IC GROUP HOLDINGS INC.

Management's Discussion & Analysis of Financial Condition and Results of Operations

For the three and nine-month periods ended September 30, 2026

MARKETING I TECHNOLOGY I COMMERCE
Powering Consumer Engagement

TSX-V: ICGH

This MD&A was prepared as of November 23, 2026, and should be read with the Company's unaudited interim condensed consolidated financial statements for the three and nine-month periods ended September 30, 2026.

Additional information, including the Company's previous MD&As and audited consolidated financial statements for the year ended December 31, 2025, is available on SEDAR+ at www.sedarplus.ca.

Management's Discussion & Analysis of Financial Condition and Results of Operations

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

This management's discussion and analysis ("Management's Discussion and Analysis" or "MD&A") reports on the consolidated operating results and consolidated financial condition of IC Group Holdings Inc. and its wholly owned subsidiaries (the "Company" or "IC GROUP") for the three and nine-month periods ended September 30, 2026 and September 30, 2025.

Throughout this MD&A, unless otherwise specified, "IC GROUP", the "Company", "we", "us" and "our" refers to IC Group Holdings Inc., 11197894 Canada Ltd. ("1119 Canada"), and its wholly owned subsidiaries. This MD&A should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements and the related notes as at and for the three and nine months ended September 30, 2026 and 2025, which were prepared in accordance with International Financial Reporting Standards ("International Financial Reporting Standards" or "IFRS") (collectively referred to as the "Financial Statements"). Other information contained in these documents has also been prepared by management and is consistent with the data contained in the Financial Statements. All dollar amounts referred to in this MD&A are expressed in Canadian dollars except where indicated otherwise.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith, and reflect the current judgment regarding the direction of the business, actual results will likely vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein.

Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These forward-looking statements include but are not limited to statements concerning:

- The fast-growing Marketing Technology (MarTech) sector is forecasted to grow approximately 19.4% annually from 2026 to 2035 (Source: https://www.precedenceresearch.com/marketing-technology-market), fueled by improved customer experiences, demand for data-driven engagement, automation, AI, data security, and privacy compliance.
- The Canadian application-to-person ("A2P") messaging market is estimated at approximately US$4.1 billion in 2025, within a global A2P messaging market projected to grow at approximately 4.2% annually from 2026 to 2034, reflecting continued enterprise utilization of messaging for transactional notifications, authentication and customer engagement (Source: https://straitsresearch.com/report/a2p-messaging-market). Within this market, RCS Business Messaging ("RBM") represents an emerging subset of A2P messaging. While RBM currently

accounts for a very low single digit percentage of Canadian business messaging revenues, industry research indicates it is expected to capture an increasing share of messaging traffic over time as national carrier deployments, including support on Android and iOS devices, continues to expand.

- Third party industry research estimates the global fan engagement market at approximately US$16.2 billion in 2024, growing at an annual compound rate of approximately 15% to US$66.7 billion by 2034, with North America representing approximately 36–38% of global revenues, or approximately US$5.9–6.0 billion in 2024, driven by the concentration of major professional sports leagues and high levels of digital adoption in the United States and Canada (market.us – Fan Engagement Market Size & Share Report, August 2025).

- Management believes that broader adoption of richer messaging formats may support incremental margin and recurring revenue improvements over time, although adoption rates and monetization remain subject to market conditions, carrier support, and customer demand.

- The Company is focused on improving platform scalability, enhancing product features and aligning live event engagement with mobile interaction and data capture. Management believes these initiatives may support repeat program activity, longer term customer relationships and cross selling opportunities when combined with the Company's mobile messaging and engagement solutions.

- Across its operating segments, the Company is focused on expanding customer relationships, increasing product adoption and driving higher usage volumes under existing contracts. Management pursues a land-and-expand approach, whereby initial customer engagements are followed by the introduction of additional use cases, services and platforms over time. This strategy is intended to increase customer retention, expand share of wallet, and support growth in Annual Recurring Revenue ("ARR").

- Across all segments, IC Group continues to invest in technology, platform reliability and process automation to support scalability and operating efficiency. These investments are intended to enhance service, support higher transaction volumes and improve gross margin over time. As the business scales, management expects to benefit from improved operating leverage through more efficient use of personnel, infrastructure and shared services.

- IC Group expects to grow Annual Recurring Revenue ("ARR") and improve Adjusted EBITDA as a percentage of revenue over the long term, driven primarily by organic initiatives such as customer retention and expansion, new customer wins, product enhancement, and operating leverage.

- The Company expects to record a restructuring charge of approximately $1.0 million in the fourth quarter of 2026, consisting primarily of severance and related employee transition costs, to be paid over approximately 14 months, and estimates annual savings of approximately $0.9 million from the elimination of the affected positions.

- The Company expects to complete its transition to an enhanced messaging gateway platform in IC Mobile in the fourth quarter of 2026, and management expects hosting costs to moderate following completion of the conversion.

Additionally, the company's future success may depend on some or all the following:

- The Company's ability to identify, successfully negotiate and/or finance an acquisition of a new business opportunity.

- The Company's success at completing future financings.
- The Company's strategies and objectives.
- General business and economic conditions.
- The Company's ability to meet its financial obligations as they become due.
- The Company's ability to renew its Senior Lender term loan maturing November 30, 2026 on acceptable terms and to comply with the financial covenants under its Senior Lender credit facility.
- The cash flow and financial viability of new business opportunities.
- The Company's ability to manage growth with respect to new business opportunities.
- The Company's tax position, anticipated tax refunds and tax rates applicable to the Company.

Readers are cautioned that the preceding list of forward-looking statements, assumptions, and other factors are not exhaustive. Events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in or implied by these forward-looking statements. Due to the risks, uncertainties, and assumptions inherent in forward-looking statements, investors in securities of the Company should not place undue reliance on these forward-looking statements.

NON-IFRS MEASURES

This MD&A includes certain measures which have not been prepared in accordance with the International Financial Reporting Standards ("IFRS"), namely "Adjusted EBITDA" and "Annual Recurring Revenue".

These terms are not measures that have any standardized meaning prescribed by IFRS and are considered non-IFRS measures. While these measures may not be comparable to similar measures presented by other issuers, these measures have been described and presented in this MD&A to provide shareholders and potential investors with additional information regarding the Company's results, liquidity, and its ability to generate funds to finance its operations. When assessing the Company's operating performance or liquidity, investors and others should not consider this data in isolation or as a substitute for net profit, cash flow from operating activities or other cash flow data calculated in accordance with IFRS. In addition, the Company's calculation of Adjusted EBITDA may not be comparable to EBITDA or similarly titled measures utilized by other companies since such other companies may not calculate EBITDA in the same manner.

The Non-IFRS measure "Adjusted EBITDA" used in this MD&A is calculated as follows:

Adjusted EBITDA refers to earnings before interest, taxes, depreciation, amortization, stock-based compensation, one-time transaction expenses and financing costs. The Company believes that Adjusted EBITDA is useful supplemental information, as it provides an indication of the results generated by the Company's main business activities prior to taking into consideration significant non-recurring or transitional items comprised of costs directly attributable to acquisitions, financing costs, certain short-term investments in the business that are expensed for accounting purposes, as well as non-cash expenses, which include stock-based compensation expense, depreciation and amortization. Adjusted EBITDA also serves as a proxy for the Company's cash flow. Management also uses Adjusted EBITDA to facilitate operating performance comparisons from period to period, prepare annual operating budgets and assess its ability to meet its capital expenditure and working capital requirements.

Adjusted EBITDA is reconciled to its most directly comparable IFRS measure within the "Results of Operations" and

"Liquidity and Capital Resources" sections of this MD&A.

The Non-IFRS measure "Annual Recurring Revenue" used in this MD&A is calculated as the company's expected yearly revenue from recurring transactional, service, license, SaaS or subscription fees.

CORPORATE OVERVIEW

1119 Canada was incorporated on July 31, 2023 under the laws of Canada and is the product of a July 31, 2023 amalgamation that consolidated entities that have effectively been in active business since 1989. On February 21, 2025, Cuspis Capital II Ltd. ("Cuspis"), a Capital Pool Company listed on the TSX Venture Exchange (the "Exchange") completed a business combination transaction with 1119 Canada that resulted in the reverse takeover of Cuspis by 1119 Canada and which constituted the Qualifying Transaction (as that term is defined by the policies of the Exchange) of Cuspis. 1119 Canada became the wholly owned subsidiary of Cuspis, and Cuspis was renamed "IC Group Holdings Inc.", trading under the symbol ICGH. Further information surrounding this transaction is detailed in the Reverse Takeover, Equity Financings and Advances from Shareholders section of this MD&A.

IC Group is a marketing technology company delivering consumer engagement solutions at scale across live events, digital platforms, customer ecosystems, and mobile messaging channels. Through its portfolio of solutions, the Company enables brands to drive sales, capture valuable data, build brand loyalty and manage risks.

The Company operates through three complementary business segments: **IC Engage**, which delivers digital promotions and engagement solutions, including the Fannex platform, a software-as-a-service ("Software-as-a-Service" or "SaaS") solution for live event ecosystems; **IC Mobile**, which delivers mobile messaging solutions; **IC Insurance**, which provides specialty insurance and risk management solutions. The Company's registered office is located at 77 King Street West, Suite 700, Toronto, Ontario, Canada M5K 1G8. 1119 Canada has a registered office located at 383 Dovercourt Dr, Winnipeg, Manitoba, R3Y 1G4.

At December 31, 2024, IC Group owned approximately 14% of Emotion Media Inc., operating as Fannex ("Fannex"). On February 21, 2025, IC Group acquired 100% of Emotion Media Inc. as part of the business combination transaction with Cuspis Capital II Ltd., concurrent financing and public listing on the Exchange that also closed February 21, 2025. On September 15, 2025, the Company amalgamated Emotion Media Inc. with IC Group Inc., and subsequently continued the legal entity as IC Group Inc. The amalgamation was completed to achieve administrative, synergistic, and tax planning benefits.

MARKET SECTOR

IC Group operates within the fast-growing marketing technology ("marketing technology" or "MarTech") sector, as well as two dynamic market segments: mobile business messaging and digital fan engagement. The MarTech industry is forecasted to grow approximately 19.4% annually from 2026 to 2035 (Source: https://www.precedenceresearch.com/marketing-technology-market), fueled by improved customer experiences, demand for data-driven engagement, automation, AI, data security, and privacy compliance. Within this sector, IC Group delivers marketing technology and digital promotion solutions to large enterprise customers.

Within the mobile messaging segment, third-party industry research estimates the Canadian application-to-person ("application-to-person" or "A2P") messaging market at approximately US$4.1 billion in 2025, within a global A2P messaging market projected to grow at approximately 4.2% annually from 2026 to 2034. This is driven by enterprise adoption for transactional notifications, authentication, and customer engagement. Rich Communication Service ("Rich Communication Service" or "RCS") Business Messaging (also referred to as Rich Business Messaging ("Rich Business Messaging" or "RBM")) is an emerging subset of A2P messaging, currently representing a low-single-digit

percentage of revenues, but expected to gain traction as carrier deployments expand and support becomes available on both Android and iOS devices.

The Company also operates within the digital fan engagement segment, which includes technology platforms and solutions used by sports teams, leagues, venues, brands and live event operators to engage audiences through mobile applications, interactive content, loyalty programs, and data-driven personalization. Third-party industry research estimates the global fan engagement market at approximately US$16.2 billion in 2024, growing at a compound annual rate of approximately 15% to approximately US$66.7 billion by 2034, with North America representing approximately 36–38% of global revenues, or approximately US$5.9 - 6.0 billion in 2024, driven by the concentration of major professional sports leagues and high levels of digital adoption in the United States and Canada (market.us – Fan Engagement Market Size & Share Report, August 2025).

