Yangaroo Inc.

Management's Discussion & Analysis
Three & Six Months Ended June 30, 2026
(Expressed in United States Dollars)

August 25, 2026

Introduction

Unless the context suggests otherwise, references to "the Company", "Yangaroo", or similar terms refer to Yangaroo Inc. This Management's Discussion & Analysis ("MD&A") is a discussion and review of operations, current financial position, and outlook for Yangaroo and should be read in conjunction with the audited financial statements for the years ended December 31, 2025 and 2024 (the "Financial Statements"), which are prepared in accordance with IFRS Accounting Standards ("IFRS"). The information below is prepared in accordance with IFRS and is presented in **United States dollars ("USD"),** unless otherwise noted.

Forward Looking Statements

The Company's reporting structure reflects how it manages its business and how it classifies its operations for planning and for measuring its performance. This MD&A contains assertions about the objectives, strategies, financial conditions, outlook, revenue guidance, EBITDA guidance, and results of operations. These statements are considered "forward-looking" because they are based on current expectations of the Company's business, in those markets in which it operates, and on various estimates and assumptions.

These forward-looking statements describe the Company's expectations at August 25, 2026. The Company's actual results could be materially different from its expectations if known or unknown risks affect the business, or if the Company's estimates or assumptions turn out to be inaccurate. As a result, the Company cannot guarantee that any forward-looking statements will materialize. Forward-looking statements do not take into account the effects that transactions or non-recurring items, announced or occurring after the statements are made, may have on the business. The Company disclaims any intention or obligation to update any forward-looking statements, except as required by law, even if new information becomes available through future events or for any other reason. Risks that could cause the Company's actual results to differ materially from its current expectations are stated in the Risk Management section.

Use of Non-IFRS Financial Measures

The following non-IFRS definitions are used in this MD&A because management believes that they provide useful information regarding the Company's ongoing operations. Readers are cautioned that the definitions are not recognized measures under IFRS, do not have standardized meanings prescribed by IFRS, and should not be construed to be alternatives to revenues and net earnings determined in accordance with IFRS or as an indicator of performance, liquidity or cash flows. The Company's method of calculating these measures may differ from the methods used by other entities and accordingly, these measures may not be comparable to similarly titled measures used by other entities or in other jurisdictions. EBITDA as defined by the Company means Earnings Before Interest and Financing costs (net of interest income), Income Taxes, Depreciation and Amortization. Normalized EBITDA as defined by the Company means EBITDA adjusted for one-time, non-recurring items or non-cash items such as share-based compensation expenses, restructuring expenses, foreign exchange gains (loss), remeasurement of contingent consideration, remeasurement of embedded derivative liability, acquisition fees, one-time credits, and any gains from settlement. EBITDA margin and Normalized EBITDA margin, as defined by the Company, means EBITDA and Normalized EBITDA, respectively, as a percentage of revenue.

Working capital, as defined by the Company, means current assets less current liabilities.

Liquidity, as defined by the Company, means cash plus available capacity in the Company's revolving credit facility.

The Company believes EBITDA, EBITDA margin, Normalized EBITDA, Normalized EBITDA margin, liquidity, and working capital are useful measures because they provide information to both management and investors with respect to the operating and financial performance of the Company.

Description of the Business

Yangaroo is a solutions provider serving the media and entertainment industry, powered by its cloud-based software platforms across the advertising, music, and awards sectors. The Company's core platform is a patented digital media distribution system ("DMDS") that enables customers to submit content and associated orders through a single interface, incorporating asset quality control, campaign trafficking, broadcast clearance ("Clearance"), closed captioning, and delivery within one streamlined workflow.

DMDS manages and tracks digital video and audio assets through a centralized, filly integrated system, ensuring efficiency, transparency, and secure distribution. The platform connects directly with a broad network of television and radio broadcasters, digital platforms, Connected TV (CTV), over-the-top (OTT) services, and video publishers across North America and international markets, enabling the seamless management and distribution of advertising television spots, traffic instructions, radio advertising, music tracks, and music videos.

Yangaroo also provides an industry-leading platform for awards management, streamlining submissions, judging, and program administration for major entertainment and industry award shows.

Across its platforms, Yangaroo combines technology and expert services to improve operational efficiency, accelerate turnaround times, and deliver secure, transparent, and trackable distribution across business-to-business workflows.

Yangaroo Inc. is publicly traded and was 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.

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

Outlook and Business Update

During the three months ended June 30, 2026, the Company experienced a 31% increase in revenue compared to the three months ended June 30, 2025. The significant increase was driven primarily by the strong performance and higher revenue from the Company's Advertising Division, reflecting increased political advertising activity ahead of the U.S. midterm elections, increased automotive advertising activity, and advertising activity associated with the FIFA World Cup. The Entertainment Division also delivered solid growth, supported by higher music delivery volumes and increased awards revenue following the successful onboarding of two new fan vote award programs.

The Advertising Division continued to benefit from growth in political advertising ahead of the upcoming U.S. midterm elections, together with increased activity across other key industry sectors. The advertising market is becoming increasingly complex as brands and agencies manage campaigns across linear television, streaming, and digital channels. We see a meaningful opportunity for Yangaroo to address that complexity through a combination of technology and managed services.

Our continued investment in Clearance services across the United States and Canada is building momentum as we expand our expertise, client relationships, and integrated platform capabilities. By bringing Clearance, asset management, and distribution together within a more unified workflow, we are seeking to become more deeply embedded in our clients' operations while creating additional recurring revenue opportunities. We remain disciplined in balancing these investments with operational performance and liquidity.

