Wishpond Technologies Ltd.
Management's Discussion & Analysis ("MD&A")
For the year ended December 31, 2024

All amounts herein are in Canadian Dollars unless otherwise stated.

INTRODUCTION

This Management Discussion and Analysis of the results of operations, cash flows and financial position (“**MD&A**”) was prepared by Management of Wishpond Technologies Ltd. (formerly Antera Ventures I Corp.), (“**Wishpond**” or the “**Company**”) and approved by the Board of Directors of the Company (the “**Board**”). References in this MD&A to “Wishpond”, the “Company”, “us”, “we”, and “our” mean Wishpond Technologies Ltd. unless the context otherwise suggests.

This MD&A discusses material changes in the Company’s financial condition, financial performance and cash flows for the year ended December 31, 2024. Such discussion and comments on the Company's liquidity and capital resources should be read in conjunction with the Company’s audited consolidated financial statements (the “**Financial Statements**”) and related notes for the corresponding periods, which have been prepared in Canadian dollars using International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board and Interpretations (collectively “**IFRS Accounting Standards**”).

The Chief Executive Officer and Chief Financial Officer of the Company, in accordance with National Instrument 52-109 – Certification of Disclosure in Issuers’ Annual and Interim Filings (“**NI 52-109**”), have both certified that they have reviewed the annual financial statements and this MD&A (together, the “Annual Filings”) and that, based on their knowledge having exercised reasonable diligence, that (a) the Annual Filings do not contain any untrue statements of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made with respect to the period covered by the Annual Filings; and (b) the annual financial report together with the other financial information included in the Annual Filings fairly present. in all material respects the financial condition, financial performance, and cash flows of the Company, as of the date of and for the periods presented in the Annual Filings.

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

This MD&A is dated and approved by the Board as of April 22, 2025.

FORWARD-LOOKING STATEMENTS

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

Please see the “Risks & Uncertainties” section in this document for a complete discussion of these and other risks. Readers are cautioned not to place undue reliance on forward-looking statements. Management undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

COMPANY OVERVIEW

The Company is a provider of AI-enabled marketing and sales solutions. As of December 31, 2024, the Company had approximately 220 employees and full-time contractors globally.

The Company’s vision is to create a fully autonomous AI-enabled platform that streamlines the entire customer acquisition journey, from lead generation and engagement to deal closure, enabling businesses to scale cost-effectively while driving higher conversions. Wishpond offers an all-in-one marketing suite that integrates AI-driven tools such as an AI Website Builder, AI Email Automation, and SalesCloser AI, a conversational AI-based virtual sales agent that leverages generative AI to conduct personalized sales calls and product demos, increasing efficiency, reducing costs, and enhancing customer satisfaction. With a focus on innovation, Wishpond has filed multiple patent applications in conversational AI, reinforcing its leadership in AI-enabled marketing automation.

The Company serves small-to-medium-sized businesses across various industries, providing a powerful yet cost-effective alternative to fragmented marketing solutions. Wishpond employs a Software-as-a-Service (“**SaaS**”) business model, generating most of its revenue from subscription-based recurring revenue, which ensures strong revenue predictability and cash flow visibility while continuously expanding its AI capabilities.

Wishpond has been selling its products based on a sales engine that has delivered predictable revenue and growth since 2017. To this end, management has developed a proprietary process that provides systematic lead generation and a targeted strategy for nurturing and closing sales leads successfully. Wishpond’s sales cycle is relatively short with the majority of sales closing in two or three weeks. Therefore, the sales pipeline is continually being replenished. In addition to the outbound sales team, Wishpond has an inbound sales team devoted to attracting, nurturing, and converting incoming leads from multiple sources such as targeted ads, its website, blog, social media channels, webinars, etc.

The Company’s common shares trade on the TSX Venture Exchange (the “**Exchange**”) under the symbol “WISH” as a Tier 1 technology issuer and on the OTCQX Best Market under the ticker “WPNDF”.

OPERATIONAL HIGHLIGHTS

Significant developments for the year ended December 31, 2024

Product Development and Operations

- On February 7, 2024, the Company announced the beta launch (the "**Beta**") of its proprietary AI-powered sales platform, SalesCloser AI ("**SalesCloser**"), that the Company anticipates will be able to deliver personalized, round-the-clock sales calls and product demos without the need for human intervention. The SalesCloser Beta program had several hundred businesses already signed up for its launch and the Company invites businesses of all sizes and industries to continue signing up for the program.

- On March 5, 2024, the Company provided an update on several key metrics for Propel IQ:
  - Since launch, the number of Propel IQ customers has increased to over 500 users.
  - Monthly Recurring Revenue ("**MRR**") from Propel IQ customers has increased approximately 10-fold over the past year.
  - The customer churn rate for Propel IQ customers is 30 to 40% lower in some cohorts compared to customers of other Wishpond solutions.
  - Customer LTV is up to 20% higher than customers of other Wishpond solutions.

- On April 4, 2024, the Company announced the launch of SalesCloser. The virtual agent platform can work 24×7 to engage leads, close deals, and deliver insights in ten different languages. SalesCloser can also be adapted for use across a diverse range of industries such as software/SaaS, professional services, financial services, education, travel & hospitality, insurance, and more.

- On July 8, 2024, the Company announced the appointment of Adrian Lim as Chief Financial Officer. Mr. Lim has responsibility for all finance, accounting, financial reporting, audit, tax and capital planning functions.

- On August 8, 2024, the Company announced the launch of a new rewards distribution program through its Viral Loops product platform. The new program launched with successful integrations with the Stripe App Marketplace, Tremendous, and Sendoso allowing Viral Loops customers to use their referral rewards on any of these platforms, which the Company believes will increase Average Order Value ("**AOV**") and customer LTV. The program is expected to drive increased customer engagement and strengthen Wishpond's overall market position and capabilities in the referral marketing space.

- On August 19, 2024, the Company announced the launch of a new Integrations Marketplace for its AI-powered virtual sales agent, SalesCloser AI. The Integrations Marketplace is designed to seamlessly integrate SalesCloser with a wide range of tools, including CRM systems, email marketing platforms, and task management software, enhancing efficiency and sales effectiveness through advanced workflow automation.

- On October 23, 2024, the Company entered into a collaboration agreement with Roomvu Technologies Inc. ("**Roomvu**"), a leading real estate marketing platform used by over 220,000 real estate agents, to utilize SalesCloser to enhance lead follow-up and sales conversion for Roomvu. This collaboration is anticipated to empower real estate agents to significantly improve the efficiency of managing leads, with aims to ultimately drive sales higher at the same time as improving the client experience.

- On November 28, 2024, the Company provided a corporate update on its Viral Loops Platform. The Viral Loops Platform reached a major milestone in 2024, engaging over 3 million participants this year and surpassing 1 million referrals year to date, solidifying its position as a leader in the referral marketing industry. Wishpond also announced that Viral Loops has seen significant growth with over 40% increase in LTV and over 25% increase in ARPU year over year.

- On November 28, 2024, the Company announced the grant of 1,200,000 performance share units ("**PSUs**") under the Company's Omnibus Equity Incentive Plan to certain officers for an aggregate of up to 1,200,000 common shares in the capital of the Company. The PSUs were granted effective November 28, 2024 ("**Grant Date**"). The PSUs vest on the one-year anniversary of the Grant Date based on the achievement of certain specific performance metrics approved by the board of directors of the Company.

Normal Course Issuer Bid

- On July 10, 2024, the Company announced that the renewal of its Notice of an Intention it filed to make a Normal Course Issuer Bid ("**NCIB**") was approved by the Exchange. Under the renewed NCIB, the Company may, during the 12-month period commencing July 15, 2024, and ending July 14, 2025, purchase up to 2,707,931 Shares in total, being 5% of the total number of 54,158,620 Shares outstanding as at June 26, 2024.

Credit Facility Renewal

- On August 1, 2024, the Company successfully renewed its credit facility with a major Canadian bank that was previously renewed on August 11, 2023 and originally entered into on September 21, 2021. The renewed credit facility maintains the secured revolving operating line with a borrowing capacity of up to $6,000,000 based on recurring revenue, an interest rate equal to the Canadian Prime Rate plus 2.0% per annum, and is secured against the Company's assets.

