



**GOOD GAMER ENTERTAINMENT INC.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**As at and for the periods ended September 30 and 2022  
(with comparative AUDITED figures as at March 31, 2023)**

## **INTRODUCTION**

The following Management's Discussion and Analysis ("MD&A"), prepared as of November 24, 2023, should be read in conjunction with the consolidated financial statements of Good Gamer Entertainment Inc. (the "Company" or "Good Gamer" or "GGE") for the periods ended September 30, 2023 and 2022, and the audited consolidated financial statements for the year ended March 31, 2023; including the notes thereto (the "financial statements"). The financial statements and financial data contained in this discussion and analysis are presented in accordance with the International Financial Reporting Standards ("IFRS"). The reporting currency is the Canadian dollar. Additional information on the Company is available for viewing on SEDAR at [www.sedar.com](http://www.sedar.com).

## **FORWARD-LOOKING STATEMENTS**

This MD&A may include certain "forward-looking statements" within the meaning of applicable securities legislation. All statements, other than statements of historical facts, included in this MD&A that address activities, events or developments that the Company expects or anticipates will or may occur in the future, including such things as future business strategies competitive strengths, goals, expansion and growth of the Company's businesses, operations, plans and other such matters are forward-looking statements. When used in this MD&A, the words "estimate", "plan", "anticipate", "expect", "intend", "believe", "intend", "plan", "forecast", "project", "estimate", "outlook", and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The risks include those outlined under the "Risk Factors" section of this MD&A and elsewhere in the Company's public disclosure documents. Although the Company has identified important factors extensively that could cause actual results to differ materially, there may be other factors not anticipated or estimated. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each individual factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

## **BUSINESS OVERVIEW AND OVERALL PERFORMANCE**

The Company was incorporated under the Business Corporations Act (British Columbia) on March 25, 2011. The Company's principal business activity changed to operating an online play-to-earn game discovery (Playcash) and entertainment platform (Tournament Management Platform); development and minting of non-fungible tokens ("NFTs") including artwork, characters and a Play-to-Earn ("P2E") NFT-based blockchain game and optimizing third parties advertising campaigns to drive online traffic to their own websites in Canada and the United States. The Company discontinued the TMP and NFT operations due to market conditions by September 30, 2023..

The Company acquired Good Gamer Corp. ("GGC") through acquisition of all issued and outstanding shares of the latter via reverse takeover transaction on October 15, 2021. Upon completion of the Transaction, GGC became a wholly owned subsidiary of the Company. Thereafter, the Company changed its name to "Good Gamer Entertainment Inc.", consolidated the common shares of the Company (the "Shares"), on the basis of one (1) post-consolidation Share for every five (5) pre-consolidation Shares (the "Consolidation") and changed the Company's year end from April 30 to March 31, effective for the year ended March 31, 2022. The new ticker symbol of the

Company's shares traded in TSX-V is "GOOD" commencing on October 21, 2021. Upon the completion of the Transaction, the Company is now operating through the following subsidiaries:

<u>Entity</u>	<u>Country of Incorporation</u>	<u>Parent Company</u>	<u>Effective Interest</u>
Good Gamer Corp.	Canada	GGE	100%
Boost Interactive (Formerly Perk Power Inc.)	Canada	GGC	100%
Good Gamer US	USA	GGC	100%
Good Gamer India Private Limited	India	GGC	99% (discontinued)

### **Good Gamer's Business**

With the acquisition of GGC, the Company's principal business activity changed to developing and operating online game platforms in Canada and the United States. Good Gamer aims to become a leader in the skill gaming arena in North America and become one of the largest online game providers. Currently, our online games are free-to-play with integrated "earn rewards while playing" options to build our user database and create an interactive community. GGC's games are web and app-based available for free download by users. The Company's biggest game platform is the PlayCash that users can download to play different sets of games from strategy to fun and easy types, take surveys, and watch videos to earn "PlayCash". These can be redeemed for gift cards from a variety of providers including Visa, Mastercard and Amazon. On this platform, GGC earns from in-game advertising and traffic optimization through different source partners. The Company also engages in selling display advertisements on targeted websites; and assisting third-party companies in optimizing and driving traffic to their own websites.

### **PlayCash**

On June 21, 2022, Good Gamer launched the PlayCash application, a play-to-earn game discovery and entertainment platform in the google play store. PlayCash rewards players with virtual coins when they reach certain game levels, watch rewarded videos, perform certain actions such as downloading apps, and fill out mini surveys. These accumulated user coins can be exchanged for gift cards from one of the largest online retailer, Amazon, and/or receive prepaid charge cards from the credit card companies, VISA and Mastercard. The PlayCash platform offers dozens of games to choose from all genres including arcade, puzzle, social and hyper casual games. The Company plans to keep on increasing the daily unique users and their screen time with more attractive game offers for users to earn points per minute to drive massive engagements. The platform is also continuously being developed with technical enhancements such as lower system requirements and faster loading speed to decrease any input lag with new games being added from time to time.