Our Entertainment Division also performed well during the quarter. Awards continues to generate stable, recurring revenue through long-standing client relationships, while creating additional growth opportunities through expanded services such as fan voting. The successful onboarding of two new fan-vote programs during the quarter demonstrates our ability to extend the platform beyond traditional submission and adjudication workflows.

In Music, increased delivery volumes supported year-over-year growth, and the return of music-video programming at a significant broadcaster created an additional opportunity to increase our video-distribution activity. We are also continuing to develop strategic industry relationships that can broaden the reach and capabilities of the Music platform.

Across all divisions, our focus remains consistent. We aim to expand key customer relationships, increase the value delivered through our technology and services, and pursue growth opportunities that complement our existing capabilities. Yangaroo is well positioned to benefit from the growing need for secure, efficient, and integrated media workflow solutions across the advertising and entertainment markets.

In addition to the increase in revenue, as of June 30, 2026, the Company achieved its sixteenth consecutive quarter of positive Normalized EBITDA, reflecting stable operations and continued emphasis on cost discipline and service delivery.

- Advertising Revenue
    - Revenue of $1,616,510 in Q2'2026 versus revenue of $1,172,568 in Q2'2025
- Entertainment Revenue (Music & Awards Revenue)
    - Revenue of $546,313 in Q2'2026 versus revenue of $478,873 in Q2'2025
- Cash Flow from Operating Activities
    - Net cash from operating activities was $711,920 in Q2'2026 versus $407,885 in Q2'2025

- Normalized EBITDA
  - Sixteenth consecutive quarters of positive Normalized EBITDA:

Fiscal Year	Q1	Q2	Q3	Q4
2026	$257,606	$699,347	-	-
2025	$264,251	$220,909	$152,906	$589,541
2024	$237,581	$337,818	$466,458	$540,504
2023	$116,293	$541,952	$266,269	$211,061
2022	-	-	$1,927	$833,974

The three months ended June 30, 2026, mark the sixteenth consecutive quarter of positive Normalized EBITDA. This achievement reflects our strategic focus on operational efficiency and client satisfaction, as well as our commitment to organic growth, as we explore various opportunities within the advertising and entertainment markets. However, our growth strategy is not only limited to organic growth. We also actively seek merger and acquisition opportunities that align with our vision and enhance our market position.

SELECTED FINANCIAL INFORMATION

The following table summarizes the Company's overall performance for the quarters ended June 30, 2026, 2025, and 2024.

	Q2'2026	**Q2'2025**	**Q2'2024**
Revenue	**$2,162,823**	$1,651,441	$1,949,689
Income (Loss) Before Other Income	**421,085**	(18,777)	110,704
Net and Comprehensive Income (Loss)	**353,701**	(281,168)	(129,031)
Normalized EBITDA*	**699,347**	220,909	337,818
Basic and Diluted Income (Loss) per Share	**0.01**	(0.00)	(0.00)
Financial Position:			
Cash	**191,387**	271,234	86,118
Total Assets	**4,628,312**	4,742,719	5,120,218
Total Liabilities	**2,767,083**	4,066,726	4,739,018
Total Shareholders' Equity	**1,861,229**	675,993	381,200
Common Shares Outstanding	**63,576,462**	63,137,490	62,437,140

* A non-IFRS measure. See "Non-IFRS financial measures" for definitions and reconciliation of non-IFRS measures to the relevant IFRS measures.

Results of Operations

Statements of Net and Comprehensive Income (Loss)

	Three Months Ended		Six Months Ended	
	June 30, 2026	June 30, 2025	**June 30, 2026**	June 30, 2025
Revenue	**$2,162,823**	$1,651,441	**3,895,827**	$3,433,499
Expenses				
Salaries and Consulting	**1,104,458**	1,055,762	**2,266,008**	2,171,721
Depreciation and Amortization	**263,520**	228,835	**515,594**	444,719
General and Administrative	**169,050**	208,663	**286,857**	426,308
Technology and Production	**131,324**	128,330	**270,230**	280,828
Marketing and Promotion	**73,386**	48,628	**138,182**	104,176
Total Expenses	**$1,741,738**	$1,670,218	**$3,476,871**	$3,427,752
Income (Loss) before Other Income (Expenses)	**421,085**	(18,777)	**418,956**	5,747
Other Income (Expenses)				
Gain from Settlement	**-**	60,000	**-**	60,000
Interest Expense	**(51,626)**	(108,713)	**(104,745)**	(179,324)
Foreign Exchange (Loss)/Gain	**32,693**	(136,877)	**71,346**	(172,422)
Remeasurement of Embedded Derivative Liability	**(31,827)**	(70,130)	**22,639**	(116,397)
Total Other Income (Expense)	**(50,760)**	($255,720)	**(10,760)**	($408,143)
Net Income (Loss) before Income Tax	**370,325**	($274,497)	**408,196**	($402,396)
Income Tax Expense	**16,624**	6,671	**16,945**	7,580
Total Net and Comprehensive Income (Loss)	**353,701**	($281,168)	**391,251**	($409,976)