CUSTOMER SOLUTIONS

IC Group develops, sells, and supports a portfolio of consumer engagement and risk management solutions through three business verticals: IC Engage, IC Mobile and IC Insurance. Together, these businesses help organizations engage consumer audiences, strengthen customer relationships, drive commerce, build loyalty, and manage risk. The Company currently serves more than 170 customers across a wide range of industries and operational environments, with the majority located in the United States and Canada. Approximately 78% of the Company's revenue for the nine-month period ended September 30, 2026 was generated from customers outside Canada (2025: 75%).

The Company's business verticals and core capabilities include:

Business Vertical	Core Capabilities
IC Engage	Digital Promotions and consumer engagement solutions across digital channels, customer ecosystems, and live events.
IC Mobile	Enterprise messaging solutions including SMS, MMS, RCS, WhatsApp, Apple Business Messaging
IC Insurance	Insurance services, risk management, claims and coverage solutions specializing in live sports, entertainment, brand promotion and sponsorship.

IC Engage:

IC Engage (previously reported as "Digital Promotions" business segment) delivers enterprise digital promotions and consumer engagement programs across digital channels, customer ecosystems, and live events. The segment combines proprietary technology with managed services. IC Engage also includes Fannex, a SaaS platform for live sports and entertainment that enables brands, teams and venues to deploy and manage interactive content and fan promotions across in-venue digital screens and mobile devices. As at September 30, 2026, the Fannex platform is utilized by 101 teams, up from 94 at September 30, 2025, across various sports leagues in North America and Europe.

The integration of Fannex within IC Engage, including continued platform development and broader deployment across customers, teams, venues and brand partners, is a key initiative in 2026. As a live event engagement platform, Fannex supports interactive, feature-rich communications in-venue and on mobile devices, providing meaningful opportunities for first-party data capture and analytics. Management is focused on enhancing these capabilities and converting increased platform usage into measurable outcomes, with the objective of building momentum through 2026.

Revenue in IC Engage is primarily generated under multi-year master services agreements and statements of work and may include: (i) solution and platform fees (including software development and/or licensing); (ii) professional services fees to design, build, and operate campaigns; and (iii) transactional fees linked to engagement activity, such as moderation, fulfillment, rewards/incentives administration, and customer support.

IC Mobile:

IC Mobile (previously reported as "Mobile Messaging" business segment) is a business messaging and communications platform that enables organizations to connect with customers across multiple digital messaging channels. The Company is one of three Tier-1 mobile aggregators in Canada, with direct connections to all major Canadian wireless carriers and Tier-2 connections to carriers in the United States and other international markets. Through its platform, the Company supports application-to-person ("A2P") communications across Short Message Service ("SMS"), Multimedia Messaging Service ("MMS"), Rich Communication Services / Rich Business Messaging ("RCS/RBM"), WhatsApp, Apple Business Messaging, and other emerging messaging channels.

The Company's solutions are utilized by enterprise brands, communications platform-as-a-service ("CPaaS") providers, software platforms, and marketing technology companies to support security and authentication use cases, transactional notifications, customer service interactions, commerce-related communications, and marketing campaigns. Revenue is generated primarily through transactional usage fees, supplemented by recurring platform, hosting, and professional service revenues, typically under multi-year customer agreements.

Management believes continued growth is supported by increasing digital messaging adoption, customer expansion, new customer onboarding, and the growing demand for richer, interactive messaging experiences across channels such as RCS, WhatsApp, and Apple Business Messaging. Key differentiators include the Company's proprietary technology, established carrier connectivity, and Canadian-owned infrastructure that processes and stores data in Canada, which may be important for customers operating in regulated industries such as financial services, healthcare, and government. Customer retention remains strong, and the Company reports that more than 95% of revenue in this business is Annual Recurring Revenue ("ARR").

IC Insurance:

IC Insurance (previously reported as "Insurance Solutions" business segment) delivers specialty insurance solutions through its Insured Creativity Inc. ("ICI") legal entity. As a Coverholder for Lloyd's of London ("Lloyd's"), among others, Insured Creativity operates under delegated binding authority arrangements that authorize it to underwrite and service insurance policies on behalf of certain syndicates and carriers in Canada and select international markets (60+). The business underwrites and administers specialty insurance products for the sports, entertainment, and promotions industry, including event cancellation, event liability, prize indemnity, crisis management and related coverages. During the period, ICI also expanded its underwriting capabilities through additional delegated authority from specialty markets in London, enabling it to support a broader range of casualty risks, including commercial general liability, participant accident, abuse liability, and primary liquor liability, along with related ancillary coverages tailored to the live sports and entertainment sector. This expansion reflects the Company's strategy to enhance its insurance product suite and advance a more scalable, recurring revenue model, while strengthening its ability to address complex and underserved risk placements to support increased broker engagement, policy volume, and more predictable recurring revenue contributions over time.

Insurance policies are sold through the Company's proprietary software platform, Glide, and through a direct sales team servicing wholesale and retail brokers. Glide enables brokers to obtain quotes, bind coverage and receive policy

documentation on a real time basis. Revenue is generated primarily through commissions on insurance policies written, service fees, and, where applicable, profit commission based on the underwriting performance of the portfolio within certain binding authorities.

COMPANY FOCUS AND STRATEGY

IC Group is a marketing technology company focused on delivering consumer engagement and risk management solutions across mobile messaging, digital promotions and live event experiences. The Company's strategy is to build scalable platforms that support enterprise customers while generating a high proportion of recurring revenue. Management's objective is to grow the business through disciplined organic initiatives, selective acquisitions, and continued investment in technology and operating infrastructure, with a view to improving margins, operating leverage and cash flow over the long term.

Organic Growth in Core Business Lines

Organic growth remains the primary driver of IC Group's strategy. In the three-month period ended September 30, 2026 revenue grew by 11% over the prior year, and by 21% on a year-to-date basis. IC Mobile revenue increased 15% over the same quarter of the prior year (22% year-to-date), all of which was organic. IC Engage revenue increased 2% over the same quarter of the prior year (15% year-to-date); the quarterly increase was organic, as Fannex was included in both periods, while $0.55 million of the year-to-date increase is classified as inorganic Fannex revenue. IC Insurance revenue increased 34% over the same quarter of the prior year (51% year-to-date), supported by new business growth, expanded delegated underwriting authority and the contribution of the Players Health acquisition completed in October 2025. On a year-to-date basis, organic revenue growth accounted for 87% of total growth in IC Insurance revenue.

Across its operating segments, the Company is focused on expanding customer relationships, increasing product adoption and driving higher usage volumes under existing contracts. Management pursues a land-and-expand approach, whereby initial customer engagements are followed by the introduction of additional use cases, services and platforms over time. This strategy is intended to increase customer retention, expand share of wallet, and support growth in Annual Recurring Revenue.

In IC Mobile, the Company's near-term focus is on achieving positive operating leverage by scaling transaction volumes and broadening customer adoption across enterprise and wholesale channels. Growth initiatives include onboarding new customers, supporting increased traffic from existing customers, and investing in a new gateway platform to expand messaging capabilities beyond traditional SMS to include MMS and Rich Communication Services / Rich Business Messaging ("RCS/RBM"). The announcement in 2024 that Apple will support Rich Communication Service ("RCS") messaging also unlocks expanded mobile messaging and engagement capabilities in this fast-growing channel. Management believes that broader adoption of richer messaging formats may support incremental margin and recurring revenue improvements over time.

Within IC Engage, IC Group continues to integrate and scale the Fannex platform, extending its functionality across customers, sports teams, venues and brand partners. The Company is focused on improving platform scalability, enhancing product features and aligning live event engagement with mobile interaction and data capture. Management believes these initiatives may support repeat program activity, longer term customer relationships and cross-selling opportunities when combined with the Company's mobile messaging and engagement solutions.

In IC Insurance, the Company is pursuing measured organic growth through the expansion of product offerings, underwriting capacity and geographic reach within existing delegated authority frameworks. Growth initiatives are

focused on increasing the volume of risks bound, broadening distribution relationships and expanding the proportion of recurring insurance programs, while maintaining underwriting discipline and appropriate risk management practices.

Technology and Operating Leverage

Across all segments, IC Group continues to invest in technology, platform reliability and process automation to support scalability and operating efficiency. These investments are intended to enhance service delivery, support higher transaction volumes and improve gross and operating margin consistency over time. As the business scales, management expects to benefit from improved operating leverage through more efficient use of personnel, infrastructure and shared services.

Selective Acquisitions and Strategic Investments

In addition to organic initiatives, IC Group may evaluate selective acquisitions or strategic investments that complement its existing platforms, customer base or geographic footprint. Management assesses potential transactions based on strategic alignment, integration complexity, financial impact and the ability to enhance long-term shareholder value.

Capital Discipline and Risk Management

The Company's growth strategy is intended to be executed within a disciplined capital and risk management framework. Management seeks to balance growth objectives with liquidity, leverage, and operating risk considerations, recognizing that market conditions, customer adoption and competitive dynamics may impact the timing and pace of growth.

KEY PERFORMANCE INDICATORS

IC Group evaluates its overall performance using key financial indicators such as revenue, ARR, Gross Profit, Gross Margin and adjusted EBITDA. Other secondary metrics vary by business segment and may include revenue by geography, transaction volumes, and customer retention rates.

2026 HIGHLIGHTS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2026

The following summarizes IC Group's financial and operating highlights for the three and nine-month periods ended September 30, 2026.

Financial Highlights

- Revenues increased by 11% to $8.1 million in the third quarter of 2026, compared to $7.3 million during the same period in 2025. On a nine-month year-to-date basis, revenues increased 21% to $24.0 million compared to $19.8 million during the previous year-to-date period.
- Approximately 66% of revenue in the third quarter of 2026 is ARR (2025: 66%), and approximately 67% on a year-to-date basis (2025: 68%).
- Organic growth accounted for approximately 98% of the Company's revenue growth in the third quarter of 2026 and approximately 84% of revenue growth on a year-to-date basis. Third Quarter inorganic growth represented approximately 2% of revenue growth, attributable from the Players Health acquisition completed on October 30, 2025. On a year-to-date basis, inorganic growth represented approximately 16% of revenue growth, comprised of $0.55 million from the Fannex acquisition and $0.11 million from Players Health.
- Gross Profit increased 4% in the third quarter of 2026 to $3.4 million compared to $3.3 million in the same period of 2025. On a nine-month year-to-date basis, Gross Profit increased 13% to $10.2 million compared to $9.0 million during the previous year-to-date period.
- Gross Margin was 42% for the third quarter of 2026 (2025: 45%) and 42% on a year-to-date basis (2025: 46%). The decrease was driven primarily by margin compression in IC Mobile, where pass-through carrier costs increased faster than revenue, and duplicate messaging gateway platform costs, partially offset by continued strong margins in IC Engage.
- Adjusted EBITDA of $0.67 million for the third quarter of 2026 was 64% higher compared to $0.41 million in the same period last year, and comparable to the $0.67 million reported in the second quarter of 2026. On a year-to-date basis, Adjusted EBITDA of $2.01 million was 172% higher than $0.74 million in the same period of 2025.

