

NOVEMBER 11, 2019

# BRAGG

## GAMING GROUP

*Bragg Gaming Group Inc*

MANAGEMENT DISCUSSION & ANALYSIS

FOR THE THREE-MONTH AND NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019

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## 1. MANAGEMENT DISCUSSION & ANALYSIS

This Management Discussion and Analysis (“MD&A”) provides a review of the results of operations, financial condition and cash flows for Bragg Gaming Group Inc on a consolidated basis, for the three months and nine-months ended September 30, 2019 (“Q3-2019”). References to “Bragg”, the “Company”, the “Group” or the “Corporation” in this MD&A refer to Bragg Gaming Group Inc and its subsidiaries, unless the context requires otherwise. This document should be read in conjunction with the information contained in the Corporation’s audited consolidated financial statements and related notes for the three-months and nine-months ended September 30, 2019 (the “Q3-2019 Financial Statements”).

For reporting purposes, the Corporation prepared the Q3-2019 Financial Statements in Canadian Dollars and, unless otherwise indicated, in conformity with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). The financial information contained in this MD&A was derived from the Q3-2019 Financial Statements. Unless otherwise indicated, all dollar (“\$”) and “CDN” amounts and references in this MD&A are in and to Canadian Dollars, references to “EUR” or “€” are to European Euros, references to “GBP” or “£” are to British pound sterling and references to “USD” or “US\$” are to U.S. Dollars. Unless otherwise indicated, all references to a specific “note” refer to the notes to the Q3-2019 Financial Statements.

This MD&A references non-IFRS and generally accepted accounting principles (“GAAP”) financial measures, including those under the headings “Selected Financial Information” and “Key Metrics” below. The Corporation believes these non-IFRS financial measures will provide investors with useful supplemental information about the financial performance of its business, enable comparison of financial results between periods where certain items may vary independent of business performance, and allow for greater transparency with respect to key metrics used by management in operating its business and making decisions. Although management believes these financial measures are important in evaluating the Corporation, they are not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with IFRS. They are not recognized measures under IFRS and do not have standardized meanings prescribed by IFRS. These measures may be different from non-IFRS financial measures used by other companies, limiting its usefulness for comparison purposes. Moreover, presentation of certain of these measures is provided for period-over-period comparison purposes, and investors should be cautioned that the effect of the adjustments thereto provided herein have an actual effect on the Corporation’s operating results.

For purposes of this MD&A, the term “gaming license” refers collectively to all the different licenses, consents, permits, authorizations, and other regulatory approvals that are necessary to be obtained in order for the recipient to lawfully conduct (or be associated with) gaming in a particular jurisdiction.

Unless otherwise stated, in preparing this MD&A the Corporation has considered information available to it up to November 11, 2019, the date the Corporation’s board of directors (the “Board”) approved this MD&A.

## 2. CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This MD&A and the Q3-2019 Financial Statements may constitute forward-looking information and statements (collectively, “forward-looking statements”) within the meaning of the Canadian securities legislation and applicable securities laws, including financial and operational expectations and projections. These statements, other than statements of historical fact, are based on management’s current expectations and are subject to a number of risks, uncertainties, and assumptions, including market and economic conditions, business prospects or opportunities, future plans and strategies, projections, technological developments, anticipated events and trends and regulatory changes that affect the Corporation, its subsidiaries and their respective customers and industries. Although the Corporation and management believe the expectations reflected in such forward-looking statements are reasonable and are based on reasonable assumptions and estimates as of the date hereof, there can be no assurance that these assumptions or estimates are accurate or that any of these expectations will prove accurate. Forward-looking statements are inherently subject to significant business, regulatory, economic and competitive risks, uncertainties and contingencies that could cause actual events to differ materially from those expressed or implied in such statements. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “would”, “should”, “believe”, “objective”, “ongoing”, “imply” or the negative of these words or other variations or synonyms of these words or comparable terminology and similar expressions.

By their nature forward-looking statements are subject to known and unknown risks, uncertainties, and other factors which may cause actual results, events or developments to be materially different from any future results, events or developments expressed or implied by such forward-looking statements. Such factors include, among other things, the Corporation’s stage of development, long-term capital requirements and future ability to fund operations, future developments in the Corporation’s markets and the markets in which it expects to compete, risks associated with its strategic alliances and the impact of entering new markets on the Corporation’s operations. Each factor should be considered carefully, and readers are cautioned not to place undue reliance on such forward-looking statements. See the section, “Risk Factors and Uncertainties”, below noting that these factors are not intended to represent a complete list of the factors that could affect the Corporation.