### **Search monetization**

In March 2023, the Company started a partnership with a third party for optimizing their advertising campaigns to drive online traffic to their own websites. This includes building advertisements, creating click-mechanisms, or direct or indirect incentives to cause a user to view or click on advertisements, and assist on structured implementations of their online marketing campaigns. This traffic optimization and acquisition are conducted on advertising accounts complying with industry standards and source provider guidelines and requirements. As of the date of this MD&A, this partnership is ongoing with further future collaborations on other online ad and marketing campaigns.

### **Good Gamer NFTs**

The Company, through its subsidiary, Good Gamer Corp. (CA), had successfully developed multiple blockchain applications to create the “Chosen Ones” non-fungible tokens (“NFTs”), artwork, characters; and a Play-to-Earn (“P2E”) NFT-based blockchain game in April 2022. The full list includes:

- **NFT Character Generator:** The character generator will combine multiple trait layers to create 10,000 unique Legendary Heroes NFTs based on the Chosen Ones characters. The platform will also be used to create future NFTs, which will be called “Heroes,” that will be used in-game and sold in the NFT marketplace. NFT generated characters will represent the actual characters that a player will use in the game and in the Sandbox metaverse.
- **Minting Machine:** The NFT minting software will create a smart contract on the Polygon MATIC blockchain for users to mint and purchase NFTs on the chosenones.io website.
- **Smart Contract Generator:** This allows creation of a certificate of ownership for NFTs and tokens and will create a DeFi (Decentralized Finance) staking product when the game is launched.
- **P2E NFT Mobile Game:** MOBA (Multi-Player Online Battle Arena) style unity-based mobile game where players will utilize their NFTs to battle other players in a futuristic battle arena/world. Players will earn tokens after successfully winning a battle and completing tasks.
- **Marketplace:** where players can purchase and sell various NFTs to play in the game.

Due to unfavorable market conditions in Quarter 3, 2022 following a slump in cryptocurrency market, the NFT project has been put on hold with finality by Quarter 3, 2023 as mutually agreed by the parties.

### **Esports Real-Money Skill Based Tournament Management Platform (“TMP”)**

The Good Gamer TMP, which is operated through our subsidiary Good Gamer Corp. (US), was beta-launched on April 21, 2022 in Canada and the United States for game developers to enhance unity-based mobile games, enable real money social competition in their games and allow hosting of casual E-sports tournaments for mobile players to win real money prizes. As of Quarter 3, 2022, the operation has been paused due to the Company’s decision to focus all resources on the PlayCash platform that was launched June 2022.

### **New Business Venture**

Boost Interactive Inc., a wholly owned subsidiary of Good Gamer Entertainment Inc., is embarking on a new and innovative business venture in the field of AI content generation. This venture aims to revolutionize the way content is created, optimized, and disseminated across various digital platforms, including blogs, articles, advertisements, products, websites, and social media.

### **Strategic Focus**

The strategic focus of the new business venture is to leverage cutting-edge AI technologies to develop a platform that empowers users to generate high-quality, plagiarism-free content across diverse formats.

The platform's key features include:

1. **AI-Powered Content Generation:** The platform will utilize advanced AI algorithms to generate content in various formats, ensuring the creation of engaging and relevant materials for SEO optimization.

2. **SEO Optimization:** The primary emphasis of the platform is on generating SEO-centric content. The AI will identify and incorporate relevant keywords to enhance the content's visibility on search engines like Google and Bing.

3. **Ad Creation:** The platform will extend its capabilities to creating advertisements for Google, Bing, and Facebook. These ads will be tailored to maximize click-through rates and conversions.

4. **Image Generation:** Alongside text-based content, the platform will offer photorealistic image generation based on user prompts, enhancing the visual appeal of the content.

5. **Keyword Analysis and Cost Optimization:** The AI will analyze keyword performance and optimize keyword bidding to achieve the most cost-effective traffic generation for marketers.

### **Market Opportunity**

The market opportunity for AI-driven content generation is significant. As digital marketing becomes increasingly competitive, businesses are seeking innovative solutions to create engaging and SEO-friendly content that resonates with their target audience. The ability to generate diverse content formats, optimize ads, and create images through a single platform positions Good Gamer Entertainment Inc. and Boost Interactive Inc. at the forefront of this burgeoning market.

### **Risk Factors**

While the new business venture presents exciting opportunities, certain risk factors need to be considered. These include technological challenges in refining AI algorithms, potential intellectual property issues related to plagiarism detection, and the need to continuously adapt to evolving SEO algorithms and digital marketing trends.

### **Outlook for this New Venture**

As the new business venture gains traction and the platform's capabilities mature, Good Gamer Entertainment Inc. and Boost Interactive Inc. anticipate enhanced revenue streams from subscription-based models and usage-based fees. The platform's ability to streamline content creation, optimization, and marketing efforts is expected to attract a broad customer base across industries.