Financial Position & Capital Structure Highlights

- On January 22, 2026, the Company completed a shareholder debt conversion transaction pursuant to which $0.18 million of outstanding shareholder debt was converted into equity at a deemed price of $0.50 per common share, resulting in the issuance of 350,000 common shares. The transaction reduced outstanding liabilities of the Company and did not give rise to any cash proceeds.
- On February 25, 2026, the shareholders of the remaining outstanding $0.23 million shareholder debt entered into an agreement with the Company to extend the repayment dates of the existing shareholder loans to March 31, 2027.
- On July 16, 2026, the Company announced a strategic relationship with Bullet Messaging Inc. and, through its wholly owned subsidiary 1119 Canada, entered into a convertible promissory note arrangement providing for advances of up to $0.50 million. As at September 30, 2026, $0.22 million had been advanced.

- Bank indebtedness was reduced to $6.6 million at September 30, 2026 from $7.7 million at December 31, 2025 through scheduled principal repayments of $1.17 million, including full repayment of the Senior Lender term loan that matured on August 31, 2026.

IC Engage Highlights

- On July 23, 2026 the Company announced that it entered an exclusive three-year partnership with a leading global provider of venue technology solutions serving community, educational and sports venues across North America. The partnership expands the distribution opportunities for the Company's audience engagement platform and supports its strategy to increase adoption of its live event and fan engagement solutions across the community sports ecosystem.
- On July 8, 2026, the Company announced that it signed a renewal and expansion agreement with a longstanding Fortune 50 technology client. The mandate supports promotional and consumer engagement campaigns across 30 countries and is expected to be delivered throughout fiscal 2026 and 2027 through the Company's IC Engage business unit.
- On June 9, 2026, the Company announced the completion of a live fan engagement initiative conducted across 15 professional and junior hockey teams in Canada and the United States. The program spanned 78 live events and reached more than 400,000 fans, providing the Company with insights to support future product development, commercialization initiatives and expansion within the live events market.

IC Mobile Highlights

- On April 24, 2026, the Company announced that its IC Mobile division had secured a new enterprise messaging agreement that is expected to increase platform throughput and expand the Company's recurring revenue base. The engagement supports the Company's strategy of growing its enterprise messaging business and further strengthens its position as a provider of high-volume mobile messaging infrastructure in Canada.
- The announced strategic commercial relationship noted above is with Bullet Messaging Inc. ("Bullet"), a Nova Scotia-based provider of a message routing platform supporting SMS, MMS, RCS, WhatsApp and Apple Business Messaging. Under a five-year software-as-a-service agreement, IC Mobile holds exclusive Canadian licensing rights to Bullet's technology, which is intended to strengthen the Company's communications platform and expand its capabilities beyond traditional SMS. In connection with the relationship, the Company, through its wholly owned subsidiary 1119 Canada, entered into a convertible promissory note arrangement providing for advances of up to $0.50 million, at the Company's election, on or before December 31, 2027, and subject to certain conditions, the note may be converted into a 15% equity interest in Bullet. Bullet is a non-arm's length party to the Company.
- IC Mobile revenue increased 15% to $3.7 million in the third quarter of 2026 compared to the same period of 2025, all of which was organic growth. The Company expects its transition to an enhanced messaging platform to be completed in the fourth quarter of 2026. IC Mobile incurred $0.11 million of platform enhancement costs in the current quarter.

IC Insurance Highlights

- On March 26, 2026, the Company announced an expansion of its IC Insurance solutions through its specialty insurance division, Insured Creativity Inc. ("ICI"). The expansion included new

delegated underwriting authority through specialty markets in London and supports the Company's strategy of growing recurring insurance revenue streams within the live sports and entertainment market. This authority offering improved terms and expanded product range compared to the binder previously acquired.

ANALYSIS OF RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2026

The following section sets forth, for the periods indicated, certain financial data derived from the Company's consolidated financial statements.

Three Months Ended September 30,	2026	2025	Change
Revenue	8,058,117	7,270,186	11%
Gross Profit	3,403,176	3,283,516	4%
Operating income (loss)	(73,927)	(209,175)	(65%)
EBITDA	478,100	235,688	103%
Net Earnings (Loss) for the period	(137,048)	(360,898)	(62%)
Earnings Per Share (Basic and diluted)	(0.00)	(0.01)	(69%)

Adjustments to EBITDA:

	Three Months Ended September 30,	
	2026	2025
EBITDA	478,100	235,688
Adjustments to EBITDA		
1. Mobile messaging platform enhancement costs	105,000	50,000
2. Management Stock Option expense	82,670	120,951
Adjusted EBITDA	**665,770**	**406,639**

Footnotes

1. Mobile messaging platform enhancement costs relate to the Company's investment to transition the messaging gateway to a new platform designed to significantly enhance messaging traffic growth and diversify the Company's capabilities in delivering differentiated solutions to its customers. The 2025 amounts relate to the development of multimedia messaging service ("MMS") and rich communication service ("RCS") traffic flow capabilities.
2. Management stock option expense is non-cash in nature and relates to the vesting of stock options awarded to senior management to align their incentives with the Company.

Revenue for the three-month period ended September 30, 2026 increased by 11% to $8.1 million, compared with $7.3 million during the same period in 2025. The overall increase was primarily attributable to a 15% increase in IC Mobile revenue, and a 34% increase in IC Insurance revenue.

Gross Profit for the three-month period ended September 30, 2026 increased 4% to $3.4 million compared to $3.3 million during the same period in 2025, driven by an increase in Gross Profit in IC Engage of 16% or $0.35 million and in IC Insurance of 22% or $0.10 million. IC Mobile Gross Profit decreased by 52% or $0.33 million to $0.31 million, reflecting margin compression from higher pass-through carrier costs and duplicate core messaging system costs while the Company transitions the messaging gateway to the new platform, expected to be completed in the Company's fourth quarter.

The Company's cost of sales for the three-month period ended September 30, 2026 increased by 17% to $4.7 million compared to $4.0 million in 2025. The increase was primarily due to higher mobile messaging carrier costs, which rose 32% to $3.4 million compared to $2.5 million in 2025 on increased message volumes and industry-wide carrier price increases, and higher IC Insurance brokerage commissions of $0.40 million compared to $0.25 million, partially offset by a 24% decrease in IC Engage direct labour and fulfillment costs to $0.90 million from $1.19 million.

The overall Gross Margin across all businesses declined to 42% in the third quarter of 2026 from 45% during the same

period in 2025, driven primarily by margin compression in IC Mobile, where gross margin declined to 8% from 20%. IC Engage gross margin expanded to 74% from 65%.

Amortization expense increased to $0.49 million during the third quarter of 2026 compared to $0.40 million in the same period in the prior year. The increase is attributable primarily to the IC Engage segment, where amortization increased to $0.26 million from $0.15 million, reflecting capitalized development costs and the intangible assets recognized in connection with the Fannex acquisition, including the purchase price allocation adjustment completed in the fourth quarter of 2025, which increased the assigned value of the Fannex internally developed intangible asset.

Operating and administrative expenses (excluding amortization) for the three-month period ended September 30, 2026 decreased by 4% to $2.9 million, compared to $3.0 million in the same period in 2025. The decrease primarily reflects lower professional fees and insurance premiums, partially offset by higher hosting services costs associated with increased messaging traffic and the transition of the messaging gateway.

Employed and contract personnel costs not allocated to direct cost of sales represented 68% of total operating and administrative expenses (excluding amortization) for the three-month period ended September 30, 2026 (2025: 67%), decreasing by 2% to $1.97 million, compared to $2.02 million in the same period of 2025. The decrease reflects higher capitalization of labour costs associated with internally developed software, with capitalized development costs of $0.47 million in the third quarter of 2026 compared to $0.10 million in the prior-year period, together with cost savings from certain vacant roles that were not backfilled.

Professional service fees, comprised of legal, accounting, investor relations, market making and consulting costs, decreased by 43% to approximately $0.20 million for the three-month period ended September 30, 2026, compared to $0.35 million in the comparable period, consistent with the stabilization of public company compliance costs following the Company's first year as a listed issuer.

Hosting services costs increased 34% to $0.21 million for the three-month period ended September 30, 2026, compared to $0.16 million in the same period of 2025, reflecting higher messaging traffic and platform utilization during the messaging gateway transition.

Interest expense for the three-month period ended September 30, 2026 decreased by 31% to $0.15 million, compared to $0.21 million in 2025, due primarily to continued scheduled principal repayments, maturing loans, and the conversion of $0.18 million of shareholder loans into common equity in January 2026, partially offset by interest accrued on the Fannex debenture obligations. The decrease reflects the Company's continued reduction of its debt obligations and the resulting strengthening of its balance sheet. Investment income for the quarter was $0.06 million compared to $0.04 million in the same period of 2025.

Net loss for the three-month period ended September 30, 2026 was $0.14 million, compared to a net loss of $0.36 million in the corresponding period of 2025. The reduced net loss and increase in Adjusted EBITDA reflects revenue growth, strong gross margin in IC Engage, lower operating and administrative expenses and lower interest expense, partially offset by margin compression within IC Mobile, higher amortization of the Fannex intangible assets and a foreign exchange loss of $0.10 million (2025: $0.08 million). The quarter also included a deferred income tax recovery of $0.02 million (2025: recovery of $0.02 million).

Adjusted EBITDA for the three-month period ended September 30, 2026 was $0.67 million, compared to $0.41 million in the corresponding period of 2025, and was consistent with the $0.67 million achieved in the second quarter of 2026. The year-over-year increase was led by gross margin expansion in IC Engage and growth in IC Insurance, partially offset by margin compression in IC Mobile.

The negative working capital position of approximately $1.66 million as at September 30, 2026 is an improvement over the $4.52 million negative working capital position at September 30, 2025, largely a result of raising $3.8 million of common equity in December 2025, and compares to negative working capital of $0.53 million at December 31, 2025. The change since December 31, 2025 reflects cash used for scheduled debt repayments and investment in internally developed software, and a $0.54 million increase in the current portion of debentures as the July 1, 2027 repayment moved within twelve months. A significant component of current liabilities is deferred revenue of $3.4 million, principally of the IC Engage segment, which reported a year-to-date gross margin of 71%.

Individual business segment performance is discussed below.

IC Engage

For the 3 months ended September 30,	2026	2025	Change
Revenue			
Contract, prizing, and rebate revenue	3,415,828	3,360,716	2%
	3,415,828	3,360,716	2%
Cost of Sales			
Direct labour	(562,067)	(708,821)	(21%)
Fulfillment costs	(333,039)	(476,742)	(30%)
	(895,106)	(1,185,563)	(24%)
Gross Profit	2,520,722	2,175,153	16%
Gross Margin	74%	65%	
Operating expenses			
Amortization Expense	(260,673)	(152,573)	71%
Operating and administrative expenses	(1,425,523)	(1,396,667)	2%
Other income (expense)	(96,539)	(84,235)	15%
Operating income (loss)	737,987	541,678	36%

Contract, prizing, and rebate revenue increased by $0.06 million to $3.4 million, or 2%, over the same prior year period. Revenue growth in the segment slowed from 12% in the second quarter of 2026, primarily because the third quarter of 2025 was an unusually strong comparative period. In 2025, the segment benefited from a Fortune 50 technology client's expansion into new countries and the launch of its programs in those markets, which generated significant incremental revenue but at lower margins due to the labour and third-party costs required to deliver it. The third quarter of 2026 reflects more stable revenue, with a strong gross margin realized at 74% against 65% in the comparative quarter. Revenue growth was also modestly affected by the seasonality of Fannex licensing revenue, which is concentrated in winter sports leagues.