Shareholders and investors should not place undue reliance on forward-looking statements as the plans, assumptions, intentions or expectations upon which they are based might not occur. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement. Unless otherwise indicated by the Corporation, forward-looking statements in this MD&A describe the Corporation’s expectations as of November 11, 2019 and, accordingly, are subject to change after such date. The Corporation does not undertake to update or revise any forward-looking statements, except in accordance with applicable securities laws.

### 3. LIMITATIONS OF KEY METRICS AND OTHER DATA

The Corporation's key metrics are calculated using internal Corporation data. While these numbers are based on what the Corporation believes to be reasonable judgments and estimates of customer numbers for the applicable period of measurement, there are certain challenges and limitations in measuring the usage of its product offerings across its customer base.

In addition, the Corporation's key metrics and related estimates may differ from estimates published by third parties or from similarly-titled metrics of its competitors due to differences in methodology and access to information.

For important information on the Corporation's non-IFRS measures, see the information presented in "Key metrics" and "Selected financial information" below. The Corporation continually seeks to improve its estimates of its active customer base and the level of customer activity, and such estimates may change due to improvements or changes in the Corporation's methodology.

## 4. OVERVIEW OF Q3-2019

### 4.1 EXECUTIVE SUMMARY

Q3-2019 ends the first three quarters of 2019, Bragg's first fiscal year. The Corporation performed extremely well in this quarter, achieving CDN \$10.0M in revenue, gross profit of CDN \$4.3M, EBITDA of CDN \$0.2M, and net loss from continuing operations of CDN \$0.2M. These results culminated in a strong performance for the first 9 months of 2019 with revenue of CDN \$28.0M, gross profit of CDN \$12.6M, EBITDA of CDN \$0.6M and net loss from continuing operations of CDN \$7.6M.

Oryx Gaming, Bragg's flagship property, experienced a strong growth within the quarter with revenue increasing by 29.5% over the same period in the prior year. Oryx launched 10 new operators in Q3-2019, and has built a strong pipeline of over 14 additional operators to be onboarded in the coming months, maintaining the strong pace of customer deployment. Furthermore, Oryx signed agreements with notable industry players such as Kambi Group, Seneca Gaming Corporation, Betclix, and LeoVegas AB.

In addition, Oryx made significant progress diversifying geographic revenue and mitigating risk in the third quarter, evidenced by decreased customer (operators) concentration and increased revenue from operators in new geographies. Oryx revenues from operators with German operations increased 8.7% in Q3-2019 compared with the same period in the prior year, while Oryx's revenue from all remaining operators grew 54.6% within the quarter.

Bragg Gaming Group recently entered into a strategic partnership with Kambi Group, a well-established provider of premium sports betting services with an extensive client base. Bragg will be providing online casino services and unique player account management (PAM) along with Kambi's sports betting services to operators worldwide, with an initial focus on the burgeoning US market.

This newly created partnership recently signed a deal with New York's Seneca Gaming Corporation (SGC), which operates all of the Nation's Class III gaming operations in western New York. The Bragg-Kambi team will collaborate to provide SGC with a combination of their services and products for three New York casinos. Subject to regulation, Bragg will be the exclusive provider for the online casino platform, with experts advising a likely regulatory framework will be in place by H2-2020.

Throughout the rest of 2019 and into 2020, Bragg is focused on expanding its B2B gaming business and operator base both organically and through strategic partnerships and acquisitions. Bragg sees the U.S. as having strong potential, as new regulations pave the way for each state to regulate and legitimize gambling. Bragg's recent entry into the U.S. market is a huge milestone for the company and the company anticipates strong growth and expansion in this market. The U.S. market is predicted to grow to US \$8.1B by 2024, and the current illegal market is estimated to be significantly more<sup>1</sup>.

Bragg continues to evaluate all strategic options that will enhance shareholder value, including potential M&A transactions.