In conclusion, the new AI content generation business venture represents a strategic move for Good Gamer Entertainment Inc. and Boost Interactive Inc. By harnessing the power of AI to transform content creation and digital marketing, the companies are poised to deliver innovative solutions that cater to the evolving needs of the digital landscape.

## **RESULTS OF OPERATIONS**

### *Six months ended September 30, 2023 with comparatives for the six months ended September 30, 2022*

For the period ended September 30, 2023, the Company had a net loss of \$338,982 and a comprehensive loss of \$343,484 compared to a net loss of \$948,885 and comprehensive loss of \$939,584 for the period ended September 30, 2022. The decrease in net loss and comprehensive loss was primarily driven by the following:

- Sales during the period ended September 30, 2023 amounted to \$138,438 (2021 - \$97,928) with gross profit of \$15,503 (2022 – \$76,133) resulting in a consolidated gross margin of 11% (2022 – 78%). The Company generated revenues from the PlayCash app and Search monetization. Last year, major revenue drivers were NFT sales and Playcash. The increase in sales during the current period is mainly due to the Search monetization revenues which started towards the end of the April 2023.

<b>Revenue Source</b>	<b>2023</b>	<b>2022</b>
NFT	\$ -	\$ 70,105
PlayCash	6,762	27,799
Search monetization	131,676	-
Display ads	-	24
<b>Total</b>	<b>\$ 138,438</b>	<b>\$ 97,928</b>

- Cost of sales pertains to costs of the PlayCash and Search monetization of \$122,935 (2022- \$21,794).
- Software and development expenses of \$83,703 (2022 - \$243,012) decreased by 66% (\$159,309) and consisted of:
  - Professional fees of \$38,534 (2022 - \$171,488) and salaries of development personnel \$26,070 (2022 - \$68,338). For this period, the Company used external contractors with in-house employees to oversee these projects, therefore, professional fees and salaries have decreased compared to last year's.
  - Amortization of \$Nil (2022 – \$1,083). Amortization decreased due to full impairment of intangible assets by end of fiscal year 2023.
  - Share-based payments of \$19,099 (2022 - \$2,103) increased due to the options vested during the period ended September 30, 2023.
- The Company's operating expenses of \$33,299 for the period ended September 30, 2023 compared with the same period last year of \$160,405 have decreased by 79% (\$127,106) due to:
  - Software, internet, and domain expenses decreased to \$26,842 (2022 – \$152,044) due to reduced spending on software subscriptions and other annual fees of domain renewals.
  - Interest and bank charges of \$5,006 (2022- \$5,309) remained steady throughout the same period.
  - Amortization of \$ Nil (2022 – \$1,029). Amortization decreased due to full impairment of previously held intangible assets by end of fiscal year 2023.
  - Professional fees of \$1,451 (2022 – \$2023) decreased due to reduction of support staff needed for the operations.
- The Company's variance in general and administrative expenses of \$227,732 vs same period last year \$549,418 explained as follows:
  - Management fees of \$97,680 (2022 – \$112,166) refer to payments made to, but not limited to, companies controlled by directors and officers (See **Transactions with Related Parties**).
  - Professional fees of \$61,162 (2022 – \$72,811) was lower due to decreased operations.
  - Salaries and wages of \$15,568 (2022 – \$50,786) primarily related to salaries of administrative personnel. The decrease was driven mostly by employee movements.
  - Office and miscellaneous expenses of \$35,420 (2022 – \$122,054) decreased due to efficiencies and running on leaner operations of the subsidiaries.
  - Share-based compensation expenses amounted to \$14,475 (2022 – \$185,101). This represents the value of the options vested during the period ended September 30, 2023. The decrease was

- due to lower amount of vested options during the year coupled with cancellations of some unvested options for resigned employees.
- Transfer agent and filing fees of \$3,427 (2022 – \$6,500) decreased due to lesser transactions relating to equity securities.
  - The Company’s marketing expenses of \$14,586 for the period ended September 30, 2023 compared with the same period in 2022 of \$62,778 have decreased (77%, \$48,192) due to:
    - Expenses of product marketing of \$14,586 (2022 – \$18,474) remained steady with the similar use of Playcash app.
    - Corporate marketing expenses of \$Nil (2022 - \$44,304) decreased due to the Company’s slowdown in business development activities this period.
  - Other income (expenses) increased from last year’s loss of \$9,405 to this year’s gain of \$4,834 due to foreign exchange gain (loss).