Financial Highlights for the Three and Six Months Ended June 30, 2026

- Revenue for the three ("Q2'2026") and six months ended June 30, 2026, was $2,162,823 and $3,895,827 compared to $1,651,441 and $3,433,499 for the three ("Q2'2025") and six months ended June 30, 2025, respectively.
    - Q2'2026 revenue increased by $511,382, or 31%, versus Q2'2025. The increase in revenue was driven by higher Advertising and Entertainment revenue with an increase of $443,942, or 38%, and $67,440, or 14%, respectively.
    - Revenue increased by $462,328, or 13%, for the first six months of 2026, compared to the same period in 2025. The increase in revenue is again attributed to an increase in Advertising revenue of $347,554, or 14%, as well as increased Entertainment revenue of $114,774, or 13%.
    - In Advertising, the Company maintained strong service levels, added new clients, and expanded its U.S. and Canadian Clearance service capabilities. The mid-term election, FIFA World Cup, and increased activity across other key industry sectors also contributed to an increase in revenue.
    - In Entertainment, Awards continued to generate stable, recurring revenue through long-standing client relationships, while creating additional growth opportunities through expanded services such as fan voting. The successful onboarding of two new fan-vote programs during the quarter demonstrates our ability to extend the platform beyond traditional submission and adjudication workflows. In Music, increased delivery volumes supported year-over-year growth, and the return of music-video programming at a significant broadcaster created an additional opportunity to increase our video-distribution activity. We are also continuing to develop strategic industry relationships that can broaden the reach and capabilities of the Music platform.

- Operating expenses in Q2'2026 and for the first six months of 2026 were $1,741,738 and $3,476,871, compared to $1,670,218 in Q2'2025 and $3,427,752 in the first six months of 2025, respectively.
    - Q2'2026 operating expenses increased by $71,520, or 4%, versus Q2'2025. The increase in operating expenses was primarily attributed to higher salaries related to the investment in Clearance capabilities and marketing expenses, slightly offset by reductions across general and administrative expenses.
    - Operating expenses remained relatively consistent, increasing by only $49,119, or 1%, in the first six months of 2026, compared to the same period of 2025. The increase in operating expenses was again primarily attributed to higher salary and marketing expenses, offset by cost control initiatives which resulted in lower general and administrative expenses.

- Normalized EBITDA in Q2'2026 and the first six months of 2026 were $699,347and $956,953, compared to $220,909 in Q2'2025 and $485,159 in the first six months of 2025, respectively.
    - Q2'2026 Normalized EBITDA increased by $478,438, or 217%, compared to Q2'2025. The increase was primarily attributed to the increased revenue.
    - Normalized EBITDA increased by $471,793, or 97%, in the first six months of 2026, compared to the same period of 2025. The increase was again primarily attributed to the increased revenue.

Summary of Quarterly Results

The information below has been prepared in accordance with IFRS Accounting Standards and is unaudited quarterly information.

	Q2 2026	Q1 2026	Q4 2025	Q3 2025
Cash	$191,387	$213,427	$161,112	$160,165
Working Capital (Deficiency)[1]	(753,376)	(1,186,909)	(1,255,379)	(2,033,182)
Liquidity[2]	667,570	788,589	764,301	645,044
Revenue	2,162,823	1,733,004	2,100,187	1,572,017
Operating Expenses	1,741,738	1,735,133	1,810,720	1,667,626
Other Expenses (Income)	50,760	(39,999)	(421,426)	(166,455)
Income Tax Expense	16,624	321	36,949	1,407
Net and Comprehensive Income	353,701	37,549	673,944	69,439
Income per Share – Basic	$0.01	$0.00	$0.01	$0.00
Income per Share – Diluted	$0.01	$0.00	$0.01	$0.00
EBITDA	685,472	343,062	1,080,991	361,515
EBITDA Margin %	31.69%	19.80%	51.47%	23.00%
Normalized EBITDA *	**699,347**	**257,606**	**589,541**	**152,906**
Normalized EBITDA Margin % *	**32.33%**	**14.86%**	**28.07%**	**9.73%**

* A non-IFRS measure. See "Non-IFRS financial measures" for definitions and reconciliation of non-IFRS measures to the relevant IFRS measures

[1] **Working Capital Deficiency**	**Q2 2026**	**Q1 2026**	**Q4 2025**	**Q3 2025**
Current Assets	$1,931,194	$1,664,764	$1,948,612	$1,560,865
Current Liabilities	(2,684,570)	(2,851,673)	(3,203,991)	(3,594,047)
Working Capital Deficiency	**(753,376)**	**(1,186,909)**	**(1,255,379)**	**(2,033,182)**

[2] **Liquidity**	**Q2 2026**	**Q1 2026**	**Q4 2025**	**Q3 2025**
Available Capacity in Credit Facility	$476,183	$575,162	$603,189	$484,879
Cash on Hand	191,387	213,427	161,112	160,165
Liquidity	**$667,570**	**$788,589**	**$764,301**	**$645,044**

	Q2 2025	Q1 2025	Q4 2024	Q3 2024
Cash	$271,234	$217,088	$231,083	$105,906
Working Capital (Deficiency)[3]	(2,140,887)	(1,900,378)	(1,841,495)	(1,787,761)
Liquidity[4]	656,059	686,618	717,583	550,386
Revenue	1,651,441	1,782,058	2,241,659	1,942,525
Operating Expenses	1,670,218	1,757,532	1,950,878	1,593,542
Other Expenses (Income)	255,720	152,424	(92,194)	179,406
Income Tax Expense (Recovery)	6,671	909	(97,327)	-
Net and Comprehensive Income (Loss)	(281,168)	(128,807)	480,302	169,577
Income (Loss) per Share – Basic	($0.00)	($0.00)	$0.01	$0.00
Income (Loss) per Share – Diluted	($0.00)	($0.00)	$0.01	$0.00
EBITDA	63,051	158,596	651,570	374,900
EBITDA Margin %	3.82%	8.90%	29.07%	19.30%
Normalized EBITDA*	**220,909**	**264,251**	**540,504**	**466,458**
Normalized EBITDA Margin % *	**13.38%**	**14.83%**	**24.11%**	**24.01%**