### 4.2 ORYX

Oryx Gaming is an innovative B2B gaming solution provider. Leveraging their industry-leading technology, Oryx offers a turnkey solution, including an omni-channel retail, online and mobile iGaming platform, as well as an advanced content aggregator, sportsbook, lottery, marketing and operational services. Renowned for its rapid and seamless integration, Oryx's content aggregator combines casino, slots, live dealer, lottery, virtual sports and instant-win game content from top tier gaming content providers, along with proprietary content, and is fully compliant with major regulated jurisdictions, allowing operators to access over 8,000 world-class games through a single account. Oryx's content partners include some of the most reputable companies in the space.

Oryx is incorporated in the State of Delaware and headquartered in Las Vegas. Its primary operations are provided through its wholly-owned subsidiaries in Malta, Slovenia and Cyprus.

In Q3-2019, the implementation and sales team continued the strong performance they delivered in H1, with 10 new operators launched. In addition, they've built a strong pipeline to finish out 2019 and enter 2020. Oryx's overall revenue grew by 29.5% for the 3 months ended September 30, 2019 compared with the same period in 2018, with operators with German operations increasing by 8.7% and those with operations from the rest-of the world increasing by 54.6%. Although significant progress is being made to the regulatory environment, uncertainty continues in Germany. Oryx's key German facing customers, all have Schelswig-Holstein (SH) casino licenses. SH along with the state of Hesse, have given all the other states until the end of Q1-2020 to decide whether to accept their regulatory model across the whole of Germany and if not, they have confirmed they will go alone with any other state willing to join. Barring any other changes, the existing framework is expected to continue until mid-2021.

Oryx recently announced that it has signed a deal with New York based Seneca Gaming Corp (SGC) to provide casino services and player account management (PAM) to SGC's three New York Casinos. The agreement is in partnership with Kambi Group Plc,

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<sup>1</sup> Source: Financial Times "A bet on America: the sports gambling gold rush" published October 16, 2019 available at <https://www.ft.com/content/d9355018-e9e0-11e9-a240-3b065ef5fc55>

a provider of premium sports betting services to licensed B2B gaming operators. Bragg and Kambi also announced a global gaming arrangement to explore and collaborate on strategic opportunities in the U.S. market and worldwide. Entry into the U.S. market has been a primary initiative for Bragg since the company's inception, and this series of agreements marks a significant milestone achieved for the company. Management believes this partnership could in the long term have a material impact on revenues due to the size and scale of the Kambi footprint but also due to the technical dependency Kambi has regarding PAM in order to operate their sportsbook. Online casino typically generates greater revenue than sport betting, as has been the case in New Jersey and many other regulated markets. Given the competitive nature of the Oryx casino, positions it extremely well to use this as a foundation to gain significant share where such opportunities exist.

Looking ahead, Bragg will be dedicating a majority of its resources on growing Oryx's international reach in regulated markets and strengthening its client base.

#### 4.3 GIVEMESPORT

In the previous quarter the Company announced that it had instigated a strategic review of GiveMeSport. The strategic review of the online media divisions consisting of the GiveMeSport asset continues to be ongoing and the Board expects this to be completed in Q1-2020.

GiveMeSport ("GMS") is a sport media outlet sharing exclusive player and manager interviews, and providing fans with up-to-date features, match previews and match reviews. GMS shares breaking UK and European sports news, results, fixtures and stats, as well as photos and videos on trending sports topics. As the number one Facebook Sport Publisher, GMS has 26.1M Facebook followers, more than ESPN (19.4M) and SkySports (11.8M).

Since the management of this operation by Bragg at the start of the year, GMS has adopted a content first strategy. This has resulted in a significant reduction in output (from 100 articles a day to 25) but an increase in quality and therefore engagement and average views per article.

Building upon this content-first strategy, GMS recently re-launched their web platform. The site is now quicker, slicker, and more intuitive and will have a lighter ad load. The aim is to increase direct/search traffic and crucially to increase pages per visit. Engagement has increased significantly in Q3-2019 and October 2019 performed very well with site traffic growing from 15.9M visitors to 23.3M organic visitors.

## 5. FINANCIAL RESULTS

### 5.1 BASIS OF FINANCIAL DISCUSSION

The financial information presented below has been prepared to examine the results of operations from continuing activities. As such, due to the reasons cited in Note 5 of the interim Financial Statements, the performance of the Online Media division has been excluded. The prior period comparatives exclusively contain the operations of the discontinued operation and therefore no prior period comparatives have been presented.