Events subsequent to December 31, 2024

- On January 9, 2025, the Company announced that it filed a non-provisional utility patent application, entitled "Enhanced State Manager In a Virtual AI Representative", for the enhanced state manager technology within its SalesCloser virtual AI agents. This technology is expected to improve the ability of AI systems to manage complex, real-world conversations, addressing challenges such as interruptions, tangential topics, and premature conversation endings. This is Wishpond's second patent application related to SalesCloser's virtual AI agents.

- On January 9, 2025, the Company announced. the resignation of Nick Steeves, Vice President of Partnerships and formerly General Manager of Wishpond's subsidiary, PersistIQ, Inc. ("**PersistIQ**"). His last day with the Company was January 16, 2025.

- On February 6, 2025, the Company announced that it filed a non-provisional utility patent application, entitled "Human Takeover in a Virtual AI Representative", for its human takeover technology which allows human operators to seamlessly assume control of a call from an automated AI call agent when necessary. This innovation bridges the gap between AI-driven interactions and human oversight, ensuring smooth and contextually rich customer experiences.

- On February 6, 2025, the Company announced that the ongoing uncertainty surrounding U.S.-Canada trade relations are expected to have no material impact on the Company's business.

- On February 25, 2025, the Company announced the launch of its SalesCloser AI White-Label Reseller Program (the "**White-Label Reseller Program**"), allowing agencies and businesses to brand and resell the Company's AI-powered sales solution as their own. Under the White Label Program, companies are expected to be able to enhance their brand identity, expand sales service offerings, and increase customer loyalty using Wishpond's advanced SalesCloser technology. In the view of management of the Company, the White-Label Reseller Program is expected to drive new revenue streams for Wishpond by expanding the market reach of SalesCloser and accelerating its adoption.

- On March 27, 2025, the Company announced a collaboration agreement with Venops Inc. ("**Venops**"), a leader in healthcare regulatory compliance and consulting services, to market and sell Wishpond's AI-powered SalesCloser platform, white-labeled as "Provencis", to clients in the medical industry. With a network of over 1,000 medical clinics, Venops brings extensive professional and industry reach, combining its deep expertise in healthcare compliance with Wishpond's innovative AI technology. This collaboration aims to revolutionize how businesses in the medical sector engage with prospects and drive sales.

- On April 2, 2025, the Company entered into foreign exchange forward contracts to hedge against currency fluctuations. These contracts enable the Company to exchange a total of $450,000 USD to Canadian dollars at a rate of 1.4226. The contracts are structured in three tranches of $150,000 USD each, with maturities on April 30, 2025, May 30, 2025, and June 30, 2025, respectively.

BUSINESS OUTLOOK

For 2025, Wishpond's focus is on profitable growth driven by an increase in the growth of its SalesCloser platform, a virtual AI sales agent that can conduct sales calls and demos in multiple languages with minimal human intervention. The Company is also expanding the utilization of its SalesCloser solution in its internal sales processes in order to grow internal sales capacity, drive new sales of Wishpond products and further increase margins and profitability. In addition to using SalesCloser to sell Wispond's own products, the Company also expects revenue generated from external SalesCloser customers to increase in 2025.

Management is pleased to introduce the Company's key goals for 2025:

- Accelerate organic revenue growth and increase Monthly Recurring Revenue[(1)].
- Increase utilization of SalesCloser in internal sales processes to drive sales of Wishpond's own products.
- Accelerate revenue growth of SalesCloser to external customers.
- Improve margins, decrease churn and increase long-term customer value.

OVERALL PERFORMANCE & DISCUSSION OF OPERATIONS

The following table summarizes the Company's recent results of operations as of the dates below and for the periods indicated below. This information should be read together with the Financial Statements.

	Year ended December 31, 2024 $	Year ended December 31, 2023 $
Revenue	21,620,106	23,088,138
Gross profit	14,768,767	15,190,124
Gross margin	68%	66%
Loss from operations	(253,208)	(1,376,518)
Net loss for the period	(828,988)	(1,890,405)
Adjusted EBITDA(1)	1,734,412	758,807
Total assets	13,617,937	14,469,302
Net decrease in cash during the year	(298,267)	(1,268,059)
Credit facility – end of the year	(1,295,990)	(994,658)
Cash - end of the year	1,126,318	1,424,585

[1]Defined in the ADDITIONAL GAAP AND NON-GAAP MEASURES section in this document.

Revenue

For the year ended December 31, 2024, the Company achieved revenues of $21,620,106 compared to $23,088,138 for the comparable period in fiscal 2023, representing a year-over-year decrease of 6%. The primary driver of the decline was a reduction in email delivery service revenues of $1,036,127 from a single legacy customer, which accounted for 4% of the overall decline. Revenues were also impacted by a core algorithm update by Google in March 2024 that affected email deliverability across outreach platforms, including PersistIQ. The issue has since been largely resolved, with email performance metrics stabilizing in Q1 2025. The decline also reflects the Company's strategic focus on more profitable revenue streams, a reduction in sales team size as part of cost optimization efforts, and the transition to using SalesCloser for outbound demos. Despite the decrease in topline revenue, this selective approach and operational adjustments led to increased gross margins of 68% and an Adjusted EBITDA margin of 8% for the year ended December 31, 2024. Management expects a return to revenue growth in the second half of 2025, supported by recent sales and marketing initiatives, improved PersistIQ performance, and continued momentum from SalesCloser.

Revenues generated by the Company consist of subscription revenues. Subscription agreements provide customers the right to access the Company's suite of cloud-based marketing software and marketing specialists on a subscription basis. Subscriptions are priced based on a tiered system driven by features accessed, leads generated, user seats, ad spend, SMS credits, virtual agent airtime, and customized marketing including landing pages, contest campaigns, ad campaigns, outbound sales, SEO, customer relationship management services, and managed media buying among others. Customers have the option to subscribe on a monthly or annual basis. The majority of subscription agreements are annual with a monthly billing cycle. Subscription revenues are recognized over the term of the related contracts which is akin to when the performance obligations are delivered.

Onboarding fees are recognized in the period that they are delivered and are charged for designing and delivering pop-up pages, email drip campaigns, landing pages and website builds for customers.

Email delivery services are recognized in the period that the emails are delivered which is akin to when the performance obligations are delivered.

Revenue Segmentation

Geographic sales based on customer location are detailed as follows:

	For the years ended	
	December 31, 2024	December 31, 2023
	$	$
United States	15,457,954	17,139,277
Canada	3,166,890	2,582,762
Other	2,995,262	3,366,099
Total	**21,620,106**	**23,088,138**

For the year ended December 31, 2024, revenue from the United States accounted for 71% of total revenues. For the year ended December 31, 2023, revenue from the United States accounted for 74% of total revenues. The decline in revenue from the United States is primarily attributable to the $1,036,127 decline in email delivery service revenues from a single legacy customer.

Cost of Sales and Gross Margin

The cost of sales primarily consists of hosting services, email infrastructure, direct labour related to the customized marketing plans, and payment processing fees. Such costs are primarily correlated with movement in revenue.

During the year ended December 31, 2024, the Company achieved gross margins of 68% compared to gross margins of 66% for the year ended December 31, 2023. The gross margins were in the high end of the Company's historical range of 65% to 70%.

Notable Operating Expenses

	For the years ended	
	December 31, 2024	December 31, 2023
	$	$
Salaries, wages, employee benefits	4,872,028	4,884,286
Sales and marketing	2,402,251	3,314,628
Software subscriptions	1,996,600	2,064,357
Subcontractor expenses	1,503,172	2,291,654
Depreciation and amortization	1,646,363	1,536,327
Office and general	1,444,860	1,101,515
Professional fees	815,444	774,877
Stock-based compensation	341,257	598,998

- **Salaries, wages, employee benefits:** During year ended December 31, 2024, the Company incurred $4,872,028 in salaries, wages, and employee benefits expenses compared to $4,884,286 for the comparable period in fiscal 2023. The slight decrease for the year ended December 31, 2024, is mainly due to reductions in headcount across the organization offset by market adjustments in compensation.

- **Sales and marketing:** Sales and marketing expenses consist primarily of employee and contractor commissions and bonuses paid to sales development representatives and account executives involved in the lead generation, qualification, and sales closing process. During the year ended December 31, 2024, sales and marketing expenses decreased to $2,402,251 from $3,314,628 for the comparable period in fiscal 2023. The decrease was primarily due to headcount reductions, a decrease in email delivery service revenue related commissions, and strategic adjustments in compensation structures for sales personnel.