* A non-IFRS measure. See "Non-IFRS financial measures" for definitions and reconciliation of non-IFRS measures to the relevant IFRS measures

[3] **Working Capital Deficiency**	**Q2 2025**	**Q1 2025**	**Q4 2024**	**Q3 2024**
Current Assets	$1,685,539	$1,860,820	$1,923,459	$1,812,882
Current Liabilities	(3,826,426)	(3,761,198)	(3,764,954)	(3,600,643)
Working Capital Deficiency	**(2,140,887)**	**(1,900,378)**	**(1,841,495)**	**(1,787,761)**

[4] **Liquidity**	**Q2 2025**	**Q1 2025**	**Q4 2024**	**Q3 2024**
Available Capacity in Credit Facility	$384,825	$469,530	$486,500	$444,480
Cash on Hand	271,234	217,088	231,083	105,906
Liquidity	**$656,059**	**$686,618**	**$717,583**	**$550,386**

Revenue
Three Months Ended June 30, 2026

For the three months ended June 30, 2026, revenue was $2,162,823, an increase of $511,382 over the same period in 2025 and an increase of $429,819 from the previous quarter (Q1'2026 - $1,733,004).

	Q2 2026	Q2 2025	$ Change	% Change
Advertising Revenue	$1,616,510	$1,172,568	$443,942	38%
Entertainment Revenue	$546,313	$478,873	$67,440	14%
Total Revenue	$2,162,823	$1,651,441	$511,382	31%

- Advertising

  The Company earned advertising revenue of $1,616,510 in the three months ended June 30, 2026, an increase of $443,942, or 38%, over the same period in 2025 and an increase of $318,350, or 25%, versus the previous quarter (Q1'2026 - $1,298,160). The mid-term election and FIFA world cup contributed to a significant increase in revenue year over year. In addition, the Company maintained strong service levels, added new clients, and expanded its U.S. and Canadian Clearance service capabilities, which also increased revenue. The increase compared to the previous quarter was partially attributed to seasonality, though it was also primarily related to the mid-term election and FIFA world cup.

- Entertainment

  The Company earned entertainment revenue of $546,313 in the three months ended June 30, 2026, representing an increase of $67,440 over the same period in 2025 and an increase of $111,469 versus the previous quarter (Q1'2026 - $434,844). The increase from the prior year was primarily attributed to Awards revenue, related to the timing and cyclicality of major events, as well as the onboarding of two new fan-vote programs during the quarter. Music revenue was relatively consistent year over year. as the increased delivery volumes in Music audio delivery were partially offset by lower volumes in other services. The return of music-video programming at a significant broadcaster also created an additional opportunity to increase our video-distribution activity.

Revenue
Six Months Ended June 30, 2026

For the six months ended June 30, 2026, revenue was $3,895,827, an increase of $462,328 over the same period in 2025.

	Six Months Ended			
	June 30, 2026	**June 30, 2025**	**$ Change**	**% Change**
Advertising Revenue	$2,914,670	$2,567,116	$347,554	14%
Entertainment Revenue	$981,157	$866,383	$114,774	13%
Total Revenue	$3,895,827	$3,433,499	$462,328	13%

- Advertising

  The Company earned advertising revenue of $2,914,670 in the first six months of 2026, an increase of $347,554 over the same period in 2025. The increase year over year was primarily attributed to the additional revenue generated by the mid-term election and FIFA world cup as well as increased spending from other brands and agencies. The Company also maintained strong service levels, added new clients, and expanded its U.S. and Canadian Clearance service capabilities, which also significantly increased revenue. The increase compared to the previous quarter was partially attributed to seasonality, though it was also primarily related to the mid-term election and FIFA world cup.

- Entertainment

  The Company earned entertainment revenue of $981,157 in the first six months of 2026, representing an increase of $114,774 over the same period in 2025. The increase from the prior year was primarily attributed to increased revenue from Awards show customers. The return of music-video programming at a significant broadcaster also created an additional opportunity to increase our Music video-distribution activity.

Operating Expenses
Three Months Ended June 30, 2026

Total operating expenses for the three months ended June 30, 2026, were $1,741,738, an increase of $71,520 over the prior year period and a slight increase of $6,605 from the previous quarter (Q1'2026 - $1,735,133).

	Q2 2026	Q2 2025	$ Change	% Change
Salaries and Consulting	$1,104,458	$1,055,762	$48,696	5%
Depreciation and Amortization	$263,520	$228,835	$34,685	15%
General and Administrative	$169,050	$208,663	($39,613)	(19%)
Technology and Production	$131,324	$128,330	$2,994	2%
Marketing and Promotion	$73,386	$48,628	$24,758	51%
Total Operating Expenses	$1,741,738	$1,670,218	$71,520	4%

- Salaries and Consulting

  Salaries and consulting expenses for Q2'2026 were $1,104,458, representing an increase of $48,696 over the same period in the prior year and a decrease of $57,092 from the previous quarter (Q1'2026 - $1,161,550). This increase year over year was due to the increased headcount to promote our Clearance service capabilities. The decrease compared to the previous quarter was due to a one-time wage subsidy credit received during the period.