### 5.1 SELECTED FINANCIAL INFORMATION

Selected financial information for the three-months ended September 30, 2019 and nine -months ended September 30, 2019 are set forth below:

	Three months ended September 30, 2019	Nine months ended September 30, 2019
	\$	\$
<b>Revenue</b>	9,996,049	28,006,658
<b>Net loss from continuing operations</b>	(187,006)	(7,605,977)
<b>Net loss</b>	(316,513)	(9,885,953)
<b>Total assets (as at)</b>	66,146,919	\$70,812,787 as at December 31, 2018.
<b>Total liabilities (as at)</b>	49,003,014	\$45,945,312 as at December 31, 2018.

Net loss from continuing operations for the 3-months ended September 30, 2019 was \$187,006. This included the following items within general and administrative expenses:

- Stock-based compensation of \$126,922; offset-by
- Remeasurement of contingent consideration of \$317,210; and
- Gain on measurement of deferred consideration of \$330,00

### 5.2 OTHER FINANCIAL INFORMATION

To supplement its Q3-2019 Financial Statements presented in accordance with IFRS, the Corporation considers certain financial measures that are not prepared in accordance with IFRS. The Corporation uses such non-IFRS financial measures in evaluating its operating results and for financial and operational decision-making purposes. The Corporation believes that such measures help identify underlying trends in its business that could otherwise be masked by the effect of the expenses that it excludes in such measures.

The Corporation also believes that such measures provide useful information about its operating results, enhance the overall understanding of its past performance and future prospects and allow for greater transparency with respect to key metrics used by management in its financial and operational decision-making. However, these measures should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with IFRS. There are a number of limitations related to the use of such non-IFRS measures as opposed to their nearest IFRS equivalents.

The primary non-IFRS financial measure which the Corporation uses is EBITDA. A reconciliation from Reported operating income to EBITDA is presented in the table below:

	Three months ended September 30, 2019	Nine months ended September 30, 2019
	\$	\$
<b>Reported operating loss for the year from continuing operations</b>	<b>(117,479)</b>	<b>(7,393,958)</b>
<b>Add back depreciation and amortization</b>		
- Depreciation of property and equipment	85,282	253,975
- Amortization of intangible assets	705,001	2,077,749
<b>Add back non-cash and one-off items</b>		
- Stock-based compensation	126,922	1,403,437
- Transaction and acquisition costs	-	25,537
- (Gain) / Loss on remeasurement of contingent consideration	(317,210)	5,209,140
- Gain on remeasurement of deferred consideration	(330,000)	(984,266)
<b>EBITDA</b>	<b>152,516</b>	<b>591,613</b>

#### 5.4 SUMMARY OF QUARTERLY RESULTS

The following table presents the selected financial data for each of the last eight quarters of the Corporation ended September 30, 2019.

CDN\$	Quarter Ended (Unaudited)							
	31-Dec-17	31-Mar-18	30-Jun-18	30-Sep-18	31-Dec-18	31-Mar-19	30-Jun-19	30-Sep-19
Revenue	3,196,218	3,415,826	3,384,861	2,135,794	3,311,935	9,196,309	8,814,300	9,996,049
Net loss from continuing operations	(2,455,728)	(14,078,902)	(1,729,918)	(11,289,826)	(8,911,095)	(920,451)	(6,356,028)	(117,479)
Loss per share from continuing operations	(0.09)	(0.51)	(0.06)	(0.40)	(0.30)	(0.02)	(0.08)	(0.00)

#### 5.5 LIQUIDITY AND CAPITAL RESOURCES

The Corporation's principal sources of liquidity are its cash generated from operations. Currently available funds consist primarily of cash on deposit with banks.

The Corporation calculates its working capital requirements as follows:

	As at September 30, 2019	As at December 31, 2018
	\$	\$
<b>Cash</b>	<b>1,333,799</b>	<b>8,571,701</b>
Add trade and other receivables	6,830,837	6,414,785
Prepaid expenses, deposits and other assets	629,860	458,587
Less current liabilities	(26,223,002)	(15,832,190)
<b>Net working capital</b>	<b>(17,428,506)</b>	<b>(387,116)</b>

The fair value of the current contingent consideration (due in June 2020, or at some later date if agreed) is \$15,331,652. It is management's expectation that it will satisfy this payable through the value realized through the disposition of Online Media Division, and the balance through a capital raise. Excluding the current contingent consideration from the net working capital reduces this balance to \$2,096,854.

