,388,702	\$5,005,516
Property and Equipment	193,397	134,686	328,083
Intangible Assets	1,823,884	49,472	1,873,356
Goodwill	-	359,146	359,146
Trade and Other Payables	398,039	516,271	914,310

For the Nine Months Ended September 30, 2024	Canada	US	Total
Advertising	\$243,469	\$4,007,900	\$4,251,369
Music	326,477	547,759	874,236
Awards Management	70,077	619,163	689,240
Total Revenue	\$640,023	\$5,174,822	\$5,814,845
Property and Equipment	201,412	219,839	421,251
Intangible Assets	1,864,937	62,889	1,927,826
Goodwill	-	359,146	359,146
Trade and Other Payables	412,768	665,449	1,078,217

17. Related Party Transactions

Key management personnel are comprised of the Company's directors and executive officers. In addition to their salaries, key management personnel also participate in the Company's Omnibus Incentive Plan (note 14).

Key management personnel compensation for the nine months ended was:

	Nine Months Ended 2025	Nine Months Ended 2024
Salaries and Short-Term Employee Benefits ⁽ⁱ⁾	\$451,127	\$534,736
Share Based Payments	45,675	-
	\$496,802	\$534,736

(i) Short-term employee benefits include bonuses, vacation pay, and commission.

As at September 30, 2025, \$42,202 (September 30, 2024 - \$47,226) owing to officers and directors of the Company was included in trade and other payables. The amount owing is unsecured, non-interest bearing, and due on demand.

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18. Commitments and Contingencies

In the ordinary course of business activities, the Company may be contingently liable for litigation and claims with customers, suppliers, and former employees. There were no material litigation and claims against the company as at and during the nine months ended September 30, 2025.

19. Additional Information

Background

On May 21, 2021, the Company completed the acquisition of certain assets and liabilities of Digital Media Services Inc. ("DMS"), including customer lists and contracts. Subsequent to the acquisition, a key customer terminated its contract, materially reducing the value of the acquired business. The Company subsequently initiated legal proceedings in connection with the acquisition.

Settlements

During the nine months ended September 30, 2025, the Company reached settlement agreements in connection with the acquisition, for payments of \$60,000 and \$150,000, respectively.

20. Events After Reporting Period

Subsequent to the period ended September 30, 2025, the Company entered into a settlement agreement for the anticipated receipt of \$550,000. Following this settlement, the related legal proceedings have concluded.