- **Software subscriptions:** Consists of several software subscriptions used by Wishpond in the ordinary course of business. During the year ended December 31, 2024, the Company incurred $1,996,600 in software subscriptions, compared to $2,064,357 for the year ended December 31, 2023. The decreases were consistent with the changes in headcount across the organization and cost reduction efforts implemented by Management.

- **Subcontractor expenses:** The Company employs several full-time contractors primarily involved in supporting sales and operations. Many of these subcontractors are based in jurisdictions outside of Canada. During the year ended December 31, 2024, subcontractor expenses decreased to $1,503,172 from $2,291,654 for the year ended December 31, 2023. The decreases were consistent with the changes in headcount across the organization.

- **Depreciation and amortization:** During the year ended December 31, 2024, the Company incurred $1,646,363 in depreciation and amortization expense, compared to $1,536,327 for the year ended December 31, 2023. The increase is primarily due to increased additions to deferred development costs from the Company's continued investment in the improvement of its software platforms.

- **Office and general:** Consists primarily of recruiting, banking fees, corporate insurance, travel, communication, bad debt expense, estimates for expected credit losses on accounts receivables, and other general office supplies and expenses. During the year ended December 31, 2024, the Company incurred $1,444,860 in office and general expenses, compared to $1,101,515 for the year ended December 31, 2023. The increase is primarily due to increased communication, insurance, and travel expenses as well as estimates for expected credit losses on accounts receivables.

- **Professional fees:** Consists primarily of accounting, audit, legal, tax, investor relations, and other consulting or advisory services. During year ended December 31, 2024, the Company incurred $815,444 in professional fees, compared to $774,877 for the year ended December 31, 2023. The increase for year ended December 31, 2024 is primarily due to routine annual increases to professional fees for audit, tax, and other professional services.

- **Stock-based compensation:** The Company uses employee stock options, restricted share units ("**RSUs**"), and performance share units ("**PSUs**") as a means for employee compensation, retention, and incentives. During the year ended December 31, 2024, the Company incurred $341,257 in stock-based compensation, compared to $598,998 for the year ended December 31, 2023. The decrease is primarily due to the graded vesting impact on the options issued in the first year the Company was public in 2020, the vesting completion of RSUs granted in 2022, and cancelled and forfeited stock options, RSUs, and PSUs during the year ended December 31, 2024.

Notable Non-Operating Expenses

	For the years ended	
	December 31, 2024 $	December 31, 2024 $
Credit facility renewal fees	9,600	-
Filing fees	71,098	67,567
Foreign currency losses	269,712	216,965
Withholding taxes	-	67,470
Miscellaneous expenses	56,910	66,419
Interest income	-	(3,084)
Interest expense	151,133	29,668
Remeasurement of contingent consideration liability	-	(22,232)

- **Credit facility renewal fees:** During the year ended December 31, 2024, the Company incurred Credit facility renewal fees of $9,600 compared to $Nil year ended December 31, 2023. The increase is due to fees incurred on the renewal of the Credit Facility pursuant to the terms of a credit agreement entered into between the Company and a major Canadian bank in September 2021 that provides for a borrowing capacity of up to $6,000,000 based on recurring revenue, an interest rate equal to the Canadian Prime Rate plus 2.0% per annum and is secured against the Company's assets .

- **Filing fees:** During the year ended December 31, 2024, the Company incurred filing fees of $71,098 compared to $67,567 for the year ended December 31, 2023.

- **Foreign currency losses:** During the year ended December 31, 2024, the Company incurred foreign currency losses of $269,712 compared to $216,965 for the year ended December 31, 2023. The increase in foreign currency losses was primarily due to realized and unrealized foreign currency losses on mark-to-market valuations for USD-CAD forward contracts and foreign currency translation volatility in the settlement of USD payments in the fourth quarter of 2024.

- **Withholding taxes:** Consist of withholding taxes incurred on the distribution of intercompany dividends. During the year ended December 31, 2024, the Company recorded $Nil in withholding taxes compared to $67,470 for the year ended December 31, 2023. The decrease was due to distributions of intercompany dividends during Q1 2023.

- **Miscellaneous expenses:** Consists of other miscellaneous income and expenses. During the year ended December 31, 2024, the Company recorded miscellaneous expenses of $56,910 compared to $66,419 for the year ended December 31, 2023.

- **Remeasurement of contingent consideration liability:** During the year ended December 31, 2024, the Company recorded a remeasurement of contingent consideration liability gain of $Nil compared to $22,232 for the year ended December 31, 2023. The decrease is due to the final earn-out payment for the Viral Loops acquisition being paid in Q1 2024

RESEARCH AND DEVELOPMENT EXPENDITURES

Research and development expenses consist primarily of remuneration paid to engineering personnel and independent contractors. Development costs that meet the criteria under IAS 38 Intangible Assets are capitalized as deferred development costs. Deferred development costs have finite lives and are carried at cost less accumulated amortization and accumulated impairment losses. The deferred development costs are amortized on a straight-line basis over an estimated useful life between 7 to 10 years.

During the year ended December 31, 2024, the Company capitalized $1,010,031 to deferred development costs, compared to $1,321,827 for the year ended December 31, 2023.

During the year ended December 31, 2024, the Company amortized a total of $592,866 in development expenses, compared to $485,427 for the year ended December 31, 2023

Summary of Quarterly Results:

	Q4 FY24 $	Q3 FY24 $	Q2 FY24 $	Q1 FY24 $	Q4 FY23 $	Q3 FY23 $	Q2 FY23 $	Q1 FY23 $
Revenue	4,685,396	5,055,738	5,828,709	6,050,263	6,061,057	5,763,847	5,639,417	5,623,817
Cost of sales	1,478,406	1,565,631	1,885,961	1,921,341	2,066,483	1,938,026	1,959,026	1,934,479
Gross profit	**3,206,990**	**3,490,107**	**3,942,748**	**4,128,922**	**3,994,574**	**3,825,821**	**3,680,391**	**3,689,338**
Operating expenses	3,330,029	3,260,351	3,977,317	4,454,278	4,625,035	3,375,913	4,273,122	4,292,572
Income (loss) from operations	**(123,039)**	**229,756**	**(34,569)**	**(325,356)**	**(630,461)**	**449,908**	**(592,731)**	**(603,234)**
Interest income	-	-	-	-	(356)	-	-	(2,728)
Interest expense	35,857	36,557	40,186	38,533	20,678	8,990	-	-
Remeasurement of contingent consideration liability	-	-	-	-	-	-	-	(22,232)
Other expenses	147,719	107,019	48,908	103,674	42,412	111,764	52,311	211,934
Current and deferred Income tax expense	17,327	-	-	-	91,114	-	-	-
Net income (loss)	**(323,942)**	**86,180**	**(123,663)**	**(467,563)**	**(784,309)**	**329,154**	**(645,042)**	**(790,208)**
Adjusted EBITDA	**331,270**	**571,228**	**541,610**	**290,304**	**14,807**	**319,001**	**215,926**	**209,073**

Loss from operations for the fourth quarter ended December 31, 2024 was $123,039 compared to income from operations $229,756 in the third quarter ended September 30, 2024. Net loss for the fourth quarter ended December 31, 2024 was $323,942 compared to net income of $86,180 for the third quarter ended September 30, 2024. The decrease in operating income and net income was primarily driven by a reversal in Q3 2024 of $156,393 of stock-based compensation for PSUs that did not meet their performance vesting criteria as of September 30, 2024.

FINANCIAL LIQUIDITY

	Year ended December 31, 2024 $	Year ended December 31, 2023 $
Net cash provided by (used in) operating activities	519,385	(260,412)
Net cash used in investing activities	(1,109,384)	(1,991,911)
Net cash provided by (used in) financing activities	291,732	984,264
Net decrease in cash	**(298,267)**	**(1,268,059)**
Cash - beginning of the year	1,424,585	2,692,644
Cash - end of the year	**1,126,318**	**1,424,585**

Cash position: As at December 31, 2024, the Company had $1,126,318 in cash and a credit facility with a major Canadian bank with a calculated available undrawn balance of $3,965,532.

Cash from operating activities: During the year ended December 31, 2024, the Company had net cash provided by operations of $519,385, compared to net cash used in operations of $260,412 for the year ended December 31, 2023. The increase in cash provided by operations for the year ended December 31, 2024 is primarily due to significant improvements in operating loss compared to the same period in 2023.