The same factors are reflected in cost of sales. Allocated direct labour costs decreased by $0.15 million or 21% and fulfillment costs decreased by $0.14 million or 30% for the three-month period ended September 30, 2026, as the third quarter of 2025 carried the higher labour and third-party costs required to deliver the new-country program launches. The reduction in these costs, together with improved utilization of technology personnel during campaign development and reduced reliance on third-party fulfillment providers and outsourced contractors to fill capacity constraints, contributed to gross margin expansion in the segment to 74% from 65%.

Amortization expense of $0.26 million for the three-month period ended September 30, 2026 was 71% higher than the comparable period, due to higher capitalized development costs and the intangible assets recognized in connection with the Fannex acquisition, including the purchase price allocation adjustment completed at the 2025 year-end.

Operating and administrative expenses increased 2% to $1.43 million. Segment operating income increased 36% to $0.74 million from $0.54 million, as the $0.35 million increase in gross profit more than offset higher amortization.

Third quarter 2026 other expense of $0.10 million was comprised primarily of foreign exchange losses, compared to a net foreign exchange loss of $0.08 million in the same period of 2025.

IC Mobile

For the 3 months ended September 30,	2026	2025	Change
Revenue			
Mobile messaging	3,669,493	3,186,396	15%
	3,669,493	3,186,396	15%
Cost of Sales			
Mobile messaging carrier costs	(3,361,665)	(2,546,381)	32%
	(3,361,665)	(2,546,381)	32%
Gross Profit	307,828	640,015	(52%)
Gross Margin	8%	20%	
Operating expenses			
Amortization Expense	(131,897)	(132,077)	0%
Operating and administrative expenses	(542,980)	(654,020)	(17%)
Operating income (loss), as reported	(367,049)	(146,082)	151%
Add back:			
Mobile messaging platform enhancement costs	105,000	50,000	110%
Adjusted operating income (loss)	(262,049)	(96,082)	173%

IC Mobile revenue grew organically by 15%, or $0.48 million, to $3.7 million for the three-month period ended September 30, 2026 compared to the same period of the prior year. The increase was driven by higher messaging volumes across the customer base, particularly from wholesale customers, as well as carrier rate increases that were passed through to customers. Message volumes in IC Mobile are seasonal, with the second and fourth quarters typically representing the highest-volume periods.

Cost of sales increased by 32% to $3.4 million for the three-month period ended September 30, 2026, compared to $2.5 million in 2025, driven by higher messaging volumes, overage fees associated with the existing messaging gateway, and industry-wide carrier price increases. Third quarter results also reflected $0.11 million of transitional costs related to enhancements to the Company's mobile messaging platform (2025: $0.05 million), which are added back in determining Adjusted operating income.

Gross profit decreased 52% to $0.31 million for the three-month period ended September 30, 2026, compared to $0.64 million in the prior-year period, while gross margin declined to 8% from 20% (second quarter of 2026 - 10%). The decrease was primarily attributable to changes in revenue mix, with a greater proportion of messaging volume generated by higher-volume wholesale customers, and to industry-wide carrier rate increases that were not fully recovered in customer pricing. The Company also continued to incur higher platform-related costs, including overage charges associated with its current messaging infrastructure, while transitioning to an enhanced messaging platform. The further decline from the second quarter reflects the timing of carrier cost increases relative to the corresponding customer pricing adjustments, as well as carrier minimum commitments that were not yet offset by related revenue.

Operating and administrative expenses decreased 17% to $0.54 million during the three-month period ended September 30, 2026 compared to $0.65 million during the same period in the prior year, primarily due to reduced consulting costs incurred from several contractors in the segment. Amortization expense of $0.13 million was consistent with the prior period.

IC Insurance

For the 3 months ended September 30,	2026	2025	Change
Revenue			
Profit and sales commissions	923,529	680,606	36%
Rating site and administrative income	49,266	46,408	6%
	972,795	727,015	34%
Cost of Sales			
Brokerage commissions	(398,171)	(254,726)	56%
	(398,171)	(254,726)	
Gross Profit	574,624	472,289	22%
Gross Margin	**59%**	**65%**	
Operating expenses			
Amortization Expense	(93,986)	(93,148)	1%
Operating and administrative expenses	(380,794)	(326,150)	17%
Other income (expense)	1,838	2,516	(27%)
Operating income	101,682	55,506	83%

Revenue from profit and sales commissions increased 36% to approximately $0.92 million during the three-month period ended September 30, 2026, reflecting strong results across the segment's product offerings, driven by new business with the expanded underwriting authority, newly added brokers, and improved sales. Total segment revenue increased 34% to $0.97 million, compared to $0.73 million in the same quarter of the prior year. Organic growth accounted for approximately 95% of the segment's revenue growth in the quarter.

Gross profit increased by 22% in the third quarter of 2026 compared to the prior-year period, while gross margin declined to 59% from 65%, reflecting higher brokerage commissions paid on the increased premium volume. Additionally, the new authority binder has a lower commission rate on Gross Written Premiums bound, compared to the Lloyd's syndicate Event Cancellation and Prize Indemnity binder. As more premiums are bound on the newly acquired products, the gross margin percentage may compress, while gross profit continues to grow.

Operating and administrative expenses incurred in the third quarter of 2026 increased by 17% compared with the prior year period, due to planned hiring and increased contractor costs to support the segment's expansion. The segment generated operating income of $0.10 million in the quarter, compared to $0.06 million in the same period of 2025.

ANALYSIS OF RESULTS OF OPERATIONS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

The following section sets forth, for the nine-month periods indicated, certain financial data derived from the Company's consolidated financial statements.

For the 9 months ended September 30,	2026	2025	Change
Revenue	23,981,804	19,782,174	21%
Gross Profit	10,155,449	9,001,574	13%
Operating income (loss)	(321,625)	(1,547,383)	(79%)
EBITDA	1,386,592	(1,337,289)	-
Net Earnings (Loss) for the period	(582,066)	(3,031,213)	(81%)
Earnings Per Share (Basic and diluted)	(0.01)	(0.09)	(85%)

Adjustments to EBITDA:

	For the 9 months ended September 30,	
	2026	2025
EBITDA	1,386,592	(1,337,289)
Adjustments to EBITDA		
1. Fees – Financing / Public Listing	-	432,947
2. Listing expense – Cuspis Reverse takeover	-	1,060,146
3. Mobile messaging platform enhancement costs	315,000	50,000
4. Director fees on successful completion of transaction	-	175,000
5. Management Stock Option expense	310,064	359,844
Adjusted EBITDA	**2,011,656**	**740,648**

Footnotes

1. Financing related professional fees reflect corporate finance, legal, and valuation costs incurred for the raising of capital during the reverse takeover transaction with Cuspis Capital II ltd. which closed in February 2025.
2. In conjunction with the reverse takeover transaction with Cuspis Capital II ltd. mentioned above, the company recorded a listing expense to reflect the paid premium in shares issued to Cuspis shareholders ($2.2 million) less the fair value of assets transferred ($1.2 million) to the Company
3. Mobile messaging platform enhancement costs relate to the Company's investment to transition the messaging gateway to a new platform designed to significantly enhance messaging traffic growth and diversify the Company's capabilities in delivering differentiated solutions to its customers. The 2025 amounts relate to the development of multimedia messaging service ("MMS") and rich communication service ("RCS") traffic flow capabilities.
4. One of the Company's former directors was engaged for services to support the successful completion of the reverse takeover transaction and acquisition of Fannex. As part of those services the Director agreed to compensation in the form of cash.
5. Management stock option expense is non-cash in nature and relates to the vesting of stock options awarded to senior management to align their incentives with the Company.

Revenue for the nine-month period ended September 30, 2026 increased by 21% to $24.0 million, compared with $19.8 million during the same period in 2025. The increase was broad based across all three operating segments: IC Engage revenue increased 15% to $10.5 million, IC Mobile revenue increased 22% to $11.2 million, and IC Insurance revenue increased 51% to $2.3 million.

The Company's cost of sales for the nine-month period ended September 30, 2026 increased by 28% to $13.8 million compared to $10.8 million during the same period in 2025. The increase was driven primarily by mobile messaging carrier costs, which increased 36% to $9.9 million on higher messaging traffic and industry-wide carrier price increases, and by higher brokerage commissions in IC Insurance, which increased 76% to $0.94 million in line with

the growth in written premium volume and expansion of insurance products which yield a lower margin. IC Engage cost of sales of $3.0 million was consistent with the prior-year period.

Gross Profit for the nine-month period ended September 30, 2026 increased 13% to $10.2 million compared to $9.0 million during the same period in 2025. Overall Gross Margin declined to 42% from 46%, as margin compression in IC Mobile (12% compared to 21%) more than offset margin expansion in IC Engage (71% compared to 67%). Gross Profit increased in IC Engage by 23% or $1.40 million and in IC Insurance by 37% or $0.38 million, while IC Mobile Gross Profit decreased by 33% or $0.62 million.

Amortization expense increased 29% to $1.45 million for the nine-month period ended September 30, 2026, compared to $1.12 million during the same period of the prior year. The increase is attributable primarily to the IC Engage segment, where amortization increased to $0.75 million from $0.38 million, reflecting higher capitalized development costs and the intangible assets recognized in connection with the Fannex acquisition, including the purchase price allocation adjustment completed in the fourth quarter of 2025, which increased the assigned value of the Fannex internally developed intangible asset.

Operating and administrative expenses (excluding amortization) for the nine-month period ended September 30, 2026 were $9.3 million, consistent with $9.3 million in the same period of 2025. The prior-year period included approximately $0.6 million of non-recurring costs associated with the reverse takeover transaction and related financing. Excluding those items, the increase reflects the full nine-month inclusion of the acquired Fannex operations, planned hiring across all segments with a focus on sales and marketing, higher hosting costs and continued costs to support the Company's growth as a public entity, partially offset by lower professional fees.

Employed and contract personnel costs not allocated to direct cost of sales increased 4% to $6.6 million for the nine-month period ended September 30, 2026, compared to $6.3 million in the same period of 2025, and represented 70% of total operating and administrative expenses excluding amortization (2025: 68%). The increase reflects the inclusion of the acquired Fannex team for the full period and selective hiring to support growth in all segments.

Professional service fees, comprised of legal, accounting, investor relations, and other consulting costs, decreased 34% to $0.66 million for the nine-month period ended September 30, 2026, compared to $1.01 million in the same period of 2025. The prior-year period included corporate finance, legal and valuation costs incurred in connection with the reverse takeover transaction and acquisition of the Fannex business and concurrent financing that closed in February 2025. The 2026 costs are consistent with the stabilization of public company compliance costs following the Company's first year as a listed issuer.

Hosting services costs increased 15% to $0.58 million for the nine-month period ended September 30, 2026, compared to $0.50 million in the same period of 2025, reflecting higher platform utilization across the messaging and engagement platforms. Management expects hosting costs to moderate following the completion of the mobile messaging gateway platform conversion.

Interest expense for the nine-month period ended September 30, 2026 decreased 27% to $0.46 million, compared to $0.62 million during the same period of 2025, due primarily to scheduled principal repayments on the senior credit facility, maturing loans, and the conversion of $0.18 million of shareholder loans into common equity in January 2026. These repayments reduced bank indebtedness to $6.6 million at September 30, 2026 from $7.7 million at December 31, 2025. Investment income for the period was $0.26 million compared to $0.15 million in the same period of 2025.