Three months ended September 30, 2023 with comparatives for the three months ended September 30, 2022

In the quarter ended September 30, 2023, the Company had a net loss of \$151,339 and a comprehensive loss of \$157,035 compared to a net loss of \$430,385 and comprehensive loss of \$425,349 for the quarter ended September 30, 2022. The decrease in net loss and comprehensive loss was primarily driven by the following:

Revenue Source	2023	2022
NFT	\$ -	\$ -
PlayCash	2,919	10,369
Search monetization	21,024	-
Display ads	-	8
<b>Total</b>	<b>\$ 23,943</b>	<b>\$ 10,377</b>

- Sales during the quarter ended September 30, 2023 amounted to \$23,947 (2022 - \$10,377) with gross loss of \$6,097 (2022 – gross profit \$5,895) or a gross loss margin of 25% (2022 – gross profit margin 57%). The Company generated revenues from the PlayCash app and Search monetization. Last year, major revenue drivers were NFT sales and Playcash. The increase in sales during the current period is mainly due to the Search monetization revenues which started towards the end of the April 2023. (See **BUSINESS OVERVIEW**).
- Cost of sales pertains to costs of the PlayCash and Search monetization of \$30,040 (2022- \$4,482).
- Software and development expenses of \$27,530 (2022 - \$85,340) decreased by 67% (\$57,810) and consisted of:
  - Professional fees of \$1,507 (2022 - \$53,417) and salaries of development personnel \$11,084 (2022 - \$29,279). For this quarter, the Company used external contractors with in-house employees to oversee these projects, therefore, professional fees and salaries have decreased compared to last year’s.
  - Amortization of \$Nil (2022 – \$541). Amortization decreased due to full impairment of intangible assets by end of fiscal year 2023.
  - Share-based payments of \$14,939 (2022 - \$2,103) increased due to the options vested during the quarter ended September 30, 2023.
- The Company’s operating expenses of \$9,407 for the quarter ended September 30, 2023 compared with the same quarter last year of \$73,857 have decreased by 87% (\$64,450) due to:

- Software, internet, and domain expenses decreased to \$7,296 (2022 – \$70,085) due to reduced spending on software subscriptions and other annual fees of domain renewals.
- Interest and bank charges of \$1,715 (2022- \$2,110) remained steady throughout the same quarter.
- Amortization of \$Nil (2022 – \$499). Amortization decreased due to full impairment of previously held intangible assets by end of fiscal year 2023.
- Professional fees of \$396 (2022 – \$1,163) decreased due to a reduction of support staff needed for the operations.
- The Company’s general and administrative expenses of \$106,353 for the quarter ended September 30, 2023 compared with the quarter ended September 30, 2022 of \$252,013 have decreased by 58% (\$145,660) due to:
  - Management fees of \$44,430 (2022 – \$60,836) refer to payments made to, but not limited to, companies controlled by directors and officers (See **Transactions with Related Parties**).
  - Professional fees of \$37,160 (2022 – \$18,660) increased mainly due to rise in accounting fees.
  - Salaries and wages of \$7,296 (2022 – \$17,854) primarily related to salaries of administrative personnel. The decrease was driven mostly by employee movements.
  - Office and miscellaneous expenses of \$14,436 (2022 – \$63,385) decreased due to efficiencies and running on leaner operations of the subsidiaries.
  - Share-based compensation expenses amounted to \$2,224 (2022 – \$90,442). This represents the value of the options vested during the quarter ended September 30, 2023. The decrease was due to lower amount of vested options during the year coupled with cancellations of some unvested options for resigned employees.
  - Transfer agent and filing fees of \$807 (2022 – \$836) decreased due to lesser transactions relating to equity securities.
- The Company’s marketing expenses of \$8,841 for the quarter ended September 30, 2023 compared with the same quarter in 2022 of \$17,185 have decreased (49%, \$8,344) due to:
  - Expenses of product marketing of \$8,841 (2022 – \$13,254) remained steady with the similar use of Playcash app.
  - Corporate marketing expenses of \$Nil (2022 - \$3,931) decreased due to the Company’s slowdown in business development activities this quarter.
- Other income (expenses) increased from last year’s loss of \$7,885 to this year’s gain of \$6,889 due to foreign exchange gain (loss).

## SELECTED ANNUAL INFORMATION

	As at	March 31, 2023	March 31, 2022	December 31, 2020
		\$	\$	\$
Cash		500,396	1,582,654	798,390
Prepaid Expenses		40,226	440,524	400,308
Total assets		597,211	2,086,303	2,583,462
Total equity before deficit		23,030,138	22,826,198	4,597,763
Deficit		(23,001,584)	(21,157,044)	(2,713,153)
Working Capital		26,808	1,649,051	668,329

	For the 12 months ended	For the 15 months ended	For the 12 months ended
	March 31, 2023	March 31, 2022	December 31, 2020
Revenues	138,887	1,025	1,533
Software Development Expenses	346,422	1,066,118	-
Operational Expenses	269,113	496,951	2,208,660
Basic and diluted loss per share from continuing operations \$	(0.04)	(0.52)	(0.11)
Basic and diluted loss per share from discontinued operations \$	0.00	0.00	(0.01)

## SUMMARY OF QUARTERLY RESULTS

The following table sets out selected financial data in respect of the last eight (8) quarters of the Company. The data is derived from the financial statements of the Company prepared in accordance with IFRS.