Cash from investing activities: During the year ended December 31, 2024, the Company had net cash used in investing activities of $1,109,384, compared to $1,991,911 for the year ended December 31, 2023. The decrease in cash used in investing activities for the year ended December 31, 2024 was primarily due to less cash paid for acquisition transactions and earn-out payments. Cash used in investing activities for the year ended December 31, 2024 was primarily composed of cash paid for earn-out consideration of $99,353 ($900,186 for the comparable period in fiscal 2023) and capitalized research and development costs of $1,010,031 ($1,321,837 for the comparable period in fiscal 2023).

Cash from financing activities: During the year ended December 31, 2024, the Company had net cash provided by financing activities of $291,732, compared to net cash provided by financing activities of $984,264 for the year ended December 31, 2023. The decrease in cash from financing activities during the year ended December 31, 2024 was primarily due to a decrease in net draws from the Credit Facility.

Working Capital

	December 31, 2024 $	December 31, 2023 $
Cash	1,126,318	1,424,585
Accounts and other receivables	257,672	206,701
Prepaid expenses	195,918	166,392
Current tax asset	37,745	-
Accounts payable and accrued liabilities	(2,070,579)	(2,257,657)
Deferred revenue	(1,390,060)	(1,725,386)
Credit facility	(1,295,990)	(994,658)
Contingent consideration liability	-	(99,353)
Current tax liability	-	(75,629)
Net Working Capital	**(3,138,976)**	**(3,355,005)**

Net Working Capital as of December 31, 2024 improved to negative $3,138,976 from negative $3,355,005 as of December 31, 2023 primarily due to completion of earn out payments in Q1 2024.

In Q3 2024, the Company successfully renewed its credit facility with a major Canadian bank that was originally entered into on September 21, 2021. The renewed credit facility maintains the secured revolving operating line with a borrowing commitment of up to $6,000,000 calculated based on recurring revenue, an interest rate equal to the Canadian Prime Rate plus 2.0% per annum, and is secured against the Company's assets.

As at December 31, 2024, the Credit Facility balance payable was $1,295,990. There are no minimum repayment terms and any disbursement outstanding is repayable in full on demand by the Bank. The Credit Facility is subject to financial covenants based on the consolidated financial results of the Company. The Company was in compliance with all financial covenants and other terms and conditions under the Credit Facility as of December 31, 2024 and December 31, 2023.

During the year ended December 31, 2024 the Company paid interest expense related to the Credit Facility of $151,133 compared to $29,668 for year ended December 31, 2023.

CAPITAL RESOURCES

Capital Expenditures

The Company is asset-light and does not have ongoing material capital expenditure requirements to operate the business. As at December 31, 2024, the Company did not have any material commitments for capital expenditures.

RELATED PARTY TRANSACTIONS

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly. Key management personnel includes the Company's Board of Directors, officers, and certain members of the senior executive team.

Key management personnel includes the following appointed individuals:

- Chief Executive Officer ("**CEO**") – Ali Tajskandar
- Chief Financial Officer ("**CFO**") – David Pais until July 8, 2024, Adrian Lim effective July 8, 2024
- Chief Operating Officer ("**COO**") – Jordan Gutierrez
- Chief Technology Officer ("**CTO**") – Dennis Zelada until March 31, 2023
- General Manager of PersistIQ ("**GM**") – Nicholas Steeves
- Corporate Secretary ("**CS**") – Kendra Low
- Board of Directors ("**BOD**") – Lloyed Lobo, Hossein Malek, and Olivier Vincent

The detailed breakdown of remuneration of the Company's key management personnel and Board of Directors named above during the years ended December 31, 2024 and 2023 was as follows:

	For the years ended December 31, 2024 $	**December 31, 2023 $**
Salaries, wages, and benefits		
CEO	305,565	255,158
CFO	214,444	225,158
COO	255,565	188,491
GM	154,949	145,542
Subcontractor fees		
CTO	-	40,866
CS	48,136	43,906
Director fees		
BOD	60,000	60,000
Stock-based compensation		
CEO	149,765	100,132
CFO	(25,780)	73,397
COO	131,147	37,247
CTO	-	(78,255)
GM	(3,957)	54,369
BOD	28,560	88,786

During the year ended December 31, 2024, 1,200,000 PSUs were granted to key management personnel (1,350,000 PSUs for the year ended December 31, 2023) as a means for compensation, retention, and incentives.

On September 1, 2024, the Company entered into a related party sublease agreement for office space at a rate of $2,119 per month, shared with three other tenants. One of the tenants is the father of the Company's CEO. The lease term is one year, and the office space is utilized by local employees as a workspace. The transaction was reviewed and approved by independent members of the Board in accordance with the Company's related party transaction policy.

Included in accounts and other receivables as at December 31, 2024 is $39,380 ($Nil as at December 31, 2023) of receivables from the CEO. These receivables were primarily due to payroll taxes on stock issuance with respect to PSUs vested and issued.

PROPOSED TRANSACTIONS

As of the date of this MD&A, there were no proposed transactions.

FINANCIAL INSTRUMENTS

Refer to the accompanying Financial Statements for the Company's recognition and measurement accounting policies of financial instruments. As of December 31, 2024, and December 31, 2023, the Company's financial instruments are valued as follows:

	December 31, 2024 $	December 31, 2023 $
Cash	1,126,318	1,424,585
Accounts and other receivables	257,672	206,701
Accounts payable and accrued liabilities	2,070,579	2,257,657
Contingent consideration liability	-	99,353
Credit facility	1,295,990	994,658

OFF-BALANCE SHEET ARRANGEMENTS

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

ADDITIONAL GAAP AND NON-GAAP MEASURES

This MD&A makes reference to certain additional GAAP and non-GAAP financial measures. These measures are not recognized measures under IFRS Accounting Standards, do not have a standardized meaning prescribed by IFRS Accounting Standards and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS Accounting Standards measures by providing further understanding of the Company's results of operations from management's perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS Accounting Standards.

The Company uses Income and Loss from Operations as an additional GAAP measure and uses non-GAAP financial measures, including Adjusted Earnings Before Interest, Tax and Amortization ("**Adjusted EBITDA**"), to provide investors with supplemental measures of its operating performance and to highlight trends in their core business that may not otherwise be apparent when relying solely on IFRS financial measures.

Monthly Recurring Revenue

The Company uses Monthly Recurring Revenue, or MRR, as a directional indicator of subscription revenue going forward assuming customers maintain their subscription plan the following month. MRR is the total of all monthly subscription plan fees paid by customers in effect on the last day of that period. If customers pay for more than one month upfront, the amount is divided by the number of months in the subscription period. Discounts are deducted prior to the calculation and one-time payments and metered based charges are excluded.

Annualized Revenue Run Rate

The Company uses Annualized Revenue Run-Rate as an indicator of financial performance that takes the current revenue in the quarter and converts it to an annual figure to get the full-year equivalent.

Annual Recurring Revenue

The Company uses Annual Recurring Revenue, or ARR, as a directional indicator of subscription revenue going forward assuming customers maintain their subscription plan for a period of 12 months. ARR is calculated by multiplying total MRR by 12.

Average Order Value

The Company defines Average Order Value, or AOV, as the aggregate dollar amount of all customer orders over a period of time divided by the aggregate number of orders during that same period. Management believes AOV to be a useful financial measure because it helps to track the impact of sales initiatives and product offerings on customer spending patterns.

Average Revenue Per User

The Company defines Average Revenue Per User, or ARPU, as the total MRR divided by the number of subscribers. Management believes ARPU is a valuable financial metric as it provides insight into the effectiveness of the Company's monetization strategy and customer value generation. ARPA also helps track the impact of sales initiatives and product offerings on customer spending patterns.

Customer Churn Rate

The Company defines Customer Churn Rate as the percentage of customers who have canceled their subscriptions over time. Management believes Customer Churn Rate to be a useful financial measure because it provides further insight as to what products have the ability to generate continuous customer engagement and revenue.

Customer Lifetime Value

The Company defines Customer Lifetime Value, or LTV, as the average revenue that a customer generates before they churn. Management believes LTV is useful as a forward-looking estimate of the average revenue that a customer will generate throughout its lifespan as a customer with Wishpond.

Loss from Operations

The Company uses Income and Loss from Operations as an additional GAAP financial measure within the financial statements and MD&A, but it is not a defined term under IFRS Accounting Standards to assess performance. Management believes that this measure provides useful supplemental information to investors and is computed consistently for each reporting period.