Net loss for the nine-month period ended September 30, 2026 was $0.58 million compared to a net loss of $3.03 million during the same period in 2025. The prior-year period included a non-cash listing expense of $1.06 million recorded in connection with the reverse takeover transaction, together with the financing and transaction costs described above. The remaining improvement reflects revenue growth and operating leverage across the business and

a foreign exchange gain of $0.27 million (2025: loss of $0.10 million), partially offset by margin compression in IC Mobile, higher amortization from acquisitions and deferred income tax expense of $0.06 million (2025: recovery of $0.05 million).

Adjusted EBITDA for the nine-month period ended September 30, 2026 was $2.01 million, an increase of 172% compared to $0.74 million during the same period of 2025. The improvement was driven by revenue growth and campaign delivery in IC Engage and an improved contribution from IC Insurance, which recognized its annual profit commission in the second quarter of 2026 compared to the fourth quarter in the prior year, partially offset by margin compression in IC Mobile and higher corporate costs supporting growth as a public company.

The Company had negative working capital of $1.66 million at September 30, 2026 (December 31, 2025: $0.53 million; September 30, 2025: $4.52 million), as discussed under Financial Condition below.

Individual business segment performance is discussed below.

IC Engage

For the 9 months ended September 30,	2026	2025	Change
Revenue			
Contract, prizing, and rebate revenue	10,456,902	9,058,664	15%
	10,456,902	9,058,664	15%
Cost of Sales			
Direct labour	(1,828,493)	(1,744,550)	5%
Fulfillment costs	(1,158,223)	(1,244,827)	(7%)
	(2,986,716)	(2,989,377)	0%
Gross Profit	7,470,186	6,069,287	23%
Gross Margin	71%	67%	
Operating expenses			
Amortization Expense	(751,703)	(383,716)	96%
Operating and administrative expenses	(4,693,483)	(4,299,011)	9%
Other income (expense)	300,828	(85,660)	-
Operating income (loss)	2,325,828	1,300,900	79%

IC Engage contract, prizing, and rebate revenue increased by $1.4 million, or 15%, to $10.5 million for the nine-month period ended September 30, 2026, compared to $9.1 million during the same period of 2025. The increase was driven by higher campaign activity from enterprise customers, growth in override rebate revenue from recurring prizing programs, and the inclusion of the Fannex platform for the full nine-month period.

Direct labour costs increased by $0.08 million or 5% while fulfillment costs decreased by $0.09 million or 7% for the nine-month period ended September 30, 2026. Total cost of sales of $3.0 million was consistent with the prior-year period despite the 15% increase in revenue. Allocating direct labour costs to cost of sales reduces operating and administrative expenses.

Gross Profit increased 23% to $7.5 million for the nine-month period ended September 30, 2026, compared to $6.1 million in the same period of 2025, and Gross Margin expanded to 71% from 67%. The margin expansion was most pronounced in the third quarter, when gross margin reached 74% compared to 65% in the prior-year quarter, as the third quarter of 2025 carried the higher labour and third-party costs required to deliver a Fortune 50 technology client's expansion into new countries. Improved utilization of technology personnel during campaign development and reduced reliance on third-party fulfillment providers and outsourced contractors to fill capacity constraints also contributed to margin expansion, as revenue growth of 15% outpaced the flat cost of sales.

Amortization expense of $0.75 million for the nine-month period ended September 30, 2026 was 96% higher than the prior-year period, due to further investments in capitalized development costs and the intangible assets recognized in connection with the Fannex acquisition, including the purchase price allocation adjustment completed at the 2025 year-end. Operating and administrative expenses increased 9% to $4.7 million, reflecting the full-period inclusion of the acquired Fannex operations and higher personnel costs within the marketing, sales, and product teams.

Other income of $0.30 million for the nine-month period ended September 30, 2026 was comprised primarily of foreign exchange gains, compared to a net expense of $0.09 million in the same period of 2025. Segment operating income increased 79% to $2.3 million, compared to $1.3 million in the same period of 2025.

IC Mobile

For 9 months ended September 30,	2026	2025	Change
Revenue			
Mobile messaging	11,186,848	9,170,528	22%
	11,186,848	9,170,528	22%
Cost of Sales			
Mobile messaging carrier costs	(9,894,808)	(7,255,883)	36%
	(9,894,808)	(7,255,883)	36%
Gross Profit	1,292,040	1,914,645	(33%)
Gross Margin	12%	21%	
Operating expenses			
Amortization Expense	(395,692)	(396,233)	0%
Operating and administrative expenses	(1,877,635)	(1,808,967)	4%
Operating income (loss), as reported	(981,287)	(290,555)	238%
Add back:			
Mobile messaging platform enhancement costs	315,000	50,000	530%
Adjusted operating income (loss)	(666,287)	(240,555)	177%

IC Mobile revenue increased by $2.0 million, or 22%, to $11.2 million for the nine-month period ended September 30, 2026, compared to $9.2 million in the same period of 2025. Growth was entirely organic and was driven by increased messaging traffic across the customer base, with wholesale customers contributing the majority of the increase, together with higher carrier fee rates that are passed through to customers.

Mobile messaging carrier costs increased 36% to $9.9 million for the nine-month period ended September 30, 2026, compared to $7.3 million in the same period of 2025, outpacing revenue growth. The increase reflects higher messaging volumes, overage fees associated with the existing messaging gateway, and industry-wide carrier price increases implemented during fiscal 2025 and in April 2026.

As a result, Gross Profit decreased 33% to $1.29 million for the nine-month period ended September 30, 2026, compared to $1.91 million in the same period of 2025, and Gross Margin declined to 12% from 21%. The compression reflects the shift in mix toward higher-volume wholesale traffic, which carries lower percentage margins, together with a timing lag in passing certain carrier price increases through to enterprise customers.

Operating and administrative expenses increased 4% to $1.9 million for the nine-month period ended September 30, 2026, while amortization expense of $0.40 million was consistent with the prior-year period. The segment reported an operating loss of $0.98 million, compared to a loss of $0.29 million in the same period of 2025.

The segment recorded an adjusted operating loss of $0.67 million for the period (2025: loss of $0.24 million), after adding back $0.32 million of transitional costs related to the Company's mobile messaging platform enhancement (2025: $0.05 million). These costs were incurred while the Company operates its existing messaging gateway and the new platform in parallel and relate to the transition rather than to ongoing operations.

IC Insurance

For 9 months ended September 30,	2026	2025	Change
Revenue			
Profit and sales commissions	2,223,530	1,377,904	61%
Rating site and administrative income	114,524	175,078	(35%)
	2,338,054	1,552,982	51%
Cost of Sales			
Brokerage commissions	(944,831)	(535,340)	76%
	(944,831)	(535,340)	
Gross Profit	1,393,223	1,017,642	37%
Gross Margin	**60%**	**66%**	
Operating expenses			
Amortization Expense	(281,140)	(279,135)	1%
Operating and administrative expenses	(1,073,539)	(908,050)	18%
Other income (expense)	7,333	(9,146)	-
Operating income	45,877	(178,689)	-

IC Insurance revenue increased by $0.79 million, or 51%, to $2.3 million for the nine-month period ended September 30, 2026, compared to $1.6 million in the same period of 2025. Profit and sales commissions increased 61% to $2.2 million, supported by growth in written premium volume, expanded delegated underwriting authority, the contribution of the Players Health portfolio acquired in October 2025, and the recognition of the annual profit commission in the second quarter of 2026 (2025: recognized in the fourth quarter). The IC Insurance segment realized growth in the United States and international markets, as a result of business development sales efforts which generated revenues in the contractual bonus space and additional event cancellation business. Rating site revenue and administrative income decreased 35% compared to the prior year, as the previous period included a $0.06 million fee for run-off administration and decommissioning services as part of a US customer's program termination.

Brokerage commissions increased 76% to $0.94 million for the nine-month period ended September 30, 2026, in line with the growth in premium volume. Gross Profit increased 37% to $1.39 million compared to $1.02 million in the same period of 2025, while Gross Margin declined to 60% from 66% reflecting the higher proportion of brokered business in the revenue mix.

Operating and administrative expenses increased 18% to $1.07 million for the nine-month period ended September 30, 2026, reflecting planned hiring and increased contractor costs to support the segment's expanded underwriting capacity, while amortization expense of $0.28 million was consistent with the prior-year period, driven by the Company's investment in the internally developed quote/rate/bind "Glide" platform.

The segment generated operating income of $0.05 million, compared to an operating loss of $0.18 million in the same period of 2025.

Geographic Customer Revenue Mix

For the nine-month period ended September 30, 2026, revenue remained concentrated in North America. United States based customers accounted for approximately 76% of total revenue (2025: 73%), Canadian customers represented approximately 22% (2025: 25%), and customers in other international markets approximately 2% (2025: 2%). The higher United States share reflected a greater proportion of United States based revenue in both IC Engage (96% of segment revenue, compared to 92% in 2025) and IC Mobile (64%, compared to 61% in 2025). Revenue from IC Insurance customers outside North America increased to 19% of segment revenue (2025: 9%), including customers in the United Kingdom, Australia and the United Arab Emirates. Geographic concentration is measured on a billed-revenue basis by customer location and by operating segment.

The following table presents geographic revenue concentration by operating segment in the nine-months ended September 30, 2026:

Countries	IC Engage	IC Mobile	IC Insurance	Total
USA	96%	64%	35%	**76%**
Canada	3%	36%	46%	**22%**
Other	1%	0%	19%	**2%**
Total	**100%**	**100%**	**100%**	**100%**

The following table presents geographic revenue concentration by operating segment in the nine-months ended September 30, 2025:

Countries	IC Engage	IC Mobile	IC Insurance	Total
USA	92%	61%	22%	**73%**
Canada	6%	39%	69%	**25%**
Other	2%	0%	9%	**2%**
Total	**100%**	**100%**	**100%**	**100%**

As at September 30, 2026, the Company served over 170 active customers, compared with over 150 active customers as at September 30, 2025.

Financial Condition

The following table provides a summary of certain information with respect to the Company's capitalization and financial position as at September 30, 2026 and December 31, 2025.

As at,	September 30, 2026	December 31, 2025
Cash	2,311,779	4,810,720
Current assets	16,305,443	17,635,460
Total assets	31,278,963	32,929,047
Current liabilities	17,967,265	18,167,641
Total liabilities	24,205,338	25,758,420
Shareholders' equity	7,073,625	7,170,627

Total assets were $31.3 million as at September 30, 2026, a decrease of $1.7 million compared to $32.9 million at December 31, 2025. The decrease from December 31, 2025 was driven primarily by a $2.5 million reduction in cash and a $0.85 million reduction in restricted cash and cash equivalents held for customer prizing and insurance premiums, which decreased to $8.2 million at September 30, 2026 from $9.0 million at December 31, 2025, partially offset by a $1.7 million increase in accounts and other receivables to $5.2 million.

Total liabilities decreased by $1.6 million to $24.2 million at September 30, 2026, compared to $25.8 million at December 31, 2025. The decrease from December 31, 2025 was driven primarily by lower customer deposits for prizing, which decreased to $6.8 million from $8.2 million, reflecting the settlement of prizing obligations, and scheduled repayments of bank indebtedness of $1.17 million, partially offset by a $0.68 million increase in deferred revenue and a $0.49 million increase in accounts payable and accrued liabilities.

Shareholders' equity decreased by $0.10 million compared to December 31, 2025, as the net loss of $0.58 million was partially offset by share-based compensation of $0.31 million and the $0.18 million conversion of shareholder loans into common shares.