\$/Quarter	Q2	Q1	Q4	Q3	Q2	Q1	Q5	Q4
Ending	Sept 30, 2023	June 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	June 30, 2022	Mar 31, 2022	Dec. 31, 2021
Total Revenues	23,943	114,495	25,109	15,850	10,377	87,551	93	134
Net loss	(151,339)	(187,643)	(522,368)	(373,287)	(430,385)	(518,500)	(1,127,623)	(15,213,024)
Basic and diluted \$ loss per common share	(0.00)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.03)	(0.04)

From March 31, 2021 (“Q1”) to March 31, 2022 (“Q5”), the Company’s source of revenues was limited to Display advertisements. By Quarter 2, 2022 (“Q6”), the Company started the NFT and PlayCash operations resulting to a significant increase in the total revenues to \$87,551. By September 30 and December 31 of 2022 (“Q7” and “Q8”), the cryptocurrency market declined, which pushed the Company to put on hold the NFT operations. The Company then focused its resources on developing the PlayCash application. The total revenues of \$15,850 (“Q8”) were all generated from the PlayCash operations. The total revenues increased by March 31, 2023 (“Q9”) compared with the previous quarter (“Q8”) due to the addition of a new revenue generating activity – Search monetization - through our subsidiary Boost Interactive.

For all of the eight (8) quarters, the Company had a net loss. The substantial net loss in the quarter ended December 31, 2021 was due to the listing expense of \$13,472,873 from the Company’s amalgamation transaction, which resulted from the difference between the fair value of the consideration and the fair value of net liabilities acquired upon closing of RTO. The net loss in Q1 2023 was primarily caused by the development of the TMP products and NFT characters, mint generator, and marketplace while the net loss in Q2 2023 was driven by the

increased in the professional fees and salaries of the developers, which still resulted in a net loss even with a relatively good revenue on this quarter from PlayCash and NFT.

By Q3 2023, the Company continued with technical enhancements to the PlayCash app to acquire more users and build a database. The NFT project and sales were put on hold due to unfavorable market conditions. The net loss recognized in Q4 2023 was due to the decision to fully expense two prepaid consulting services valued at \$283,474 by the end of March 2023 as no economic benefits are further expected to flow into the Company.

For Q1 2024, the net loss has been gradually decreasing from prior year mainly due to the efficient reduction on operating expenses, and software and development expenses. Professional fees and salaries have been reduced as the operations have been relatively stable.

## **LIQUIDITY AND CAPITAL RESOURCES**

The Company's approach to managing its liquidity is to ensure that it has sufficient resources to meet its liabilities as they come due and have sufficient working capital to fund operations for the ensuing fiscal year. Financing of operations has been achieved by equity financing. The Company anticipates that it will require significant funds from either equity or debt financing for the development of its applications and to support general administrative expenses.

As at September 30, 2023, the Company had \$291,804 in current assets (March 31, 2023 – \$597,211) and \$576,683 in current liabilities (March 31, 2023 - \$570,403) for a working capital deficit of \$284,879 compared to a working capital of \$26,808 as at March 31, 2023. Working capital reversed to a deficit due to development, operational, marketing, general and administrative expenses. As at September 30, 2023, the Company had a share capital balance of \$20,746,918 (March 31, 2023 – \$20,746,918) and an accumulated deficit of \$23,340,566 (March 31, 2023 – \$23,001,584).

Financing of operations has been achieved by equity and debt financing. As the Company will not generate sufficient funds from operations for the foreseeable future, the Company is primarily reliant upon the sale of equity securities in order to fund future operations. Since inception, the Company has funded limited operations through the issuance of equity securities on a private placement basis. The Company's ability to raise funds through the issuance of equity will depend on economic, market and commodity prices at the time of financing.

The Company expects to generate similar losses quarter over quarter for the next fiscal year in relation to the Company's development, administration, and promotion of its technologies. As of the report date, management anticipates that the funds raised to date will not be sufficient to sustain operations and the development of the Company's technologies for the next fiscal year.

### *Discussions related to the Company's cash flows during the period ended September 30, 2023*

The cash balance decreased by a total of \$261,067 during the period ended September 30, 2023 (2022 –\$640,906). During the period ended September 30, 2023, cash used in operating activities was \$270,052 compared to cash used in operating activities of \$650,225 in 2022. The decrease in cash used in operations was primarily attributed

to lower development and marketing expenditures during the period. (See **Results of Operations** above for a detailed discussion).

Cash used in financing activities during the period ended September 30, 2023 were \$11,741 (2022 – \$Nil). The financing activity in the current period pertain to a Line of Credit (LOC) Agreement with another company (see off-balance sheet arrangement below).

## **CAPITAL STOCK**

The authorized capital of the Company consists of an unlimited number of common shares without par value.

As at September 30, 2023, there were 42,567,576 common shares, 4,310,000 stock options and 6,000,000 warrants issued and outstanding.

As at the date of this report, there were 42,567,576 common shares, 4,280,000 stock options and Nil warrants issued and outstanding.

## **ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE**

Detailed listings of general and administrative expenses are provided in the financial statements of the Company.