The business manages cash flow carefully. The Oryx Gaming business is EBITDA positive and generates cash from operations, which is used to finance the Group. Net cash used in operating activities (see section 5.6) has improved from utilizing \$4,166,477 for the six months to June 30, 2019 to \$3,247,908 for the nine months to September 30, 2019; which means that the Group generated \$918,569 within Q3-2019.

#### MARKET RISK

The Corporation is exposed to market risks, including changes to foreign currency exchange rates and interest rates.

#### FOREIGN CURRENCY EXCHANGE RISK

The Corporation is exposed to foreign currency risk, which includes risks related to its revenue and operating expenses denominated in currencies other than the Canadian Dollar (which is its reporting currency). In general, the Corporation is a net receiver of currencies other than the Canadian Dollar, primarily the Euro and British Pounds, which is the primary contracting currency of the Corporation's customers. Accordingly, changes in exchange rates may in the future reduce the purchasing power of the Corporation's customers thereby potentially negatively affecting the Corporation's revenue and other operating results.

The Corporation has experienced and will continue to experience fluctuations in its net earnings as a result of translation gains or losses related to revaluing certain current asset and current liability balances that are denominated in currencies other than the functional currency of the entities in which they are recorded.

#### LIQUIDITY RISK

The Corporation is also exposed to liquidity risk with respect to its contractual obligations and financial liabilities. The Corporation manages liquidity risk by continuously monitoring its forecasted and actual cash flows, and matching maturity profiles of financial assets and liabilities.

### 5.6 CASH FLOWS BY ACTIVITY

COMPARISON OF THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2019 AND THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2018.

	<b>Nine months ended September 30, 2019</b>	<b>Nine months ended September 30, 2018</b>
	<b>\$</b>	<b>\$</b>
<b>Net cash used in operating activities</b>	(3,247,908)	(2,858,844)
<b>Net cash provided by financing activities</b>	(657,499)	2,640,000
<b>Net cash provided by / (used in) investing activities</b>	(3,284,641)	(850,546)

#### CASH INFLOWS FROM OPERATING ACTIVITIES

The Corporation's cash used in operating activities increased from the prior period due to the settlement of transaction related expenditure and timing differences.

#### CASH OUTFLOWS FROM FINANCING ACTIVITIES

The Corporation's cash from financing activities in the prior period was as a result of the issuance of common shares in relation to a financing event.

#### CASH OUTFLOWS FROM INVESTING ACTIVITIES

The Cash outflow from investing activities included capital expenditure incurred in the period and deferred consideration paid in respect of the Oryx acquisition of \$955,020.

## 6. RISK FACTORS AND UNCERTAINTIES

Certain factors, listed below, may have a material adverse effect on the Corporation's business, financial condition and results of operations. Current and prospective investors should carefully consider the risks and uncertainties and other information contained in this MD&A and the Q3-2019 Financial Statements.

The risks and uncertainties described herein and therein are not the only ones the Corporation may face. Additional risks and uncertainties that the Corporation is unaware of, or that the Corporation currently believes are not material, may also become important factors that could adversely affect the Corporation's business. If any of such risks actually occur, the Corporation's business, financial condition, results of operations, and future prospects could be materially and adversely affected.

### 6.1 GENERAL BUSINESS RISKS AND THOSE ASSOCIATED WITH THE GIVEMESPORT BUSINESS

#### LIMITED OPERATING HISTORY

The Corporation has a limited operational history. The Corporation has never paid dividends and has no present intention to pay dividends. The Corporation is in the early commercialization stage of its business and therefore will be subject to the risks associated with early stage companies, including uncertainty of revenues, markets and profitability and the need to obtain additional funding. The Corporation will be committing, and for the foreseeable future will continue to commit, significant financial resources to marketing, product development and research. The Corporation's business and prospects must be considered in light of the risks, expenses and difficulties frequently encountered by companies in the early stage of development. Such risks include the evolving and unpredictable nature of the Corporation's business, the Corporation's ability to anticipate and adapt to a developing market and the ability to identify, attract and retain qualified personnel. There can be no assurance that the Corporation will be successful in doing what is necessary to address these risks.