- General and Administrative

  General and administrative expenses for the three months ended June 30, 2026, were $169,050 representing a decrease of $39,613 over the three months ended June 30, 2025, and an increase of $51,243 from the previous quarter (Q1'2026 - $117,807). The decrease was primarily related to reduced professional service fees associated with legal matters as the DMDS lawsuit finally reached a settlement in the fourth quarter of 2025 and a reduction in allowances for doubtful accounts as the Company continues to improve the collection of accounts receivable. The increase compared to the previous quarter was related to legal fees and the annual general meeting printing and filing fees.

- Technology and Production
  Technology and production expense for the three months ended June 30, 2026, was $131,324, representing a slight increase of $2,994 over the same period in the prior year and a decrease of $7,582 from the previous quarter (Q1'2026 - $138,906). This decrease was primarily attributed to the reduction of technology licence fees.
- Marketing and Promotion
  Marketing and promotion expense for the three months ended June 30, 2026, was $73,386, representing an increase of $24,758 versus the prior year period and an increase of $8,590 versus the prior quarter (Q1'2026 - $64,796). The increase was primarily the result of renewed efforts to better align marketing with revenue and market the business and attract new customers in the current year.

Operating Expenses
Six Months Ended June 30, 2026

Total operating expenses for the six months ended June 30, 2026, were $3,476,871, which is relatively consistent with the same period in 2025 with only a modest increase of $49,119 or 1%.

	Six Months Ended			
	June 30, 2026	**June 30, 2025**	**$ Change**	**% Change**
Salaries and Consulting	$2,266,008	$2,171,721	$94,287	4%
Depreciation and Amortization	$515,594	$444,719	$70,875	16%
General and Administrative	$286,857	$426,308	($139,451)	(33%)
Technology and Production	$270,230	$280,828	($10,598)	(4%)
Marketing and Promotion	$138,182	$104,176	$34,006	33%
Total Operating Expenses	$3,476,871	$3,427,752	$49,119	1%

- Salaries and Consulting
  Salaries and consulting expenses for the first six months of 2026 were $2,266,008, representing an increase of $94,287 over the same period in the prior year. This increase was primarily due to the increased headcount to promote our Clearance service capabilities.
- General and Administrative
  General and administrative expenses for the first six months of 2026 were $286,857 representing a decrease of $139,451 over the same period in the prior year. The decrease was primarily related to reduced professional service fees associated with legal matters as the DMDS lawsuit finally reached a settlement in the fourth quarter of 2025 and a reduction in allowances for doubtful accounts as the Company continues to improve the collection of accounts receivable.
- Technology and Production
  Technology and production expense for the first six months of 2026 was $270,230, representing a decrease of $10,598 over the same period in the prior year. This decrease was primarily attributed to the reduction of technology licence fees.

- Marketing and Promotion
  Marketing and promotion expense for the first six months of 2026 was $138,182, representing an increase of $34,006 versus the same period in the prior year. The increase was primarily the result of renewed efforts to better align marketing with revenue and market the business and attract new customers in the current year.

Net and Comprehensive Income (Loss)

The Company generated net and comprehensive income of $353,701 in the three months ended June 30, 2026, an increase of $634,869 from the same period in the prior year (Q2'2025 – net loss of $281,168) and an increase of $316,152 versus the previous quarter (Q1'2026 – net income of $37,549).

The Company generated net comprehensive income of $391,251 in the first six months of 2026, an increase of $801,227 from the same period in the prior year.

The Company maintained strong service levels, added new clients, and expanded its U.S. and Canadian Clearance service capabilities, which increased revenue year over year. The mid-term election and FIFA World Cup also increased revenue during the quarter. The Company's expenses have also been better aligned with revenue, resulting in overall improvement to net income.

Normalized EBITDA

The Company defines EBITDA as net income or loss before interest, income taxes, and amortization. Normalized EBITDA removes the remeasurement of embedded derivate liability, remeasurement of contingent consideration, any restructuring expenses, share-based compensation, foreign exchange gain and loss, acquisition fees, one-time credits, and any gain from settlement. Management uses these measures in managing the business and making operational decisions. EBITDA and Normalized EBITDA are not intended as substitutes for IFRS measures.

For the three months ended June 30, 2026, the Company's Normalized EBITDA was $699,347, representing an increase of $478,438 over the same period in the prior year (Q2'2025 - $220,909) and an increase of $441,741 from the previous quarter (Q1'2026 - $257,606). The increase was primarily attributed to the increase in overall revenue during the quarter.

For the six months ended June 30, 2026, the Company's Normalized EBITDA was $956,953 representing an increase of $471,793 over the same period in the prior year. The increase was also primarily attributed to the increase in overall revenue during the year to date.

	Q2 2026	Q1 2026	Q4 2025	Q3 2025
Income for the Period	**$353,701**	**$37,549**	**$673,944**	**$69,439**
Reconciling items:				
Interest Expense	51,626	53,118	69,450	53,136
Depreciation and Amortization	263,520	252,074	300,648	237,533
Income Tax Expense	16,624	321	36,949	1,407
EBITDA *	**$685,471**	**$343,062**	**$1,080,991**	**$361,515**
Reconciling Items:				
Share-Based Compensation	14,742	7,661	(574)	10,982
Gain from Settlement	-	-	(550,000)	(150,000)
Foreign Exchange Loss (Gain)	(32,693)	(38,651)	97,254	(121,518)
Remeasurement of Embedded Derivative Liability	31,827	(54,466)	(63,495)	31,356
Remeasurement of Contingent Consideration	-	-	25,365	20,571
Normalized EBITDA*	**$699,347**	**$257,606**	**$589,541**	**$152,906**
Normalized EBITDA Margin %*	**32.33%**	**14.86%**	**28.07%**	**9.73%**