## **OFF-BALANCE SHEET ARRANGEMENTS**

On March 1, 2023, the Company entered into a Line of Credit (LOC) Agreement with a company indirectly controlled by the CEO to facilitate financing of media and ad spending for a maximum credit facility of US\$500,000. As at September 30, 2023, the company has an outstanding loan payable of \$30,169 (March 31, 2023 - \$18,428) with an interest of 2% accrued monthly paid subsequently by the Company. Per agreed terms, the principal balance shall be due and payable on a rolling net 60 payment term basis. The Company will be in default if no payment is made 90 days after demand.

## **CHANGE OF EXTERNAL AUDITORS**

The Company has appointed new external auditors, BF Borgers CPA PC, on August 24, 2022, for the year ended March 31, 2023.

## **PROPOSED TRANSACTIONS**

The Company has no proposed transactions as at the date of this MD&A.

## **RESTATEMENT OF PRIOR PERIOD BALANCES IN CASH FLOW STATEMENT**

The Company had reclassified the purchase of intangible assets of \$12,677 under the investing activities as at March 31, 2022 to changes in non-working capital in prepaid account under the operating activities as at March 31, 2022. This amount referred to the prepaid intangible assets that were decided to have \$Nil value as no future economic benefits were expected to flow into the Company. The restatement has no significant impact on the prior year's financial statements and does not materially affect the overall financial position, results of operations, or cash flows for the year being reported.

## **CONTRACTUAL COMMITMENTS**

On February 16, 2021, the Company entered into a license agreement with an arm's length party for the use of affiliate system software for the purpose of affiliate management and statistical recording and reporting. The contractual obligation is for 24 months ending March 31, 2023 and contract commitment is \$63,780 (GBP £37,200). On December 7, 2022, a judgment was made for the Company to pay GBP 56,774.43 including court's costs recorded as accounts payable plus daily interest of 0.035% totaling GBP 1,972.98 recorded as accrued interest in connection with the license agreement.

The Company has certain commitments related to key management with combined compensation for \$15,000 per month with no specific expiry of terms.

On March 9, 2023, the Company's subsidiary Boost Interactive entered into a joint venture agreement with a third party for the purpose of accessing and maximizing the usage of their AI powered marketing platform for 24 months unless the Company can provide a notice of termination for at least 30 days but not more than 60 days. The agreement provides for a gross revenue share of 70% for the Company and 30% for the third party. As of the period ended June 30, 2023, the Company paid a total of \$11,246 (US\$8,374) recorded as search monetization cost of goods sold.

## TRANSACTIONS WITH RELATED PARTIES

The amounts due to related parties are due to the directors and officers of the Company. The balances are unsecured, non-interest bearing and have no specific terms for repayment. These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties. During the period ended September 30, 2023 and 2022, the Company entered into the following transactions with related parties:

Transactions with related parties:	For the period ended	
	September 30, 2023	September 30, 2022
Management fees were paid or accrued to:		
CEO	\$ 52,500	\$ 60,000
CFO	31,500	30,000
Director Fees were paid and accrued to:		
Howard Donaldson	3,000	3,000
Russ McMeekin	3,000	3,000
Adam Hudani	1,500	3,000
Former Director Praveen Varshney	-	3,000
Leon Murdock	3,180	-
Charlo Barbosa	3,000	3,000
Professional fees were paid or accrued to:		
CEO	3,000	-
CFO	13,462	10,324
Corporate Secretary	17,850	18,500
Share-based payments:		
CEO	193	-
CFO	4,439	22,901
VP of Operations India	64	-
Corporate Secretary	2,959	15,267
Former Director Praveen Varshney	-	83,573
Former Director Gurminder Sangha	-	39,098
Leon Murdock	643	9,775
Other expenses accrued to companies controlled by CEO	32,826	4,731
	<b>\$ 173,116</b>	<b>\$ 309,169</b>

The other expenses due to the companies controlled by the CEO pertain to the following:

	For the period ended	
	September 30, 2022	September 30, 2022
Advertising	\$ 340	\$ 4,731
Lease	6,300	-
Search monetization media buys	26,186	-
	<b>\$ 32,826</b>	<b>\$ 4,731</b>

As at September 30, 2023, and March 31, 2023, the Company has the following balances with related parties:

<b><u>Balances with related parties:</u></b>	<b>September 30, 2023</b>	<b>March 31, 2023</b>
<b>Accounts payable to companies with common directors:</b>		
CEO	\$ 4,000	\$ 6,245
Corporate Secretary	5,250	5,500
VP of Operations India	-	692
<b>Accrued liabilities to companies with common directors:</b>		
CEO	30,000	30,000
CFO	4,863	2,883
<b>Loans payable to companies with common directors:</b>		
CEO	30,169	18,428
	<b>\$ 74,282</b>	<b>\$63,748</b>

## **CHANGE IN ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES**

All significant changes in accounting policies and critical accounting estimates are fully disclosed in Note 3 of the financial statements for the period ended September 30, 2023 which are available on SEDARPLUS at [www.sedarplus.ca](http://www.sedarplus.ca)

## **FINANCIAL RISK MANAGEMENT**

The Company's financial instruments are cash, receivables, accounts payable, loans payable, PlayCash app provisions, and due from related parties. The fair value of the Company's receivables, accounts payable, PlayCash app provisions, and the loans payable amount approximate carrying value, due to their short terms to maturity. The Company's cash is measured at fair value under the fair value hierarchy based on level one quoted prices in active markets for identical assets or liabilities.