The Company has a balance of approximately $5.5 million of Canadian non-capital loss carryforwards available to offset future taxable income generated by a majority of the Company's operations.

The Company had negative working capital of $1.66 million at September 30, 2026, compared negative $0.53 million at December 31, 2025. Management is comfortable with this position, as a significant component of current liabilities is comprised of deferred revenue of the IC Engage segment, which is settled through the delivery of contracted services rather than through cash outflows, as well as the current portion of long-term debt which will be paid from future earnings. In addition, the Company expects that bank indebtedness will continue to be reduced from cash flow generated by future operations.

DEBT FINANCING

The Company continued to deleverage through 2025 and into the third quarter of 2026, a product of paying down its senior credit facility, raising capital through the issuance of common shares and increasing Adjusted EBITDA.

As at September 30, 2026, bank indebtedness was $6.6 million compared to $7.7 million at December 31, 2025, of which $1.3 million was classified as current and $5.3 million as non-current. The Company's bank indebtedness consists of senior credit facilities provided by a Canadian bank, comprising of the following:

- A Senior Lender term loan with a balance of $4.9 million, maturing November 30, 2030 repayable in monthly principal instalments of $0.06 million through October 31, 2025 and $0.10 million thereafter, plus interest at a fixed rate of 6.6% per annum until November 30, 2026 and at a rate to be negotiated thereafter. The loan was entered into in November 2023 in connection with the acquisition of the IC Mobile business and amortizes over a seven-year period. Management expects to renew the loan for a further fixed term of one to four years on the same amortization schedule.

- A Senior Lender term loan with a balance of $0.02 million, maturing January 20, 2029 repayable in blended monthly installments of $837, including interest at prime plus 2.14% per annum.

- A Senior Lender mortgage term loan with a balance of $1.6 million, maturing March 30, 2030 repayable in blended monthly installments of $0.01 million including interest at a fixed rate of 5.19% per annum.

- A further Senior Lender term loan, with a balance of $0.23 million at December 31, 2025, matured and was repaid in full on August 31, 2026.

The terms of the Senior Lender credit facility require that the Company's financial performance achieve both a maximum debt to EBITDA ratio and a minimum fixed charge coverage ratio. On December 29, 2025, the Company received a letter from its Senior Lender acknowledging that the Company would likely be in breach of its financial covenants for the testing period ended January 1, 2026, and confirming that, notwithstanding the breach, the lender will not exercise its rights to demand repayment or enforce remedies in respect of the related borrowings prior to January 1, 2027 solely as a result of that breach. At January 1, 2026, the Company was in violation of these covenants, having exceeded the maximum debt to EBITDA ratio and fallen below the minimum fixed charge ratio. In the event of a breach of a financial covenant for the testing period ending January 1, 2027, all Senior Lender debt would become due on demand.

On December 19, 2025, the Company completed a non-brokered private placement offering gross proceeds of $3.8 million, to support operations and improve liquidity.

IC Group has available credit facilities in the form of an overdraft facility to a maximum of $0.88 million and a $0.50 million working capital loan, bearing interest at prime plus 2%. As at September 30, 2026 and December 31, 2025, neither of these credit facilities were utilized.

During the nine-month period ended September 30, 2026, the Company made scheduled principal repayments on its bank indebtedness of $1.17 million (2025: $1.00 million), and repaid the remaining $0.06 million of notes payable in full. No additional borrowings were drawn during the period.

As part of the acquisition of Fannex the company assumed approximately $2.5 million of debentures and accrued interest payable, of which approximately $0.6 million was already due to the Company from Fannex. IC Group made approximately $1.0 million of repayments since its acquisition date, with the remaining balance of principal and

accrued interest at September 30, 2026 of $1.34 million, of which $0.59 million was a current liability. A scheduled debenture repayment of $0.02 million was made on July 1, 2026.

SHARE CAPITAL

Issued shares and warrants

During the nine-month period ended September 30, 2026, IC Group issued 350,000 Class A common shares at a deemed price of $0.50 per share to settle $0.175 million of outstanding shareholder loans. As at September 30, 2026, the Company had 41,290,567 Class A common shares issued and outstanding (December 31, 2025: 40,940,567).

No warrants were issued during the nine-month period ended September 30, 2026.

Share options

On April 10, 2025, the Company granted an aggregate of 75,000 executive stock options at an exercise price of $0.65 per share. These options vest 50% on each of April 9, 2026 and 2027 and expire April 9, 2035.

On June 30, 2025, the Company granted an aggregate of 325,346 stock options at an exercise price of $0.54 per share to six executives as partial settlement of their 2024 performance bonuses. These options vest 50% on each of June 29, 2026 and 2027 and expire June 29, 2035.

On December 23, 2025, the Company granted an aggregate of 525,000 stock options at an exercise price of $0.50 per share to the Company's Directors of the Board. These options vest 33% on each of December 22, 2026, 2027, and 2028 and expire December 22, 2035.

On January 28, 2026, the Company granted an aggregate of 296,830 stock options to certain employees and directors, at an exercise price of $0.65 per share and vested immediately upon grant. Of these options, 121,830 have a ten-year term expiring on January 28, 2036, and 175,000 have a 30-month term expiring on July 28, 2028. On the same day, the Company granted 120,000 stock options to a new employee as part of a long-term incentive arrangement, at an exercise price of $0.81 per common share. These options vest in three equal annual tranches commencing on the first anniversary of the grant date and have a ten-year term expiring on January 28, 2036.

On June 29, 2026, the Company granted an aggregate of 530,433 stock options at an exercise price of $0.45 per share to nine executives as partial settlement of their 2025 performance bonuses. These options vest 50% on each of June 28, 2027 and June 28, 2028 and expire June 28, 2036.

As at September 30, 2026, the Company had 3,678,798 stock options outstanding at a weighted average exercise price of $0.64 and a weighted average remaining contractual life of 8.25 years, of which 2,403,192 were exercisable. No options were granted during the three-month period ended September 30, 2026, and 115,151 options were cancelled or expired during the nine-month period. During the nine-month period ended September 30, 2026, share option expense of $0.31 million was recognized in operating and administrative expenses (2025: $0.38 million).

LIQUIDITY AND CAPITAL RESOURCES

Capital is comprised of the Company's shareholders' equity and debt facilities. As at September 30, 2026, shareholders' equity was $7.1 million (December 31, 2025: $7.2 million), bank indebtedness was $6.6 million (December 31, 2025: $7.7 million), debentures payable including the current portion were $1.34 million (December 31, 2025: $1.27

million), and advances from shareholders were $0.23 million (December 31, 2025: $0.40 million). IC Group has available credit facilities in the form of an overdraft facility to a maximum of $0.88 million and a $0.50 million working capital loan.

The Company's cash flows for the nine-month periods ended September 30, 2026 and 2025 are summarized in the table below.

Nine Months Ended September 30,	2026	2025
Cash flows provided by (used for) operating activities	(383,464)	1,898,343
Cash flows provided by (used for) financing activities	(1,258,572)	866,529
Cash flows used in investing activities	(1,126,765)	(614,791)
Increase (decrease) in cash for the period	(2,768,801)	2,150,081
Cash, beginning of the period	4,810,720	101,329
Effect of changes in exchange rates on cash held	269,860	(96,529)
Cash, end of the period	2,311,779	2,154,881

Cash flows used for operating activities were $0.38 million for the nine-month period ended September 30, 2026, compared to $1.90 million provided by operating activities in the same period of 2025. Before changes in working capital, operations generated $1.43 million in the current period compared to $0.20 million in the prior-year period, reflecting the improvement in underlying profitability.

Changes in working capital accounts used $1.45 million during the nine-month period ended September 30, 2026. The most significant movements were a $1.70 million increase in accounts and other receivables and a $1.44 million reduction in customer deposits for prizing, partially offset by a $0.85 million release of restricted cash held against prizing obligations, a $0.68 million increase in deferred revenue and a $0.49 million increase in accounts payable and accrued liabilities. Customer deposits and restricted cash move together as prizing campaigns are completed and settled. Interest paid in the period was $0.36 million (2025: $0.59 million).

Cash flows used in financing activities were $1.26 million during the nine-month period ended September 30, 2026, consisting of $1.17 million of scheduled repayments of bank indebtedness, $0.06 million of repayments of notes payable and $0.02 million of debenture repayments net of accrued interest. This compares to $0.87 million provided by financing activities in the same period of 2025, which included $2.14 million from the issuance of common shares and $0.33 million from the issuance of stock options and warrants in connection with the reverse takeover transaction, partially offset by $1.00 million of bank debt repayments, $0.21 million of repayments of notes payable and $0.39 million of debenture repayments net of accrued interest.

Cash flows used in investing activities were $1.13 million during the nine-month period ended September 30, 2026, compared to $0.61 million in the same period of 2025. Current period investing activity consisted of $1.10 million of additions to internally developed software, relating to the IC Engage product suite, and $0.03 million of property and equipment purchases.

As a result of the above activities, and after a $0.27 million favourable effect of foreign exchange rate changes on cash held, cash decreased by $2.50 million during the period to $2.31 million at September 30, 2026, compared to $4.81 million at December 31, 2025. In addition, the Company held restricted cash and cash equivalents of $8.19 million at September 30, 2026 against customer prizing obligations and insurance premiums held in trust.

RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operating decisions.

Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

During the nine-month period ended September 30, 2026, the Company incurred key management compensation of $1.18 million, comprised of $1.12 million of short-term compensation (2025: $1.18 million) and $0.06 million of share-based payments (2025: $0.03 million).

In the 2024 fiscal year, certain shareholders committed to lending the Company up to $0.8 million. These shareholder loans bear interest at a rate of 10.0% per annum, payable monthly. On February 21, 2025, in conjunction with the business combination and equity financing, $0.32 million of these advances were converted to subscription receipts at a value of $1.00 each (see Reverse Takeover, Equity Financings and Advances from Shareholders below). On January 22, 2026, the Company completed a shareholder debt conversion transaction pursuant to which $0.18 million of the remaining outstanding shareholder debt was converted into common shares at a price of $0.50 per share. The transaction reduced outstanding liabilities of the Company and did not give rise to any cash proceeds. On February 25, 2026, the shareholders of the remaining outstanding $0.23 million shareholder debt agreed to further extend the repayment dates of the existing shareholder loans to March 31, 2027. The extensions did not result in changes to the principal amounts outstanding, and interest continues to accrue in accordance with the original loan agreements.

As at September 30, 2026, $0.22 million had been advanced to Bullet Messaging Inc., a related party to the Company, via a convertible promissory note, as part of the strategic relationship through its wholly owned subsidiary 1119 Canada. The promissory note carries interest at 12% per annum from July 1, 2026, compounded annually. Under the terms of the arrangement, the convertible promissory note may be converted into a 15% equity interest in Bullet Messaging Inc. at the election of 1119 Canada on or before December 31, 2027, subject to certain conditions. The advance is included in prepaid expenses and other assets in the statement of financial position. Principal and accrued interest are repayable in 24 monthly instalments starting after the conversion election date.

Business Combinations

Acquisition of Emotion Media Inc. (Fannex)

On February 21, 2025, the Company acquired the shares of Fannex that it did not already own in exchange for $0.3 million of cash and the issuance of 407,126 common (pre-split) shares of IC Group, including the assumption of approximately $2.5 million of debentures and accrued interest payable, of which approximately $0.6 million was already due to the Company from Fannex and of which approximately $0.3 million was repaid on closing.