Income or Loss from Operations is calculated as total revenues less total operating expenses derived from the Statement of Comprehensive Income or Loss. This measure provides an indication of financial performance excluding the undernoted items such as foreign exchange, other income and expenditures (which typically include non-recurring transaction) and interest expense. As a result, management believes that this metric provides a clearer picture of the ongoing financial performance of the Company from operating activities. This non-GAAP metric is used by management to analyze operating performance, but it is not intended to represent an alternative to net earnings or other measures of financial performance in accordance with IFRS Accounting Standards.

The following table summarizes the Company's Loss from Operations for the year ended December 31, 2024 and 2023:

	Year ended December 31, 2024 $	Year ended December 31, 2023 $
Revenue	21,620,106	23,088,138
Cost of sales	6,851,339	7,898,014
Gross profit	**14,768,767**	**15,190,124**
Operating expenses	15,021,975	16,566,642
Loss from operations	**(253,208)**	**(1,376,518)**

Adjusted EBITDA

Adjusted EBITDA should not be construed as an alternative to net earnings, cash flow from operating activities or other measures of financial results determined in accordance with GAAP as an indicator of the Company's performance. The Company defines "Adjusted EBITDA" as Income or Loss before income taxes less interest, depreciation and amortization, remeasurement of contingent consideration liability, filing fees, credit facility setup and renewal fees, earn-out remuneration, foreign currency losses (gains), acquisition related expenses, net other expenditures (income), and stock-based compensation. The Company believes that Adjusted EBITDA is a meaningful financial metric as it measures cash generated from operations which the Company can use to fund working capital requirements, service future interest and principal debt repayments and fund future growth initiatives.

Adjusted EBITDA for the year ended December 31, 2024 and the comparable period in fiscal 2023 was as follows:

	Year ended December 31, 2024 $	Year ended December 31, 2023 $
Loss before income taxes	(811,661)	(1,799,291)
Depreciation and amortization	1,646,363	1,536,327
Interest income	-	(3,084)
Interest expense	151,133	29,668
Remeasurement of contingent consideration liability	-	(22,232)
Other expenses	407,320	418,421
Stock based compensation expense	341,257	598,998
Adjusted EBITDA	**1,734,412**	**758,807**

DISCLOSURE OF OUTSTANDING SHARE DATA

As at December 31, 2024, the Company had the following securities issued and outstanding:

Description of security	Number of securities outstanding	Additional comments
Common shares	54,880,495	
Restricted share units	62,500	
Performance share units	1,200,000	
Stock options	2,493,050	Exercisable at prices ranging from $0.05 to $2.18
Total fully diluted	**58,636,045**	

- During the year ended December 31, 2024, 1,200,000 PSUs were granted to employees and officers of the Company.
- During the year ended December 31, 2024, 221,875 common shares were issued for vested RSUs.
- During the year ended December 31, 2024, 675,000 common shares were issued for vested PSUs.

As at April 22, 2025, the Company had the following securities issued and outstanding:

Description of security	Number of securities outstanding	Additional comments
Common shares	54,938,649	
Restricted share units	56,250	
Performance share units	1,200,000	
Stock options	2,248,021	Exercisable at prices ranging from $0.05 to $2.18
Total fully diluted	**58,442,920**	

RISKS & UNCERTAINTIES:

The following risk factors are not a definitive list of all risk factors associated with the Company. Additional risks and uncertainties, including those currently unknown or considered immaterial by Wishpond, may also adversely affect the Wishpond Shares and/or the business.

Forward-Looking Information May Prove Inaccurate

Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

Readers should carefully consider the risk factors set out in this MD&A in conjunction with the Company's consolidated financial statements and consider all other information contained herein before making an investment decision. If any of the risks described above materialize, the business, financial condition or results of operations of the Parties could be materially and adversely affected. Additional risks and uncertainties not currently known to or currently seen as immaterial by management of Wishpond may also materially and adversely affect the business, financial condition or results of operations of the Parties.

Wishpond may issue equity securities to finance its activities. If Wishpond were to issue additional equity securities, the ownership interest of existing shareholders may be diluted and some or all of Wishpond's financial measures on a per share basis could be reduced. Moreover, as Wishpond's intention to issue additional equity securities becomes publicly known, Wishpond's share price may be materially adversely affected.

Wishpond's officers and directors control a large percentage of Wishpond's issued and outstanding Wishpond Shares and such officers and directors may have the ability to control matters affecting Wishpond and its business.

From time to time the directors and executive officers of Wishpond may sell Common Shares on the open market. These sales will be publicly disclosed in filings made with securities regulators. In the future, the directors and executive officers of Wishpond may sell a significant number of Common Shares for a variety of reasons unrelated to the performance of Wishpond's business. The shareholders of Wishpond may perceive these sales as a reflection on management's view of the business and result in some shareholders selling their Common Shares. These sales could cause the market price of the Common Shares to drop.

Reliance on New Product and Service Offerings

The SaaS industry generally, and specifically, the SaaS marketing industry that Wishpond operates in is at a relatively early stage of development. While the Company expects the industry to grow at a rapid pace in the coming years as aligned with analyst expectations, there is no guarantee that such growth will be experienced and sustained in the industry, or even if such growth in seen, that the Company will be able to compete effectively in the industry. The success of the business of Wishpond is dependent upon its ability to develop new software products or features and enhance existing marketing services. There are a significant number of competitors with significantly more resources or which may offer other products that may be favoured by the market, all of which may lead to a decline in the business of the Company. Additionally, industry trends and increased regulatory scrutiny, including, without limitation, increased regulatory concern on privacy and the use and protection of consumer data, trends towards data privacy becoming a greater concern to many end consumers for SMBs, and changes to data collection policies such as the introduction of new rules on the tracking of data with the rollout of the iOS 14 operating system by Apple Inc. or the removal of tracking cookies in Chrome by Google may all lead to increased costs to do business, to compete effectively in the marketplace and may lead to customers electing to choose other methods to market their products and services. To keep pace with technological developments, satisfy increasingly sophisticated customer requirements, meet regulatory requirements and achieve market acceptance, Wishpond must enhance and improve existing software products and must also continue to introduce new features and services. Given the growth and early stage of the industry, in certain circumstances, Wishpond may be required to choose development paths and directions for its products based on incomplete information, and such decisions may prove ineffective or uncompetitive as compared to decisions made by competitors. If Wishpond is unable to successfully develop new products or enhance and improve existing products or it fails to position and/or price its products to meet market demand, the business and operating results of Wishpond will be adversely affected. Any new products or features could require long development and testing periods and may not be introduced in a timely manner or may not achieve the broad market acceptance necessary to generate significant revenue. In addition, any significant changes in the technological paradigm utilized for building or delivering applications in smartphone devices could harm the Company's business and prospects. These are some of the factors which may prevent Wishpond from the realization of growth targets.

The Development and Introduction of AI in Various Product Offerings

With the launch of numerous products that use AI, companies in a range of industries are reviewing and developing products and services that incorporate AI to enhance their competitiveness and the quality of their products. While AI presents numerous opportunities for growth and innovation, there are potential risks that could impact Wishpond. There is potential for biased or incorrect decision-making. Large language models and machine learning algorithms can perpetuate existing biases or inaccuracies if not properly monitored and adjusted. This could result in faulty or discriminatory practices or results arising from the reliance of AI that can potentially lead to operational, financial, legal and reputational damage. AI is a new and developing technology that can be prone to errors and may also be used more effectively by competitors. Another risk is the potential for AI systems, including AI products developed and sold by Wishpond to malfunction or be tricked or hacked, leading to unreliable output, unpredictable data breaches and financial losses. To address these risks, Wishpond is taking a proactive approach to AI governance, including review and testing of our products, as well as ongoing training and development of our workforce to support any transition to AI-enabled operations or products, however, due to the inherent complexity of AI, there is no guarantee that Wishpond will be able to effectively mitigate the risks associated with its use.

Being a Public Company May Increase Price Volatility

Wishpond's status as a reporting issuer may increase price volatility due to various factors, including the ability to buy or sell Wishpond Shares, different market conditions in different capital markets and different trading volumes. In addition, low trading volume may increase the price volatility of the Wishpond Shares. The increased price volatility could adversely affect the results of operations or financial condition.

The Requirements of Being a Public Resulting Issuer May Strain Wishpond's Resources

As a reporting issuer, Wishpond, and its business activities, are subject to the reporting requirements of applicable securities legislation of the jurisdiction in which it is a reporting issuer, the listing requirements of the Exchange and other applicable securities rules and regulations. Compliance with these rules and regulations increases Wishpond's legal and financial costs as compared to Wishpond's previous activities making some activities more difficult, time consuming or costly and increase demand on its systems and resources.