The Company determines the fair value of financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The following table represents assets and liabilities that are measured and recognized at fair value as at September 30, 2023, and March 31, 2023 on a recurring basis:

	Level 1	Level 2	Level 3
	\$	\$	\$
<b>September 30, 2023</b>			
Cash	239,329	-	-
Accounts receivable	-	32,959	-
Accounts payable	-	(460,642)	-
Playcash app provisions	-	(13,571)	-
Loans Payable	-	(30,169)	-
GST payable	-	(1,596)	-
<b>Total</b>	<b>239,329</b>	<b>(473,019)</b>	-
<b>March 31, 2023</b>			
Cash	500,396	-	-
Accounts receivable	-	43,386	-
GST receivable	-	13,203	-
Accounts payable	-	(439,129)	-
Playcash app provisions	-	(11,826)	-
Loans Payable	-	(18,428)	-
<b>Total</b>	<b>500,396</b>	<b>(412,794)</b>	-

The Company's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk, and market risk.

### **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.

Financial instruments that potentially subject the Company to credit risk consist of cash and amounts due from related parties. The Company deposits cash with high credit quality financial institutions as determined by rating agencies. As a result, the Company is not subject to significant credit risk on its cash. The credit risk associated with the receivables is limited to its value of \$32,959.

### **Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through its capital management (see below). The Company will need to raise additional capital in order to meet its obligations as they come due when necessary.

**Market Risk**

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, commodity and equity prices, and foreign exchange rates.

**(a) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a changes in interest rates is minimal, as the Company does not have any variable interest rate investments or financial liabilities.

**(b) Price risk**

The Company is not exposed to price risk, as it has no investments in publicly traded securities as at September 30, 2023.

**(c) Currency risk**

The Company is exposed to currency risk on its financial instruments denominated in US dollars and Indian Rupees. As at September 30, 2023, the Company has net financial liabilities of approximately \$104,500 (March 31, 2023 –\$28,000) denominated in US dollars, net financial liabilities of approximately \$37,400 (March 31, 2023 - \$36,000) denominated in Euros, net financial liabilities of approximately \$95,800 (March 31, 2023 - \$63,400) denominated in British Pounds, and net financial liabilities of approximately \$6,625 (March 31, 2023 - \$6,500) denominated in Indian Rupees. A 10% change in the exchange rate of the U.S dollar, Euro, British Pound, and Indian Rupee over the Canadian dollar would result in a change in foreign exchange of approximately \$24,000 to net and comprehensive loss.

**RISKS RELATED TO OUR BUSINESS**

The Company believes that the following risks and uncertainties may materially affect its success.

**Limited Operating History**

The Company has yet to generate a profit from its activities. The Company is subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its growth objective. The Company anticipates that it may take several years to achieve positive cash flow from operations.

**Substantial Capital Requirements and Liquidity**

Substantial additional funds for the establishment of the Company's current and planned operations will be required. No assurances can be given that the Company will be able to raise the additional funding that

may be required for such activities, should such funding not be fully generated from operations. Revenues, taxes, capital expenditures, operating expenses and development costs are all factors which will have an impact on the amount of additional capital that may be required. To meet such funding requirements, the Company may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion and pursue only those development plans that can be funded through cash flows generated from its existing operations.

#### **Financing Risks and Dilution to Shareholders**

The Company will have limited financial resources, no operations and hardly have revenues. There can be no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be available on favorable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity, which will result in dilution to the Company's shareholders.

#### **In Game Economy/Redemptions**

There is a risk of giving out too high of a quantity of PlayCash "points" to the players for their successful tasks and game play. This revshare has been intelligently calculated to start and will be reviewed on a daily basis to have adjustments made to ensure that the Company remains profitable after the points are rewarded and redeemed.

#### **Fraudulent Activities**

There is a risk of fraudulent activities where gift cards are used. Users may use hacking methods, use VPNs or may try to reverse engineer the code to increase their PlayCash "points" balances and to redeem PlayCash points for gift cards. There is also a risk that a Network advertiser may not pay Good Gamer for advertising revenue generated if fraudulent activities were discovered by the Network.

#### **Competition**

There is competition within the gaming and esports market. The Company will compete with other companies, many of which have greater financial, technical and other resources than the Company, as well as for the recruitment and retention of qualified employees and other personnel.

#### **Intellectual Property**

There are risks related to cybersecurity of the database in general, which are applicable to Good Gamer's business. The fact that Good Gamer is reliant on third-party ad networks and agencies to engage in its business, litigation risks associated with Good Gamer's business, the sufficiency of Good Gamer's intellectual property cannot be guaranteed, the risks associated with intellectual property infringement and invalidity claims and the risks present should Good Gamer be unable to adapt to changing technology and industry standards.