#### KEY PERSONNEL

The success of the Corporation may be dependent on the services of its senior management and consultants. The experience of these individuals may be a factor contributing to the Corporation's continued success and growth. The loss of one or more of its key employees or consultants could have a material adverse effect on the Corporation's operations and business prospects. In addition, the Corporation's future success will depend in large part on its ability to attract and retain additional highly skilled technical, management, sales and marketing personnel. There can be no assurance that the Corporation will be successful in attracting and retaining such personnel and the failure to do so could have a material adverse effect on the Corporation's business, operating results and financial condition.

#### ADDITIONAL FINANCING REQUIREMENTS

In order to accelerate the Corporation's growth objectives, it may need to raise additional funds from lenders and equity markets in the future. There can be no assurance that the Corporation will be able to raise additional capital on commercially reasonable terms to finance its growth objectives. The ability of the Corporation to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Corporation. There can be no assurance that the Corporation will be successful in its efforts to arrange additional financing on terms satisfactory to the Corporation. If additional financing is raised by the issuance of common shares from the treasury of the Corporation, control of the Corporation may change and shareholders may suffer additional dilution.

#### COMPETITION

The Corporation may not be able to compete successfully against current and future competitors, and the competitive pressures the Corporation faces could harm its business and prospects. Broadly speaking, the market for gambling businesses and media companies is highly competitive. The level of competition is likely to increase as current competitors improve their product offerings and as new participants enter the market. Some of the Corporation's current and potential competitors have longer operating histories, larger customer bases, greater name and brand recognition and significantly greater financial, sales, marketing, technical and other resources than the Corporation. Additionally, these competitors have research and development capabilities that may allow them to develop new or improved products that may compete with products the Corporation markets and distributes.

New technologies and the expansion of existing technologies may also increase competitive pressures on the Corporation. Increased competition may result in reduced operating margins as well as loss of market share.

#### MANAGEMENT OF GROWTH

The Corporation may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The Corporation's ability to manage its growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base.

The inability of the Corporation to deal with this growth could have a material adverse impact on its business, operations and prospects. While management believes that it will have made the necessary investments in infrastructure to process anticipated volume increases in the short term, the Corporation may experience growth in the number of its employees and the scope of its operating and financial systems, resulting in increased responsibilities for the Corporation's personnel, the hiring of additional personnel and, in general, higher levels of operating expenses. In order to manage its current operations and any future growth effectively, the Corporation will also need to continue to implement and improve its operational, financial and management

information systems and to hire, train, motivate, manage and retain its employees. There can be no assurance that the Corporation will be able to manage such growth effectively, that its management, personnel or systems will be adequate to support the Corporation's operations or that the Corporation will be able to achieve the increased levels of revenue commensurate with the increased levels of operating expenses associated with this growth.

#### NEGATIVE CASH FLOW AND ABSENCE OF PROFITS

The Corporation has not earned any profits to date and there is no assurance that it will earn any profits in the future, or that profitability, if achieved, will be sustained. A significant portion of the Corporation's financial resources will continue to be directed to the development of its products and to marketing activities. The success of the Corporation will ultimately depend on its ability to generate revenues from its product sales, such that the business development and marketing activities may be financed by revenues from operations instead of external financing. There is no assurance that future revenues will be sufficient to generate the required funds to continue such business development and marketing activities.

#### CONFLICTS OF INTEREST

Certain proposed directors and officers of the Corporation may become associated with other reporting issuers or other Companies which may give rise to conflicts of interest. In accordance with the Canada Business Corporations Act, directors who have a material interest or any person who is a party to a material contract or a proposed material contract with the Corporation are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors are required to act honestly and in good faith with a view to the best interests of the Corporation, as the case may be. Certain of the directors have either other employment or other business or time restrictions placed on them and accordingly, these directors will only be able to devote part of their time to the affairs of the Corporation.

## 7. ADDITIONAL INFORMATION

Additional information relating to the Corporation, including the Corporation's annual information form, quarterly and annual reports and supplementary information is available on SEDAR at [www.sedar.com](http://www.sedar.com). Press releases and other information are also available in the Investor section of the Corporation's website at [www.bragg.games](http://www.bragg.games).