Third Party Licenses

Wishpond may license software from third parties. The loss of rights to use this software could increase operating expenses and could adversely affect Wishpond's ability to compete. Wishpond may license certain technologies used in its products from third parties, generally on a non-exclusive basis. The termination of any of these licenses, or the failure of the licensors to adequately maintain or update their products, could delay Wishpond's ability to ship its products, as Wishpond may need to seek to implement alternative technology offered by other sources. This may require unplanned investments by Wishpond. In addition, alternative technology may not be available on commercially reasonable terms. In the future, it may be necessary or desirable to obtain other third-party technology licenses relating to one or more products or relating to current or future technologies to enhance Wishpond's product offerings. There is a risk that Wishpond will not be able to obtain licensing rights to the needed technology on commercially reasonable terms, if at all. Both Wishpond and its vendors make use of open-source software that may open Wishpond to certain risks, uncertainties and potential liability.

Risks Inherent in Strategic Alliances

Wishpond may enter into strategic alliances with third parties that it believes will complement or augment its existing business. Wishpond's ability to complete strategic alliances is dependent upon, and may be limited by, the availability of suitable candidates and capital. In addition, strategic alliances could present unforeseen integration obstacles or costs, may not enhance Wishpond's business, and may involve risks that could adversely affect Wishpond, including significant amounts of management time that may be diverted from operations to pursue and complete such transactions or maintain such strategic alliances. Future strategic alliances could result in the incurrence of additional debt, costs and contingent liabilities, and there can be no assurance that future strategic alliances will achieve the expected benefits to Wishpond's business or that Wishpond will be able to consummate future strategic alliances on satisfactory terms, or at all.

Competition

The industry in which Wishpond operates is highly competitive and competition could intensify, or any technological advantages held by Wishpond may be reduced or lost, as a result of technological advances by its competitors.

If Wishpond does not compete effectively with these competitors, its revenue may not grow. Wishpond has experienced competition from a number of marketing software companies and digital marketing agencies and expects continued competition in the future. Wishpond's competitors may announce new products, services or enhancements that better meet the needs of customers or changing industry standards. Increased competition may cause price reductions, reduced gross margins and reduced growth in sales, any of which could have a material adverse effect on the business, results of operations and financial condition of Wishpond. Wishpond faces substantial competition from established competitors, many of which may have greater financial, engineering and marketing resources than it does. Many of these companies also have a larger customer base, have longer operating histories or have greater name recognition than Wishpond does. There can be no assurance that Wishpond will successfully differentiate its current and proposed products from the products of its competitors, or that the marketplace will consider the products of Wishpond, to be superior to competing products. Because of the industry in which Wishpond operates, Wishpond expects to face additional competition from new entrants. To maintain Wishpond's competitive position, it is believed that Wishpond will be required to continue to invest in engineering, research and development, marketing and customer service and support. There can be no assurance that Wishpond will have sufficient resources to continue to make these investments, that it will be able to make the technological advances necessary to maintain its competitive position, or that its products will receive market acceptance. Wishpond's competitors may be able to respond more quickly to changes in customer requirements and devote greater resources to the enhancement, promotion and sale of their products. Wishpond may not be able to compete successfully in the future, and increased competition may result in price reductions, reduced profit margins, loss of market share and an inability to generate cash flows that are sufficient to maintain or expand its development of new products.

Dependence on Key Management Personnel

The success of Wishpond is dependent upon the ability, expertise, judgment, discretion and good faith of its senior management as well as certain consultants (the "**Key Personnel**"). Wishpond's future success depends on its continuing ability to attract, develop, motivate, and retain the Key Personnel. Qualified individuals for Key Personnel positions are in high demand, and Wishpond may incur significant costs to attract and retain them. The loss of the services of Key Personnel, or an inability to attract other suitably qualified persons when needed, could have a material adverse effect on Wishpond's ability to execute on its business plan and strategy, and Wishpond may be unable to find adequate replacements on a timely basis, or at all. While employment and consulting agreements are customarily used as a primary method of retaining the services of Key Personnel, these agreements cannot assure the continued services of such individuals and consultants.

Conflicts of Interest

Wishpond may be subject to various potential conflicts of interest because some of its officers, directors and consultants may be engaged in a range of business activities. Wishpond's executive officers, directors and consultants may devote time to their outside business interests, so long as such activities do not materially or adversely interfere with their duties to Wishpond. In some cases, Wishpond's executive officers, directors and consultants may have fiduciary obligations associated with these business interests that interfere with their ability to devote time to Wishpond's business and affairs and that could adversely affect Wishpond's operations. These business interests could require significant time and attention of Wishpond's executive officers, directors and consultants.

In addition, Wishpond may also become involved in other transactions which conflict with the interests of its directors, officers and consultants who may from time-to-time deal with persons, firms, institutions or corporations with which Wishpond may be dealing, or which may be seeking investments similar to those desired by it. The interests of these persons could conflict with those of Wishpond. In addition, from time to time, these persons may be competing with Wishpond for available investment opportunities. Conflicts of interest, if any, will be subject to the procedures and remedies provided under applicable laws. In particular, if such a conflict of interest arises at a meeting of Wishpond's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with applicable laws, the directors of Wishpond are required to act honestly, in good faith and in the best interests of Wishpond.

Fraudulent or Illegal Activity by Employees, Contractors and Consultants

Wishpond may be exposed to the risk that its employees, independent contractors and consultants may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to Wishpond that violates: (a) government regulations; (b) federal and provincial healthcare fraud and abuse laws and regulations; or (c) laws that require the true, complete and accurate reporting of financial information or data. It may not always be possible for Wishpond to identify and deter such misconduct by its employees and other third parties, and the precautions taken by Wishpond to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting Wishpond from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against Wishpond, and it is not successful in defending itself or asserting its rights, such actions could have a significant impact on Wishpond's business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of Resulting Issuer's operations, any of which could have a material adverse effect on Wishpond's business, financial condition, results of operations or prospects.

Technological Errors

Errors in Wishpond products, including its products that use AI, could result in significant costs to Wishpond and could impair its ability to sell its products. Wishpond products are complex and, accordingly, they may contain errors, or "bugs", that could be detected at any point in their product life cycle. The reputation of Wishpond could be materially and adversely affected by errors in the products. These errors could result in significant costs to Wishpond, delay planned release dates and impair the ability to sell products in the future. The costs incurred in correcting any product errors may be substantial and could adversely affect operating margins. While Wishpond plans to continually test its products for errors and work with customers through maintenance support services to identify and correct bugs, errors in the products may still be found in the future.

Internal Controls

Effective internal controls are necessary for Wishpond to provide reliable financial reports and to help prevent fraud. Although Wishpond deploys a number of procedures and will continually implement new safeguards in order to help ensure the reliability of its financial reports, including those imposed on Wishpond under applicable law, in each case Wishpond cannot be certain that such measures will ensure that Wishpond maintains adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm Wishpond's results of operations or cause it to fail to meet its reporting obligations. If Wishpond or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in Wishpond's consolidated financial statements and could result in a material adverse effect on Wishpond.

General Economic Risks

Wishpond's operations could be affected by changing economic conditions should interest rates, access to credit or the capital markets, inflation or the unemployment level reach levels that influence consumer confidence, trends and spending and, consequently, impact Wishpond's sales and profitability.

Any investors should further consider, among other factors, Wishpond's prospects for success in light of the risks and uncertainties encountered by companies that, like Wishpond, are in their early stages. For example, unanticipated expenses and problems or technical difficulties may occur, which may result in material delays in the operation of Wishpond's business. Wishpond may not successfully address these risks and uncertainties or successfully implement its operating strategies. If Wishpond fails to do so, it could materially harm Wishpond's business to the point of having to cease operations and could impair the value of Wishpond's securities.

Ability of Acquisitions to deliver Shareholder Returns

Wishpond may grow by acquiring businesses. The consummation and integration of any acquired business, product or other assets into Wishpond may be complex and time consuming and, if such businesses and assets are not successfully integrated, Wishpond may not achieve the anticipated benefits, cost-savings or growth opportunities. Furthermore, these acquisitions and other arrangements, even if successfully integrated, may fail to further Wishpond's business strategy as anticipated, expose Wishpond to increased competition or other challenges with respect to Wishpond's products or geographic markets, and expose Wishpond to additional liabilities associated with an acquired business, technology or other asset or arrangement.