The fair values of the assets acquired, liabilities assumed and consideration paid are as follows:

Consideration paid	
Common shares (3,211,009)	2,456,422
Cash	250,054
Pre-acquisition investments in Fannex	
Common share investment	347,500
Debentures	409,233
Total consideration transferred	**3,463,209**

Acquired Assets and Liabilities	
Cash	30,546
Net working capital	(362,767)
Property and equipment	2,477
Internally developed software	3,152,000
Deferred tax asset	1,506,795
Bank indebtedness	(29,121)
Debentures and accrued interest	(2,063,034)
Deferred tax liability	(832,887)
Total identifiable net assets acquired	**1,404,009**

Total Consideration paid	3,463,209
Fair value of identifiable net assets acquired	1,404,009
Goodwill	**2,059,200**

Goodwill primarily represents the benefits of combining the Fannex business with the Company's IC Engage operating segment. Additionally, goodwill is attributed to the assembled workforce of Fannex.

The following table provides the remaining schedule of payments for the repayment of the debentures and accumulated interest not owned by the Company:

	Date	Amount
Debenture repayment #7	December 1, 2026	31,161
Debenture repayment #8	July 1, 2027	561,769
Debenture repayment #9	December 1, 2027	865,482
Total		**1,458,412**

Debenture repayment #6 of $23,670 was made on July 1, 2026. All scheduled debenture repayments to September 30, 2026 have been made.

Reverse Takeover, Equity Financings and Advances from Shareholders

On February 21, 2025, Cuspis and 1119 Canada closed their previously announced business combination transaction which resulted in the reverse takeover of Cuspis by 1119 Canada. 1119 Canada became the wholly owned subsidiary of Cuspis, and Cuspis, the resulting issuer, was renamed "IC Group Holdings Inc."

In furtherance of the business combination, on November 7, 2024, Cuspis and 1119 Canada closed a brokered private placement offering (the "Offering") of subscription receipts of IC Group ("Subscription Receipts") at a price of $1.00 per Subscription Receipt for aggregate gross proceeds of $1,205,250. Each subscription receipt entitled the holder, on a post-share split and share consolidation basis as described below, to one resulting issuer common share and one common share purchase warrant (each warrant, an "Underlying Warrant"). Each Underlying Warrant entitles the holder to purchase one resulting issuer common share at an exercise price equal to $1.20 until the date that is 48 months following the closing date of the Qualifying Transaction.

In conjunction with the Offering, certain shareholders of 1119 Canada converted an aggregate $316,667 of their advances into 316,667 Subscription Receipts.

Under the terms of the Qualifying Transaction, IC Group completed a 7.89:1 share split, resulting in 1119 Canada having a total of 29,000,000 shares outstanding (which includes securities of 1119 Canada issued to complete the acquisition of Fannex, but which excludes securities issued in the Offering). Cuspis completed a 1:4.31 share consolidation. Following the share split and share consolidation, holders of common shares of 1119 Canada, including

those shares issuable pursuant to the Offering, received one post-amalgamation common share of the resulting issuer in exchange for each common share of 1119 Canada held. In addition, all options and warrants exercisable for IC Group common shares were exchanged for options and warrants exercisable for resulting issuer common shares, on the same economic terms and conditions as such original outstanding securities.

Upon completion of the Transaction, the Acquisition, the Offering, and the conversion of advances from shareholders, shareholders of 1119 Canada held 71.26% of the Resulting Issuer Shares.

On December 19, 2025, the Company closed a non-brokered private placement offering of units (the "Units") at a price of $0.50 per Unit for aggregate gross proceeds of $3,759,325. Each Unit consisted of one common share of the Company and one-half of one non-transferable common share purchase warrant (each whole warrant, a "Warrant"). Each whole Warrant entitles the holder to acquire one additional common share at an exercise price of $0.65 per share for a period of 30 months from the date of issuance.

Subsequent Events

On October 21, 2026, the Company implemented a leadership realignment designed to strengthen execution against its strategic priorities, improve organizational efficiency and support its next phase of growth. As part of the realignment, the Company's Chief Operating Officer departed the Company and resigned as a Director, and other non-officer positions were eliminated, effective immediately.

The Company expects to record a restructuring charge of approximately $1.0 million in the fourth quarter of 2026, consisting primarily of severance and related employee transition costs. The charge is expected to be paid over approximately 14 months. The Company estimates annual savings of approximately $0.90 million from the elimination of these positions. The restructuring charge was not recognized in the results for the three and nine-month periods ended September 30, 2026.

The Company has not yet determined the effect of the forfeiture or accelerated exercising of share-based awards held by the affected individuals. The estimated charge, its timing and the expected savings are forward-looking statements and are subject to the risks and uncertainties described under "Cautionary Note Regarding Forward-Looking Information."

RISKS AND UNCERTAINTIES

AN INVESTMENT IN SECURITIES OF IC GROUP IS HIGHLY SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK AND SHOULD ONLY BE MADE BY INVESTORS WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT.

Prior to making an investment decision, investors should consider the investment risks set forth below and those described elsewhere in this document, which are in addition to the usual risks associated with an investment in a business at an early stage of development. The directors of IC Group consider the risks set forth below to be the most significant, but do not consider them to be all the risks associated with an investment in securities of IC Group. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the directors are currently unaware or which they consider not to be material in connection with IC Group's business, actually occur, IC Group's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the IC Group's securities could decline, and investors may lose all or part of their investment.

Reliance on Key Personnel

The success of IC Group depends largely upon the continued services of its executive officers and other key employees, namely its Chief Executive Officer, Duncan McCready, its Chief Financial Officer, John Penhale, Chris McGarrigle, Chief Technology Officer of IC Mobile, and David Sasaki, President of IC Insurance and other senior leaders in the organization. IC Group relies on its leadership team in all areas of its businesses including IC Engage, IC Mobile, and IC Insurance including functional areas of financial operations, engineering, information technology, delivery, legal & compliance, operations, vendor management, marketing, sales, customer support, information security, general and administrative functions. From time to time, there may be changes in IC Group's executive management or leadership team resulting from the hiring or departure of executives, which could disrupt its business. IC Group does not have employment or contractor agreements with its executive officers or other key personnel that require them to continue to work for IC Group for any specified period and, therefore, they could terminate their contract or employment with IC Group at any time. The loss of one or more of IC Group's executive officers or key employees could harm IC Group's business. The Company carries no "Key Man" insurance on any of its management, and the loss of any of these individuals is likely to have a negative effect on the Company's operations. Changes in IC Group's executive management team may also cause disruptions in, and harm to, its business.

In addition, to execute IC Group's growth plan, IC Group must attract and retain highly qualified personnel. Competition for these personnel is intense, especially for software engineers experienced in designing and developing software and SaaS applications and experienced sales professionals. IC Group has, from time to time experienced, and expects to continue to experience, difficulty in hiring and retaining employees with appropriate qualifications. If IC Group fails to attract new personnel or fails to retain and motivate its current personnel, its business and future growth prospects could be harmed. To mitigate this risk, IC Group engages with international outsourcing solutions to fill any temporary requirements and support scaling needs quickly.

Future Capital Needs and Uncertainty of Additional Financing

IC Group may need to raise additional funds to support more rapid expansion, technology investments, declines in actual earnings versus forecasted earnings, increases in marketing expenses, or the funds needed to operate as a public company. There is no assurance that IC Group will be successful in obtaining the required financing, including for general working capital. There can be no assurance that such additional funding, if needed, will be available on terms attractive to IC Group or at all. Furthermore, any additional equity financing may be dilutive to shareholders and debt financing, if available, may involve restrictive covenants. If additional funds are raised through the issuance of equity securities, the percentage ownership of the shareholders of IC Group will be reduced, shareholders may experience additional dilution in net book value per share, or such equity securities may have rights, preferences or privileges senior to those of the holders of the common shares. If adequate funds are not available on acceptable terms IC Group may be unable to develop or enhance its business, take advantage of future opportunities, or respond to competitive pressures, any of which could have a material adverse effect on the Company's business, financial condition and operating results.

Lengthy and Variable Sales Cycle

Selling some of the Company's products and solutions can be a long and complex process of up to 12 months. IC Group can spend a substantial amount of time educating potential customers about the use and benefits of its solutions. Because the adoption of the Company's digital and mobile solutions often represents a substantial investment, potential customers may take months to evaluate the benefits and obtain the necessary expenditure authorizations and financing required to purchase the Company's solutions. The customer onboarding process for some of IC Group's solutions may also involve a lengthy timeline driven by customer requirements. This process may be extended if the

solutions are part of a larger project or ecosystem.

Because of these factors and the Company's limited revenue history with new acquisitions, it is especially difficult to forecast the Company's revenue and operating results. The Company's inability to accurately predict the timing and magnitude of the Company's sales could cause a number of problems, including the following: (i) the Company may expend significant management efforts and incur substantial sales and marketing expenses in a particular period that do not translate into orders during that period, or at all; and, (ii) the Company may have difficulty meeting its cash flow requirements and obtaining credit because of delays in receiving orders or delays in receiving payment for its products and services.

Ability to Achieve Revenue and Customer Growth

Although IC Group has diversified revenue streams generated via professional service fees, commission-based fees, transaction fees, and license fees for its SaaS platforms there is no assurance that future revenues will grow or be sufficient to generate the funds required to continue operations without external funding. Growth of the Company's recurring revenue helps offset and minimize revenue uncertainty.

Further, in future periods, IC Group's revenue growth could slow, or its revenue could decline for several reasons, including slowing demand for its product, increasing competition, any failure to gain, grow or retain channel partners, a decrease in the growth of its overall market, or its failure, for any reason, to continue to capitalize on growth opportunities.

IC Group's customers also have no obligation to renew their subscriptions or contracts after their term expires. Customers may also terminate contracts early subject to termination clauses and recovery of termination expenses, however there is no or little termination penalty. As a result, there can be no assurance that IC Group will be able to retain its customers, including new customers gained in recent acquisitions.

IC Group's costs associated with contract renewals are substantially lower than costs associated with generating revenue from new customers or costs associated with generating sales of additional solutions to existing customers. Therefore, if IC Group is unable to retain customers, even if such losses are offset by an increase in new customers or an increase in other revenues, its operating results could be adversely impacted.

IC Group may also fail to attract new customers, retain existing customers, or increase sales to both new and existing customers because of a number of other factors, including:

- reductions in its current or potential customers' spending levels.
- competitive factors affecting technology and SaaS solutions including the introduction of competing solutions, discount pricing and other strategies that may be implemented by its competitors.
- regulatory or legal restrictions in jurisdictions IC Group operates.
- tariffs or other applied economic penalties
- its ability to execute on its growth strategy and operating plans.
- a decline in its customers' level of satisfaction with its solution and customers' usage of its solution.
- changes in its relationships with third parties, including its partners, software developers, and others.
- the frequency and severity of any system outages.
- the pace of technological change

Ability to Manage Growth Effectively

IC Group has experienced, and may continue to experience, rapid growth and organizational change through its acquisitions, which has placed, and may continue to place, significant demands on its management, operational, technical, information security, and financial resources. IC Group's organizational structure is also becoming more complex as it integrates recent acquisitions and improves its operational, financial, technology, information security and management controls as well as its reporting systems and procedures. IC Group will require capital expenditures and the allocation of valuable management resources to grow and change in these areas without undermining its culture of rapid innovation, teamwork, and attention to customer success, which has been central to its business success to date. If IC Group fails to manage its anticipated growth and change in a manner that preserves the key aspects of its corporate culture, the quality of its solution may suffer, which could negatively affect its brand and reputation and harm its ability to retain and attract customers and employees.