* A non-IFRS measure. See "Non-IFRS financial measures" for definitions and reconciliation of non-IFRS measures to the relevant IFRS measures

	Q2 2025	Q1 2025	Q4 2024	Q3 2024
Income (Loss) for the Period	**($281,168)**	**($128,807)**	**$480,302**	**$169,577**
Reconciling items:				
Interest Expense	108,713	70,611	82,651	87,848
Depreciation and Amortization	228,835	215,883	185,944	117,475
Income Tax Expense (Recovery)	6,671	909	(97,327)	-
EBITDA *	**$63,051**	**$158,596**	**$651,570**	**$374,900**
Reconciling Items:				
Acquisition Fees	-	-	(1,463)	-
Restructuring Expenses		-	65,240	-
Share-Based Compensation	10,851	23,852	-	-
Gain from Settlement	(60,000)	-	-	-
Foreign Exchange Loss (Gain)	136,877	35,546	(199,531)	58,039
Remeasurement of Embedded Derivative Liability	70,130	46,267	(37,062)	33,519
Remeasurement of Contingent Consideration	-	-	$61,750	-
Normalized EBITDA*	**$220,909**	**$264,251**	**$540,504**	**$466,458**
Normalized EBITDA Margin %*	**13.38%**	**14.83%**	**24.11%**	**24.03%**

* A non-IFRS measure. See "Non-IFRS financial measures" for definitions and reconciliation of non-IFRS measures to the relevant IFRS measures

Intangible Assets – Development Costs

During the three months ended June 30, 2026, the Company capitalized product development costs of $181,767 (Q2'2025 – $182,940). During the six months ended June 30, 2026, the Company capitalized product development costs of $360,341 (2025 – $311,660).

Significant capitalized projects for the three and six months ended June 30, 2026, consisted of developing new features in the Advertising, Awards, and Music platforms, such as the continued development of the analytics and Clearance solutions, the integration of various components to support automation and AI into the DMDS platform, and the redesigned Submission platform for Awards. In assessing whether costs can be capitalized for improvements, we exercised significant judgment when considering the extent of the improvement and whether it was substantial, sufficiently separable, and expected to derive future economic benefits from the improvement itself. Factors considered in assessing the extent of the improvement include, but are not limited to, the degree of change in functionality, the impact of the project on our ability to attract customers to our products, and the increase in customer engagement with our products. Costs that do not meet these criteria, such as enhancements and routine maintenance, are expensed when incurred. Future economic benefits from these capitalized projects include net cash flows from future advertising and music revenue, which are dependent upon our ability to attract customers to our products and increase customer engagement with our products, and may also include anticipated cost savings, depending upon the nature of the development project.

Corporate Activities

➢ As part of the 2023 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 three months ended March 31, 2026, the Company made its final payment of $78,926 to the seller of Millenia3 with respect to the earnout payment for fiscal 2025.

- On March 23, 2026, the Company successfully amended its existing Credit Facility. The Credit Facility, which had previously matured on June 26, 2025, has been extended to a new maturity date of December 31, 2026. As part of the amendment, covenant testing requirements have been waived through December 31, 2026. All other terms of the Credit Facility remain consistent as amended in August 2024.

- On May 4, 2026, pursuant to a previously disclosed Shares for Services Arrangement, the Company issued 256,187 shares to Mr. Schuetrumpf. Upon the issuance of the shares, the Company will have issued a cumulative total of 639,322 shares for the months of January 2025 through March 2026 under the Shares for Services Arrangement.

- On May 8, 2026, the Company granted an aggregate of 2,060,000 restricted share unit ("RSUs") and 400,000 deferred share units ("DSUs") to certain directors, officers, and employees of the Company pursuant to the Company's Omnibus Equity Incentive Plan (the "Plan"). The RSUs will vest one year from the date of grant and will be settled in common shares of the Company upon vesting, subject to and in accordance with the terms of the Plan. Except as provided under the Plan, the DSUs will vest and be settled in accordance with the terms of the Plan following the holder's cessation of service with the Company and not earlier than May 8, 2027.

Events After the Reporting Period

On August 11, 2026, the Company received a net Employee Retention Tax Credit ("ERTC") refund of $157,575, together with $32,571 of interest. The ERTC relates to a U.S. government relief program established in response to the COVID-19 pandemic. The Company submitted ERTC claims for three quarters for the year ended December 31, 2021. The refund received relates to one of these quarters, while claims relating to the remaining two quarters remain outstanding. The Company intends to apply the proceeds from the ERTC refunds against the outstanding balance under its Credit Facility.

Share Capital

The following securities were outstanding as of the date of this MD&A:

Common Shares	63,576,462
Warrants	-
Stock Options	-
Restricted Share Units	4,560,000
Deferred Share Units	400,000

Capital Resources

As at June 30, 2026, the Company had a cash balance of $191,387 and working capital deficiency of $753,376. As at June 30, 2026, the Company had no capital commitments other than as disclosed in the financial statements.

The Company has a revolving credit facility in the amount of USD $1,231,475 (CAD $1,750,000) which is available by loan advances and is subject to standard borrowing base calculations and margining against trade accounts receivable. USD $755,292 was drawn down as at June 30, 2026. Borrowings are due on demand and bear interest at the bank's prime rate plus 1.95% per annum.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements, other than as disclosed in the financial statements.

Related Party Transactions

Key management personnel include the persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Board and corporate officers, including the Company's Chief Executive Officer, Chief Financial Officer, and Chief Technology Officer.

In addition to their salaries, key management personnel also participate in the Company's share option program. During the six months ended June 30, 2026, there were no other related party transactions.