Failure to successfully integrate acquired businesses, its products and other assets into Wishpond, or if integrated, failure to further Wishpond's business strategy, may result in Wishpond's inability to realize any benefit from such acquisition.

Liquidity and Additional Financing

As of the date of this MD&A, the Company has sufficient funds to meet its current obligations.

There is no guarantee that Wishpond will be able to achieve its business objectives. The continued development of Wishpond may require additional financing. The failure to raise such capital could result in the delay or indefinite postponement of current business objectives or Wishpond going out of business. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to Wishpond. If additional funds are raised through issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution. In addition, from time to time, Wishpond may enter into transactions to acquire assets or the shares of other corporations. These transactions may be financed wholly or partially with debt, which may temporarily increase Wishpond's debt levels above industry standards. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for Wishpond to obtain additional capital and to pursue business opportunities, including potential acquisitions. Wishpond may require additional financing to fund its operations to the point where it is generating positive cash flows. Negative cash flow may restrict Wishpond's ability to pursue its business objectives.

Difficulty to Forecast

Wishpond must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources. A failure in the demand for its products to materialize as a result of competition, loss of customers, failure or inability of key vendors to perform, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Company.

The Market Price of Wishpond Shares may be subject to Wide Price Fluctuations

The market price of Wishpond Shares may be subject to wide fluctuations in response to many factors, including variations in the operating results of Wishpond and its subsidiaries, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, changes in the business prospects for Wishpond and its subsidiaries, general economic conditions, legislative changes, and other events and factors outside of Wishpond's control. In addition, stock markets can experience extreme price and volume fluctuations, which, as well as general economic and political conditions, could adversely affect the market price for the Wishpond Shares.

Management of Growth

Wishpond may be subject to growth-related risks. The ability of Wishpond to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of Wishpond to deal with this growth may have a material adverse effect on Wishpond's business, financial condition, results of operations and growth prospects.

There is no assurance that Wishpond will turn a profit

There is no assurance as to whether Wishpond will be profitable or continue to be profitable or pay dividends. Wishpond has incurred and anticipates that it will continue to incur substantial expenses relating to the development of its business. The payment and amount of any future dividends will depend upon, among other things, Wishpond's results of operations, cash flow, financial condition, and operating and capital requirements. There is no assurance that future dividends will be paid, and, if dividends are paid, there is no assurance with respect to the amount of any such dividends.

Anti-Money Laundering Laws and Regulation Risks

Wishpond is subject to a variety of laws and regulations domestically and internationally that concern money laundering, financial recordkeeping and proceeds of crime, including the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada), as amended and the rules and regulations thereunder, the Criminal Code (Canada) and any related or similar rules, regulations or guidelines, issued, administered or enforced by governmental authorities internationally.

In the event that any of Wishpond's proceeds, any dividends or distributions therefrom, or any profits or revenues accruing from operations were found to be in violation of money laundering legislation or otherwise, such transactions may be viewed as proceeds of crime under one or more of the statutes noted above or any other applicable legislation. This could restrict or otherwise jeopardize the ability of Wishpond to declare or pay dividends, effect other distributions or subsequently repatriate such funds back to Canada.

Regulation

Wishpond is subject to general business regulations and laws as well as regulations and laws specifically governing collection of information and the internet. Existing and future laws and regulations may impede Wishpond's growth strategies. These regulations and laws may cover taxation, privacy, data protection, pricing, content, copyrights, distribution, consumer protection, web services, websites, and the characteristics and quality of products and services. Unfavourable changes in regulations and laws could decrease demand for Wishpond's digital media properties and inventory and increase its cost of doing business or otherwise have a material adverse effect on Wishpond's reputation, popularity, results of operations, and financial condition. The requirements of being a public company may strain Wishpond's resources, divert management's attention and affect its ability to attract and retain executive management and qualified board members.

As a reporting issuer, Wishpond will be subject to the reporting requirements of applicable securities legislation of the jurisdiction in which it is a reporting issuer, the listing requirements of the Exchange and other applicable securities rules and regulations. Compliance with these rules and regulations will increase Wishpond's legal and financial compliance costs, make some activities more difficult, time consuming or costly and increase demand on its systems and resources. Applicable securities laws require Wishpond to, among other things, file certain annual and quarterly reports with respect to its business and results of operations. In addition, applicable securities laws require Wishpond to, among other things, maintain effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and, if required, improve its disclosure controls and procedures and internal control over financial reporting to meet this standard, significant resources and management oversight may be required. Specifically, due to the increasing complexity of its transactions, it is anticipated that Wishpond will improve its disclosure controls and procedures and internal control over financial reporting primarily through the continued development and implementation of formal policies, improved processes and documentation procedures, as well as the continued sourcing of additional finance resources. As a result, management's attention may be diverted from other business concerns, which could harm Wishpond's business and results of operations. To comply with these requirements, Wishpond may need to hire more employees in the future or engage outside consultants, which will increase its costs and expenses.

In addition, changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time consuming. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. Wishpond intends to continue to invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expenses and a diversion of management's time and attention from revenue generating activities to compliance activities. If its efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against Wishpond and Wishpond's business may be adversely affected.

As a public company subject to these rules and regulations, Wishpond may find it more expensive for it to obtain director and officer liability insurance, and it may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These factors could also make it more difficult for Wishpond to attract and retain qualified members of its Board of Directors, particularly to serve on its audit committee and compensation committee, and qualified executive officers. As a result of disclosure of information in filings required of a public company, Wishpond's business and financial condition will become more visible, which may result in threatened or actual litigation, including by competitors and other third parties. If such claims are successful, Wishpond's business and results of operations could be harmed, and even if the claims do not result in litigation or are resolved in its favor, these claims, and the time and resources necessary to resolve them, could divert the resources of Wishpond's management and harm its business and results of operations.

Unknown Defects and Impairments

A defect in any business arrangement may arise to defeat or impair the claim of Wishpond to such transaction, which may have a material adverse effect on Wishpond. It is possible that material changes could occur that may adversely affect management's estimate of the recoverable amount for any agreement Wishpond enters into. Impairment estimates, based on applicable key assumptions and sensitivity analysis, will be based on management's best knowledge of the amounts, events or actions at such time, and the actual future outcomes may differ from any estimates that are provided by Wishpond. Any impairment charges on Wishpond's carrying value of business arrangements could have a material adverse effect on Wishpond.

Challenging Global Financial Conditions

Global financial conditions, particularly in light of the recent interest rate movements, tightening of credit, wars, trade sanctions, supply chain disruptions, energy shocks and other geo-political, pandemic or climate change related instability, have been characterized by increased volatility, with companies having either gone into bankruptcy or having to be rescued by government authorities. Global financial conditions could suddenly and rapidly destabilize in response to future events, as government authorities may have limited resources to respond to future crises. Global capital markets have continued to display increased volatility in response to global events. Future crises may be precipitated by any number of causes, including natural disasters, geopolitical instability, changes to energy prices and banking or sovereign defaults. Any sudden or rapid destabilization of global economic conditions could negatively impact the ability of Wishpond, or the ability of the operators of the companies in which Wishpond will hold interests, to obtain equity or debt financing or make other suitable arrangements to finance their projects. If increased levels of volatility continue or in the event of a rapid destabilization of global economic conditions, it may result in a material adverse effect on Wishpond and the price of Wishpond's securities could be adversely affected.

Additionally, recent global events have also led to significant changes in corporate behaviour and many companies are experiencing increased business instability and as a result may reduce or defer spending on products and services, including products and services that may be provided by the Company until when greater economic certainty can be determined. If customers and/or potential customers alter their current spending habits and/or budgetary allocations towards products and services that are provided by the Company, the Company's financial outlook could be adversely affected.

Credit and Liquidity Risk

Wishpond will be exposed to counterparty risks and liquidity risks including, but not limited to:

- through suppliers of Wishpond which may experience financial, operational or other difficulties, including insolvency, which could limit or suspend those suppliers' ability to perform their obligations under agreements with Wishpond;
- through financial institutions that may hold Wishpond's cash and cash equivalents;
- through customers that have payables to Wishpond;
- through Wishpond's insurance providers; and
- through Wishpond's lenders, if any.

Wishpond will also be exposed to liquidity risks in meeting its operating expenditure requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the ability of Wishpond to obtain loans and other credit facilities in the future and, if obtained, on terms favourable to Wishpond. If these risks materialize, Wishpond's operations could be adversely impacted and the price of the Wishpond Shares could be adversely affected.