**Reliance on Management and Dependence on Key Personnel**

The success of the Company will be largely dependent upon the performance of the directors and officers and the ability to attract and retain key personnel. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company can maintain the service of its directors and officers, or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

**Governmental Regulations**

There are risks to the regulation of Good Gamer's business, which include the fact that the play-to-earn and real-money gaming industry may become regulated or banned by the Government and Good Gamer could be subject to regulatory investigations or proceedings as a result, while being subjected to social responsibility concerns.

**Foreign Exchange**

There are risks associated with Good Gamer having a foreign incorporated subsidiary such as that Good Gamer derives most of its revenue from foreign jurisdictions and, as a result, the business and operations of Good Gamer may be impacted by fluctuations in foreign currency, also any judgments rendered against Good Gamer may not be enforceable in any one jurisdiction.

**Stock Markets**

There are risks associated with the overall stock market turmoil and possible recession.

**Conflicts of Interest**

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies and, as a result of these and other activities, such directors and officers of the Company may become subject to conflicts of interest. The British Columbia Business Corporations Act ("BCBCA") provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to the issuer, the director must disclose his interest in such contract or agreement and refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA.

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

**Limited Insurance Coverage**

Due to the Company's nature of business and limited operational history, it is challenging to obtain business and directors and officers insurance from the insurance brokers. Therefore, there is a probability

that the Company may operate without full insurance coverage and would bear all risk and obligations which may arise from various events.

### **Payment Processing**

There is a risk where the business may lose its payment processing or banking. Some banks may decide not to allow gaming companies (even skill gaming) to deposit funds.

### **Business Cooperation With Gaming Industry and NFTs**

It became evident that large multinational incorporated businesses are reluctant to engage into business connections with companies from the gaming industry and crypto/NFT industry due to legal uncertainties and internal policies and decisions. Therefore, the Company may incur additional costs and efforts to prove the legitimacy of its operations to obtain a contract for services from such corporations, or may be denied the service at all.

### **Business Cooperation With Online App Stores**

The Company's apps operation is reliant on the access to the major global online app stores such as Google Play Store and Apple App Store, which maintain their own policies and any changes to these may affect Company's ability to provide access for download of the Company's apps by the end users, or to utilize in-store marketing tools to promote the apps, which would have negative impact on business operations.

### **Business Cooperation With App Monetization Platforms**

Company's app monetization ability is reliant on the third-party monetization platforms, which determine the revenue amounts earned from in-app advertising and reserve the right to review and charge back any of the amounts earned, which could negatively affect the Company's revenues.

### **Labor Market in Gaming Industry**

The gaming industry is a new growing industry, so the labor market is on its infancy stage resulting to a possible shortage of current and available professionals. Therefore, the Company may incur challenges with hiring qualified personnel to run business operations and further develop its products.

### **Public Interest Trends**

Skill gaming and NFT games are relatively new products in the gaming world and there are no historical trends of public interest available yet. Therefore, the Company cannot guarantee the long-term success of its products and that interest from the players (customers) will be retained in the long run as it may change with the new gaming products that become available. There have been several large transactions in the 'Tournament Management Space' including Growth Curve Capital becoming majority shareholders in Mistplay, as well as Repeat.gg recently being acquired by Sony as part of their continued esports expansion. Free-to-Play casual games are a massively growing market with our focus on "puzzle" games being very popular and 'sticky' with the 30+ demo.

## **CAPITAL MANAGEMENT**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes its components of equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets.

In order to maximize ongoing capital management efforts, the Company does not pay out dividends. Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the relative size of the Company.

The Company currently is not subject to externally imposed capital requirements. There have been no changes in the Company's management of capital during the year.

## **DIRECTORS**

Certain directors of the Company are also directors, officers and/or shareholders of other companies that may be engaged in the similar business of developing technologies. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required to act in good faith with a view to the best interests of the Company and to disclose any interest they may have in any project opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his/her interest and abstain from voting in the matter(s). In determining whether or not the Company will participate in any project or opportunity; the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at the time.

On June 15, 2022 Robert Sean Penn was removed as Investor Relations Officer.

On October 31, 2022 Praveen Varshney resigned as Director.

*Current Directors and Officers of the Company are as follows:*

Charlo Barbosa, CEO and Director

Adam Hudani, Director and Audit Committee Chair

Howard Donaldson, Director

Russ McMeekin, Director

Leon Murdock, Director of Good Gamer US

Ravishankar Nagarajachar, Director and VP of Operations at Good Gamer India

Kelly Pladson, Corporate Secretary

Zara Kanji, CFO

**OUTLOOK**

The Company's objective is to maximize the value of the Company for our shareholders, and our strategy to obtain this result is to focus on project evaluations and project generation. To proceed with this strategy, additional financings may be required during the current fiscal year.