Key management personnel compensation for the six months ended June 30, 2026, was:

	June 30, 2026	June 30, 2025
Salaries and Short-Term Employee Benefits*	**$349,282**	$348,642
Share-Based Payments	**18,737**	34,693
	$368,019	$383,335

* Short-term employee benefits include bonuses, vacation pay, and commission.

As at June 30, 2026, $35,924 (June 30, 2025 - $34,818) owing to officers and directors of the Company was included in trade and other payables. The amounts owing are unsecured, non-interest bearing, and due on demand.

Critical Accounting Policies and Estimates

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements include the following: share-based payments, revenue recognition, investment tax credits, functional currency, collectability of accounts receivable, and capitalized development costs. Please refer to the Financial Statements for further information.

Internal Controls

Disclosure controls and procedures within the Company have been designed to provide reasonable assurance that all relevant information is identified to its management, including the Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), as appropriate, to allow required disclosures to be made in a timely fashion.

Internal controls over financial reporting have been designed by management, under the supervision of and with the participation of the Company's CEO and CFO, to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Disclosure of Internal Controls

Management has established processes to provide it with sufficient knowledge to support representations that it has exercised reasonable diligence to ensure that (i) the financial statements do not contain any untrue statements of material fact or omit to state a material fact that is required or that is necessary to ensure a statement is not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements, and (ii) the financial statements fairly present in all material respects the financial condition, results of operations, and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such a certificate are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings, or other reports filed or submitted under securities legislation is recorded, processed, summarized, and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

Risk Management

The Company is exposed to a variety of risks, including, but not limited to the risks set out below. The Company considers these risks to be the most significant to potential investors, but not all of the risks associated with an investment in securities of Yangaroo Inc.

Financial Risk Management

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.

(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: 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 June 30, 2026, is therefore the CAD.

A 5% change in exchange rates would result in a $106,484 impact on profit or loss. Financial instruments and lease obligations in CAD currency at June 30, 2026, are as follows:

	Jun 30, 2026 (CAD)	**Jun 30, 2025 (CAD)**
Cash	$41,592	$35,408
Accounts Receivable	237,513	236,700
Prepaid and Other Assets	58,292	99,401
Contract Assets	7,833	7,834
Total Assets	**$345,230**	**$379,343**
Trade and Other Payables	$413,474	$660,765
Revolving Credit Facility	1,073,269	1,225,000
Convertible Debentures	801,803	813,138
Term Loan	829,934	1,434,705
Lease Obligation	225,769	327,357
Contract Liabilities	27,458	19,782
Total Liabilities	**$3,371,707**	**$4,480,738**
Net Liability Exposure	**$3,026,477**	**$4,101,395**

(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 revolving credit facility available to the Company. The Company's revolving credit facility, term loan, and convertible debt are floating interest rate facilities. A 100 bps or 1% increase in the floating rate would result in a $19,036 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 six months ended June 30, 2026, approximately 22% (June 30, 2025 - 22%) of accounts receivable are from three customers and 14% (June 30, 2024 - 18%) 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:

	June 30, 2026	December 31, 2025
0 to 30 days	$1,093,177	$1,169,027
31 to 60 days	215,314	239,004
Over 60 days	369,344	288,100
Gross Carrying Amount	**$1,677,835**	**$1,696,131**
Loss Allowance	(64,217)	(65,107)
Total	**$1,613,618**	**$1,631,024**

Continuity of estimated credit losses:

	June 30, 2026	December 31, 2025
Balance, Beginning of Period	$65,107	$202,598
Accounts Written Off	(890)	(150,159)
Bad Debt Recovery	-	2,444
Remeasurement of Loss Allowance	-	10,224
Balance, End of Period	**$64,217**	$**65,107**

The Company's allowance for doubtful accounts as at June 30, 2026, is $64,217 (December 31, 2025 - $65,107). Management believes that the expected credit loss allowance is adequate to address any anticipated collectability issues based on payment history and the expected credit loss of each customer.

(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 capital 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 present the financial liabilities at June 30, 2026, and December 31, 2025, by their 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	$163,063	$71,976	$584,049	$557,829	$755,292	-	$2,132,209
1- 3 years	88,601	-	-	-	-	450,993	539,594
Balance at June 30, 2026	**$251,664**	**$71,976**	**$584,049**	**$557,829**	**$755,292**	**$450,993**	**$2,671,803**

	Lease Obligations	Contract Liabilities	Term Loan Facility	Trade & Other Payables	Revolving Credit Facility	Convertible Debt	Total
< 1 year	$181,394	$182,529	$827,571	$710,655	$673,624	-	$2,575,773
1- 3 years	167,088	-	-	-	-	429,914	597,002
Balance at December 31, 2025	**$348,482**	**$182,529**	**$827,571**	**$710,655**	**$673,624**	**$429,914**	**$3,172,775**

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.

Operational Risks

- Seasonality of advertising revenue. Advertising rates and revenues are impacted by seasonal cycles, which may cause our quarterly earnings to vary. Generally, lower revenue is generated in the 1st and 3rd quarters of the year and higher revenue is generated in the 2nd and 4th quarters of the year. This seasonality could impact our ability to generate predictable revenue and our ability to effectively manage such cycles may adversely impact our business, financial condition, and results of operations, including cash flow.

- Dependency on the internet as a medium for business and communication. Our business depends on the use of the internet. It's possible that delays in technological or procedure development to support internet use, increased government regulation, or other issues or interruptions that could affect internet use could impact our business.