In addition, as IC Group expands its business, it is important that it continues to maintain a high level of customer service and satisfaction. As IC Group's customer base continues to grow, IC Group may need to expand its account management, customer service, sales, and channel partners, to provide personalized service. If IC Group is not able to continue to provide high levels of customer service, its reputation, as well as its business, results of operations and financial condition, could be harmed.

Operating Risks

The Company's expenses or capital investments may increase in the future as it develops and launches new product features, expands in existing and new markets, increases sales and marketing efforts, and continues to invest in its technology. These efforts may be more costly than expected and may not result in increased revenue or growth in the Company's business. Failure to increase revenue sufficiently to keep pace with investment and other expenses could prevent the Company from achieving or maintaining profitability or positive cash flow on a consistent basis.

International Markets

Sales outside of Canada represent a significant portion of the Company's total gross revenues. Sales to international customers are subject to a number of risks and uncertainties including, but not limited to, complications in both compliance with and unexpected changes in foreign government laws, regulations and telecommunications standards, import and export license requirements, tariffs and other potential trade barriers, adverse changes in foreign tax regulations, fluctuations in currency exchange rates, exchange controls, complexity in collecting accounts receivable, difficulty in staffing and managing foreign or remote operations, potential political and economic instability, events of international terrorism, economic effects of public health threats such as pandemics or epidemics, uncertainties of laws and enforcement relating to the protection of property rights including intellectual property rights, unauthorized copying of the Company's proprietary technologies, uncertainties in local commercial or financial sector practices, uncertainties in local accepted business practices and standards which may not be similar to accepted business practices and standards in Canada and which may create unforeseen business or public relations situations, and other factors depending on the country involved. While international sales are typically denominated in U.S. dollars, or in the case of IC Insurance, in the currency of the country of the domiciled insured party, fluctuations in currency exchange rates could cause the Company's products to become relatively more expensive to customers in a particular country, leading to a reduction in sales or profitability in that country. As a result of these factors, the Company may not be successful in entering certain international markets and maintaining or increasing international market demand for the Company's products.

Economic Slowdown

From time-to-time markets witness the weakening of global macro-economic conditions. This weakness affects spending patterns on a global basis, and as a result may affect IC Group's ability to forecast current and future period revenues. Despite these potential weaknesses in economic activity, IC Group's customer base remains solid, and the Company remains encouraged by the level of interest that the marketplace continues to show in its offerings.

Merger & Acquisition Risks

IC Group acquired its IC Mobile business through an asset purchase completed on November 1, 2023 (the "**Mobile Messaging Business**"), a Promotion Social SaaS platform business ("**Pickaw**") acquired on May 31, 2024, and Emotion Media Inc. (Fannex) on February 21, 2025. As such, IC Group has limited operational history with these businesses.

The Company may, when and if the opportunity arises, acquire other products, technologies or businesses involved in activities, or having product lines, that are complementary to its business. Acquisitions involve numerous risks, including difficulties in the assimilation of the operations, technologies and products of the acquired companies, the diversion of management's attention from other business concerns, risks associated with entering new markets or conducting operations in industry segments in which the Company has no or limited experience and the potential loss of key employees of the acquired company. Even if such acquisitions are made, there can be no assurances that any anticipated benefits of an acquisition will be realized. Future acquisitions by the Company could result in potentially dilutive issuances of equity securities, the use of cash, the incurrence of debt and contingent liabilities, and write-off of acquired research and development costs, all of which could materially adversely affect the Company's operations and financial condition.

Competition

The marketing, promotion, specialty insurance, and mobile messaging industries are intensely competitive and characterized by rapid changes in technology, shifting user needs and frequent introductions of new services and offerings. It is expected that competition will continue, both from current competitors and new entrants in the market that may be well-established and enjoy greater resources or other strategic advantages. If IC Group is unable to anticipate or react to these competitive challenges, its competitive position could weaken, or fail to improve, and it could experience growth stagnation that could adversely affect its business, financial condition and results of operations.

Certain existing or future competitors may have greater financial, technical, marketing, research and development, product solutions, greater name recognition, longer operating histories or a larger customer base than IC Group does. They may be able to devote greater resources to the development, promotion and sale of offerings and offer a more desirable product, which could adversely affect results of operations. Further, they may have greater resources to deploy towards the research, development and commercialization of new technologies, product solutions or markets, its current and potential competitors may also establish cooperative or strategic relationships amongst themselves or with third parties that may further enhance their resources and offerings.

If the Company is unable to compete successfully, its business, financial condition and results of operations could be adversely affected.

Brand and Reputational Risks

IC Group's reputation, brand, and the network effects among users of its solutions are critical to IC Group's success, and if IC Group is not able to continue developing its reputation, brand and network effects, its business, financial condition and results of operations could be adversely affected.

Building a strong reputation and brand as a reliable, affordable, and efficient solutions provider will be critical to the ability to attract and retain new users. The successful development of such reputation, brand and network effects will depend on several factors, many of which are outside the Company's control. Negative perception of IC Group or its products may harm its reputation, brand, and network effects.

If IC Group does not successfully develop its brand and reputation and successfully differentiate its offerings from competitive offerings, the business may not grow, the Company may not be able to compete effectively and may lose or fail to attract users, any of which could adversely affect the business, financial condition, and results of operations.

Consumer Privacy and Data Protection Risks

Failure to protect Personal Data and comply with Data Protection and Privacy laws and regulations, such as the European General Data Protection Regulation (GDPR) Privacy Policy and other such Data Protection Regulations, in all applicable jurisdictions in which IC Group controls, collects, processes, or stores Personal Information of residents, could result in fines, litigation, and other regulatory actions which would adversely affect the business, financial condition, reputation and operations of IC Group. To help mitigate risks, IC Group is an ISO27001 certified company demonstrating the company's commitment to robust information security practices. It means the Company has implemented and is maintaining an Information Security Management System (ISMS) that meets the requirements of the ISO27001 international standard, which focuses on protecting confidential information.

Risk of Network or Data Security Incidents

Increasingly, companies are subject to a wide variety of attacks on their networks and systems on an ongoing basis. In addition to traditional computer "hackers," malicious code (such as viruses and worms), employee or 3rd party theft or misuse, and denial-of-service attacks, sophisticated nation-state and nation-state supported actors now engage in attacks (including advanced persistent threat intrusions). Despite significant efforts to create security barriers to such threats, it is virtually impossible for IC Group to entirely mitigate these risks. The security measures IC Group has integrated into its internal networks and solution, which are designed to detect unauthorized activity and prevent or minimize security breaches, may not function as expected or may not be sufficient to protect its internal networks and solution against certain attacks. In addition, techniques used to sabotage or to obtain unauthorized access to networks in which data is stored or through which data is transmitted change frequently and generally are not recognized until launched against a target. As a result, IC Group may be unable to anticipate these techniques or implement adequate preventative measures to prevent an electronic intrusion into its networks.

If a breach, perceived or real were to occur, whether any such breach is due to a vulnerability in IC Group's solution, may also undermine confidence in its solution and result in damage to its reputation, negative publicity, loss of customers and sales, increased costs to remedy any problem, and costly litigation. IC Group continues to expend significant financial, technology, and human resources to protect against such threats or to alleviate problems which could be caused by breaches in security.

Customer Service and Support Standards

IC Group's customers may rely on IC Group support services to resolve certain issues or may hold IC Group accountable for meeting or exceeding certain performance service levels of its solutions, in accordance with contracts, service level agreements or other project commitments.

High-quality customer education and support is important for the successful marketing and sale of IC Group's solutions and for the renewal of existing customers. The importance of high-quality customer support will increase as IC Group expands its business and pursues new organizations. If IC Group does not help its enterprise customers quickly resolve post-deployment issues or fails to meet performance standards, it could incur financial loss or legal liability, lose business contracts, or negate IC Group's ability to upsell additional product/solutions to existing customers. IC Group would suffer reputational damage with existing customers harming its ability to grow future business with existing or new customers.

Litigation

The Company may be subject to litigation in the ordinary course of business, as well as in the context of potential securities claims, class actions and other corporate activities. Any litigation is time-consuming and costly, both financially and by distracting management and staff resources from the Company's business.

Strategic Risk

There is no guarantee that the Company will be able to complete the acquisition of or participation in a new business opportunity. If an acquisition of or the participation in corporations, properties, assets, or businesses is identified, the Company may find that, even if the terms of an acquisition or participation are economic, it may not be able to finance such acquisition or participation, and additional funds will be required to enable the Company to pursue such an initiative. There is no guarantee that additional financing will be available or that it will be available on terms acceptable to management of the Company.

Possible Dilution to Present and Prospective Shareholders

The Company's plan of operation, in part, contemplates the possible acquisition of an operating business by the issuance of cash and securities of the Company, or a combination of the two. Any transaction involving the issuance of previously authorized but unissued common shares would result in dilution, possibly substantial, to present and prospective holders of common shares.

U.S. Government Tariffs

Since early 2025, the United States government has announced various plans to impose tariffs on certain Canadian imports as well as broad tariffs on imports from other countries. In response, the Canadian federal and provincial governments announced certain retaliatory tariffs on imports from the United States as well as non-tariff measures. In parallel, the Canadian and U.S. federal governments have been discussing a new trade and security agreement. Although the ultimate scope, timing and duration of these tariffs, retaliatory measures and any new trade and security agreement remains unclear, the connected impact of these announcements may cause continued economic uncertainty. While no adjustments have been made to the consolidated financial statements, it may be difficult to reliably measure the impact of this uncertainty on future accounting estimates, forecasts and financial results.

FINANCIAL INSTRUMENTS

Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

Cash is carried at fair value using Level 1 inputs. The carrying value of accounts payable and accrued liabilities approximates fair value due to its short-term nature.

Financial Risk Management

The Company's risk exposures and the impact on the Company's financial instruments are summarized below.

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company limits its exposure to credit risk by placing its cash with a major financial institution. The Company's credit risk with respect to its financial assets is remote.

Interest Rate Risk

The Company is exposed to interest rate risk to the extent that its cash maintained in a financial institution is subject to a floating rate of interest. The interest rate risk on cash is not considered significant.

Liquidity Risk

The Company's current liabilities are anticipated to mature within the next twelve months. The Company intends to settle these funds out of future earnings and/or through accessing additional funding through capital markets.

Foreign Currency Risk

Currency risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk arising from transactions and balances denominated in U.S. dollars. Certain current assets and current liabilities are denominated in U.S. dollars. As a result, fluctuations in the Canadian dollar relative to the U.S. dollar may impact the Company's reported financial position and operating results.

Management monitors foreign currency exposures on an ongoing basis and seeks to mitigate risk through the natural offset of U.S. dollar-denominated revenues, assets and liabilities where possible. As at September 30, 2026, management does not believe that foreign currency fluctuations represent a material risk to the Company's liquidity or ongoing operations.

Price Risk

The Company has no exposure to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's profit or loss due to movements in individual equity prices or general movements in the level of the stock market.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported revenue and expenses during the period. Actual amounts could differ from these estimates. The preparation of the consolidated financial statements requires management to make judgments regarding the going concern of the Company, as discussed in Note 1 of the consolidated financial statements.

Significant changes in assumptions, including those with respect to future business plans and cash flows, could change the recorded amounts materially.

The Company's critical accounting estimates are as described in the December 31, 2025 notes to the consolidated financial statements.

OFF-BALANCE SHEET ARRANGEMENTS

The Company did not engage in any off-balance sheet financial arrangements as at September 30, 2026.