Litigation

Wishpond may from time to time be involved in various claims, legal proceedings and disputes arising in the ordinary course of business. Additionally, as more and more enterprises and consumers experience increased financial uncertainty, customers, suppliers and other parties with whom the Company may conduct business may be unable to carry out its obligations including payment for services and products provided by the Company. In such circumstances, the Company may not be able to resolve disputes without referring such disputes to courts of competent jurisdiction.

If Wishpond is unable to resolve these disputes favourably, it may have a material adverse effect on Wishpond. Even if Wishpond is involved in litigation and wins, litigation can redirect significant Company resources. Litigation may also create a negative perception of Wishpond. Securities litigation could result in substantial costs and damages and divert Wishpond's management's attention and resources. Any decision resulting from any such litigation that is adverse to Wishpond could have a negative impact on Wishpond's financial position. Additionally, in cases where opposing parties are bankrupt, Wishpond may be in an unsecured position subordinate to other priority creditors and may not be able to realize any proceeds regardless of the results of any dispute.

Cybersecurity Risks

The information systems of Wishpond and any third-party service providers and vendors, are vulnerable to an increasing threat of continually evolving cybersecurity risks. These risks may take the form of malware, computer viruses, cyber threats, extortion, employee error, malfeasance, system errors or other types of risks, and may occur from inside or outside of the respective organizations. Cybersecurity risk is increasingly difficult to identify and quantify and cannot be fully mitigated because of the rapid evolving nature of the threats, targets and consequences. Additionally, unauthorized parties may attempt to gain access to these systems through fraud or other means of deceiving third-party service providers, employees or vendors. The operations of Wishpond depend, in part, on how well networks, equipment, IT systems and software are protected against damage from a number of threats. These operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. However, if Wishpond is unable or delayed in maintaining, upgrading or replacing IT systems and software, the risk of a cybersecurity incident could materially increase. Any of these and other events could result in information system failures, delays and/or increases in capital expenses. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the reputation and results of operations of Wishpond.

Security

Wishpond cannot guarantee absolute protection against unauthorized attempts to access its IT systems, including malicious third-party applications or denial of service attacks that may interfere with or exploit security flaws in its digital media properties. Viruses, worms, and other malicious software programs could jeopardize the security of information stored in a user’s computer or in Wishpond’s computer systems or attempt to change the internet experience of users by interfering with Wishpond’s ability to connect with a user, ensure the privacy of customer data or the complete loss of customer or company data. If any compromise to Wishpond’s security measures were to occur and Wishpond’s efforts to combat this breach were unsuccessful, Wishpond’s reputation or ability to perform on its customer agreements may be harmed leading to an adverse effect on Wishpond’s financial condition and prospects.

Dividend Policy

The declaration, timing, amount and payment of dividends are at the discretion of Wishpond’s Board of Directors and will depend upon Wishpond’s future earnings, cash flows, acquisition capital requirements and financial condition, and other relevant factors. There can be no assurance that Wishpond will declare a dividend on a quarterly, annual or other basis.

Customer Acquisition

Wishpond’s success depends, in part, on Wishpond’s ability to attract and retain customers. There are many factors which could impact Wishpond’s ability to attract and retain customers, including but not limited to the successful implementation of marketing plans, development of new products and services for customers, and the continued growth in the aggregate number of customers. The segments and industries in which Wishpond operates may be subject to increased competition and other competitors may be able to develop new ideas faster and may be able to devote more resources than Wishpond. If Wishpond is not able to offer competitive products and services, its revenues and operations may materially decline. Additionally, while the Company uses the tools at its disposal to predict and develop new products and services that the Company considers attractive to customers, there is no guarantee that such development decisions undertaken by the Company will accurately reflect customer demands and lead to the outcomes the Company anticipates. If the Company fails to anticipate customer demands, customers may purchase or subscribe for competing products and services which could have an adverse effect on the finances and operations of the Company. The failure to acquire and retain customers would have a material adverse effect on Wishpond’s business, operating results and financial condition.

Constraints on Marketing Products

The development of Wishpond's businesses and operating results may be hindered by applicable restrictions on marketing technology products or digital marketing services. The Canadian federal regulatory regime requires plain packaging of products, and has further prohibitions with respect to marketing, including prohibitions on testimonials, lifestyle branding and packaging that is appealing to youth.

The regulatory environment in Canada and abroad limits Wishpond's ability to compete for market share in a manner similar to other industries. If Wishpond is unable to effectively market its products and compete for market share, or if the costs of compliance with government legislation and regulation cannot be absorbed through increased selling prices for its products, Wishpond's sales and operating results could be adversely affected, which could have a materially adverse effect on Wishpond's business, financial condition and operating results.

Intellectual Property

The ownership and protection of trademarks, patents, trade secrets and intellectual property rights brought in from the acquisition of Wishpond are significant aspects of Wishpond's future success. Unauthorized parties may attempt to replicate or otherwise obtain and use Wishpond's products and technology. Policing the unauthorized use of Wishpond's current or future trademarks, patents, trade secrets or intellectual property rights could be difficult, expensive, time-consuming and unpredictable, as may be enforcing these rights against unauthorized use by others. In addition, in any infringement proceeding, some or all of the trademarks, patents or other intellectual property rights or other proprietary know-how, or arrangements or agreements seeking to protect the same may be found invalid, unenforceable, anti-competitive or not infringed. An adverse result in any litigation or defense proceedings could put one or more of the trademarks, patents or other intellectual property rights at risk of being invalidated or interpreted narrowly and could put existing intellectual property applications at risk of not being issued. Any or all of these events could materially and adversely affect the business, financial condition and results of operations of Wishpond.

In addition, other parties may claim that Wishpond's products infringe on their proprietary and perhaps patent protected rights. Such claims, whether or not meritorious, may result in the expenditure of significant financial and managerial resources, legal fees, result in injunctions, temporary restraining orders and/or require the payment of damages. As well, Wishpond may need to obtain licences from third parties who allege that Wishpond has infringed on their lawful rights. However, such licences may not be available on terms acceptable to Wishpond or at all. In addition, Wishpond may not be able to obtain or utilize on terms that are favorable to it, or at all, licences or other rights with respect to intellectual property that it does not own.

Foreign Exchange

Wishpond is exposed to foreign currency risk by reason of Wishpond operating in the United States and other foreign jurisdictions. As a majority of the Company's revenue is derived from customers in the United States and other foreign jurisdictions while the Common Shares are traded in and the financial statements of the Company are reported in Canadian dollars, the movement of the US dollar and other foreign currencies against the Canadian dollar could have a material adverse effect on Wishpond's prospects, business, financial condition, and results of operation.

CRITICAL ACCOUNTING ESTIMATES:

The preparation of the audited consolidated financial statements in conformity with IFRS Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses, and related disclosures. Additional detail is provided in Note 4 of the audited annual consolidated financial statements for the year ended December 31, 2024.

Information about critical accounting judgements and estimates in applying accounting policies that have the most significant impact on the amounts recognized in the audited consolidated financial statements are outlined below.

Stock-Based Compensation

Management estimates the fair value of stock option awards using market-based valuation techniques at the grant date. Key assumptions include expected volatility, dividend yield, option life, forfeiture rates, and the likelihood of performance conditions being met. Changes in these inputs could materially affect the expense recognized.

Impairment Testing of Goodwill

The Company performs annual impairment testing for goodwill and indefinite-lived intangible assets. Recoverable amounts are determined using value-in-use calculations based on discounted cash flow models. These models require estimates of future revenue growth, margins, discount rates, and cash-generating unit ("**CGU**") groupings. As at December 31, 2024, the recoverable amount of the Viral Loops CGU exceeded its carrying amount by $108,891. The calculation is sensitive to changes in key assumptions, particularly revenue growth rates. A reasonably possible reduction in the forecasted annual revenue growth rate of 6.1% for the Viral Loops CGU would result in its carrying value being equal to its recoverable amount. A 20% reduction would result in a goodwill impairment of $241,109. These estimates reflect management's best available information as of the reporting date and are subject to change as actual results may differ from forecast assumptions.

Going Concern Assessment

Management assesses the Company's ability to continue as a going concern based on available cash, access to credit facilities, and forecasted operating performance. As of December 31, 2024, the Company concluded there were no material uncertainties that would cast significant doubt on its ability to continue as a going concern over the next 12 months. This assessment involves forecasts and assumptions that may differ from actual future results.