- Online commerce security. Successful online commerce and communications must provide a secure transmission of confidential information over public networks. Despite implementation of security measures, it's possible our security measures may not prevent security breaches that could harm our business. It's possible that a party could illicitly obtain a user's password and access the user's personal data. In addition, any parties that can circumvent our security measures could acquire proprietary information, or cause interruptions in our operations or otherwise damage our reputation and business. Any such compromise of our security could harm our reputation and, therefore, our business.

- Network security. Despite the implementation of security measures, our network infrastructure could be vulnerable to unforeseen issues. It's possible we could experience service interruptions in service due to accidental or deliberate actions of third parties or current and former employees. Unknown security risks may present themselves and the Company could face liability for this. This could also deter new customers. All of the foregoing could have a material adverse effect on our business, financial condition, or results of operations.

- The ability to generate revenue and control operating costs. Although we have experienced a sixteenth consecutive quarter of positive Normalized EBITDA generation, there is no guarantee that this will continue or that we will continue to be able to generate steady revenues or control operating costs, especially if we expand our business.

- Impact of human error. Despite implementing robust training programs and operational protocols, our organization remains vulnerable to human error. Mistakes made by employees, whether due to insufficient training, oversight, or simple human fallibility, can lead to disruptions in our operations. These errors can result in data breaches, compliance failures, and operational inefficiencies, potentially causing financial losses and damage to our reputation. Additionally, human errors can undermine customer trust and deter potential clients, ultimately having a material adverse effect on our business, financial condition, or results of operations.

- Customer concentration risk. The Company is making efforts to grow its business, including its customer base, however the concentration of a significant portion of revenues in a small number of customers from time to time could have a material adverse effect on the Company in the event of the loss of any one or more of these customers.
- Intellectual property. The Company's business is based on its proprietary technology, and the success of the Company's business depends in part upon protection of its intellectual property rights and technology. Despite efforts to protect our intellectual property, including the use of restrictive language in our customer agreements and confidentiality provisions in our employment and contractor agreements, there is no guarantee that we will be successful in protecting and enforcing our intellectual property rights. Third parties may infringe on our intellectual property rights, which we may or may not discover, and if such infringements are discovered, engaging in litigation is likely to be costly and will not necessarily result in a favourable outcome for the Company.

Non-Financial Risks

- Heavy reliance on upper management and key personnel. We rely heavily on a small group of management and key personnel. Any inability to retain such personnel could impact our ability to manage and grow our operations and could have a significant material adverse impact on the Company's operations and financial condition.
- Management of growth. As we are continually seeking organic growth opportunities, success in these efforts may require some or significant growth in operations, which may place further demands on our management, operational capacity, and financial resources and may require the recruitment of additional qualified personnel in all areas of its operations, including management, sales, marketing, and software development. We may not be able to attract and retain additional qualified personnel and/or otherwise effectively expand the business to support this growth, including the expansion of our current procedures and controls, which could have a material adverse effect on our business, financial condition, and results of operations.
- Competition risks. We operate in a highly competitive industry. We may lose audience or market share to competitors offering similar services, which could have a material adverse effect on our business, financial condition, and results of operations.
- Price and volatility of public stock. The market price of Yangaroo's shares may fluctuate or decline significantly in response to various factors beyond our control. The fluctuation may occur in response to business operations or other actions made by the Company or they may do so in ways unrelated or disproportionate to our performance. Declining share prices may result in difficulty in obtaining financing if required and may have other material adverse impacts on the Company.
- Global conditions. We operate primarily in North America but also offer our services internationally and are subject to related risks, such as changes in regulatory requirements, potential adverse tax consequences, limitations with respect to our ability to enforce our intellectual property rights, limitations on fund transfers, and other legal and political risks, any or all of which could have a material adverse effect on our business.

- Litigation risk. The Company may be subject to claims and legal proceedings that arise in the ordinary course of business. There can be no guarantee that the outcome of any legal matter will be decided in favour of the Company, which may have a material adverse effect upon the Company's reputation, business, operations, and financial condition.

Approval by the Board of Directors

The Board of Directors, on recommendation of the Audit Committee, approved the content of this MD&A on August 25, 2026. Disclosure contained in this document is current to this date, unless otherwise stated.

Other Information

Additional information relating to the Company is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

CORPORATE INFORMATION

Address
Yangaroo Inc.
360 Dufferin Street, Suite 203
Toronto, Ontario, Canada, M6K 1Z8
Phone: 416-534-0607
Website: www.yangaroo.com

Board of Directors

H. Shepard Boone	*Chair of the Board of Directors, Chair of Compensation Committee, Member of Audit Committee*
Phil Benson	*Chair of Audit Committee, Member of Compensation Committee*
Grant Schuetrumpf	*Chief Executive Officer, Member of Audit Committee*

Officers

Grant Schuetrumpf	*President and Chief Executive Officer*
Peter Kanniah	*Chief Financial Officer*
Richard Klosa	*Chief Technology Officer*

Stock Exchange Listing

TSX Venture Exchange	*Stock Symbol – YOO.V*

Registrar and Transfer Agent
Computershare
320 Bay Street, 14th Floor
Toronto, Ontario, Canada, M5H 4A6
Phone: 1-800-564-6253 Fax: 1-888-453-0330

Auditors
McGovern Hurley LLP
251 Consumers Road, Suite 800
Toronto, Ontario, Canada, M2J4R3
Phone: 416-263-9425

Legal Counsel
ECS Law
2425 Matheson Boulevard E., 8th Floor
Mississauga, Ontario, Canada, L4W 5K4
Phone: 416-996-2188 Fax: 866-295-9834