MOOVLY MEDIA INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Expressed in Canadian Dollars)

Year Ended
September 30, 2023

Report Date – March 21, 2024

INTRODUCTION

Moovly Media Inc. ("Moovly" or the "Company") is a publicly traded company that was incorporated on December 28, 2006, under the laws of British Columbia, Canada. The Company is a reporting issuer in British Columbia, Alberta and Ontario, and its common shares are listed and posted for trading on the TSX Venture Exchange ("TSX-V") under the trading symbol "MVY". The Company completed a name change from Pantheon Ventures Ltd. ("Pantheon") on July 27, 2016 in conjunction with the completion of a reverse takeover ("RTO") transaction with Moovly NV, a privately held technology company that was incorporated in Brussels, Belgium on November 6, 2012. The Company's head office and registered records office is located at 1558 West Hastings Street, Vancouver, BC, V6G 3J4.

In accordance with Form 51-102F1, the following Management's Discussion & Analysis ("MD&A") provides a review of activities, results of operations and financial condition of Moovly for the year ended September 30, 2023. The following discussion and analysis should be read in conjunction with the Company's audited consolidated financial statements for the year ended September 30, 2023 which were prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). All monetary amounts, unless otherwise indicated, are expressed in Canadian dollars. The reader should be aware that historical results are not necessarily indicative of future performance.

FORWARD-LOOKING STATEMENTS

Certain statements in this MD&A, including statements or information containing terminology such as "anticipate", "believe", "intend", "expect", "estimate", "may", "could", "will", and similar expressions constitute "forward-looking statements" within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, that address activities, events, or developments that Moovly or a third party expect or anticipate will or may occur in the future, including Moovly's future growth, expenses results of operations, performance, and business prospects and opportunities are forward-looking statements.

These forward-looking statements reflect Moovly's current beliefs and are based on information currently available to Moovly. These statements require Moovly to make assumptions Moovly believes are reasonable but that are subject to inherent risks and uncertainties. Actual results and developments may differ materially from the anticipated results and developments discussed in the forward-looking statements as certain of these risks and uncertainties are beyond our control. These risks include several of the factors discussed further under the "Risk" section of this document. These risk factors are interdependent and the impact of any one risk or uncertainty on a particular forward-looking statement is not determinable.

Examples of forward-looking statements in this MD&A and the key assumptions and risk factors involved in such statements include, but are not limited to, the statements related to management's expectations that Moovly's increasing sales trend will continue throughout 2024 and beyond, that e-commerce revenues will continue to increase and accelerate with additional marketing and online sales expenditure, and that revenues from blue chip corporate clients will continue to grow in 2024. These statements are based on the assumption that market acceptance and adoption of Moovly's products will continue or accelerate and therefore that current sales trends will continue or accelerate.

Consequently, all of the forward-looking statements made in this MD&A are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected effects on Moovly. These forward-looking statements are made as of the Report Date of this MD&A. Except as required by applicable securities legislation, we assume no obligation to update publicly or revise any forward-looking statements to reflect subsequent information, events, or circumstances.

MOOVLY BUSINESS OVERVIEW

In 2012 while both executives and shareholders of a digital agency, Moovly's founders recognized the growing market demand for lower cost video and animated high impact multimedia content, mostly in the form of videos to explain or promote something. The demand to use multimedia content to explain and/or promote products, companies, processes and services was clearly growing and becoming a major trend globally. Making rich multimedia content was and remains however technically challenging and costly using traditional methods. The founders incubated the idea that a technical platform could be developed whereby end-users without extensive technical or graphical training would be capable of creating their own animated videos and other rich multimedia content, thus avoiding the high cost of traditional agency fees to have those products made for them. It is with that vision that the Moovly founders set out to create a platform that allows everyone to create animated videos and other rich multimedia content in a "Drag and Drop" fashion with just a few clicks. Prior to developing the platform itself, the founders created a proof of concept which was made available to 18 different large and small companies to test and provide feedback. The proof of concept platform was extensively used over a 6-month period while feedback was gathered and usability assessed. Based on the feedback received from those initial test companies and the users in each, as well as extensive market and competitive analysis, the founders decided to set up Moovly and began product development in early 2013 of the platform from scratch, disposing of the proof of concept which had served its purpose. Working under the radar, Moovly developed its platform and only launched the first version of its commercial "cloud-based digital media and content creation platform" at the end of October 2013. The decision was made at the time to follow the industry trend and exploit the platform using a Freemium SaaS (Software as a Service) business model internationally. Today clients include consumers, students, educational institutions, start-ups, SMEs, brands and large blue chip multinational corporations.

Moovly allows anyone to create rich multimedia content, either from scratch or using templates, without the need to be a multimedia expert nor having to use specialist software programs. Furthermore, any content created using Moovly's platform can be easily adapted, translated, updated and modified, significantly increasing the ROI (return on investment) of the user. Using a drag and drop interface, users can compose and animate graphical objects and synchronize these with sound (voice or music) using a simple timeline. Moovly also features an API (application programming interface) that can be used by third parties for semi and fully automatic video generation (e.g. for brand campaigns, user generated content contests or other content creation applications). Brands and large enterprises can fully customize Moovly to use with their own custom graphical libraries, fonts and color sets.

Even though Moovly has achieved commercialization of its product, the product remains under constant development to expand its possibilities and to extend the platform with new features, functionality and to other devices to reach the widest possible audience.

Moovly's commercialization strategy consists of 3 main pillars:

- E-Commerce: Moovly will continue to organically grow its E-Commerce business at a pace in line with available cash flow to drive marketing expenditure. This combined with dedicated customer service and support resources to drive and keep churn low should result in a stable base of income with growth.
- Direct Corporate Sales: Increasing large multinational enterprise clients are seeking alternatives and engaging ways to communicate with their clients, staff, partners etc. These clients tend to take longer to make their decision, thus a long sales cycle, however they are higher value clients who tend to be loyal long term. A good example of this is Amadeus which was announced in 2019. There are numerous others.
- Partnerships: Moovly believes that it is the thought and technology leader in the space as such we believe we have the best video content creation platform on the market. We will seek to partner with companies looking to add the Moovly products to their own either as resellers, branded value-added resellers and integration partners seeking to off a video content creation tool to their own clients (whether branded Moovly or not). An example of this strategy working is the signing of Boxlight for sales into the Education Sector.

RECENT BUSINESS DEVELOPMENTS

Moovly Signs Reseller Partnership with Goviideo Interactive
In September 2023, Moovly signed a reseller partnership with Goviideo, a leading video services and strategy agency in Spain serving a range of customers through different sectors, including Jaguar, Land Rover, Liceo Europeo, Citroen and many more. The firm consults in corporate and interactive video solutions.

Moovly Launches New Video Maker with Leading News Publisher
In July 2023, Moovly launched its cutting-edge tool, the News Video Maker. Developed in collaboration with a prominent news publishing and content platform company in the United States. This innovative tool empowers journalists to effortlessly produce captivating "teaser" videos for their websites and social media channels. The News Video Maker aims to boost traffic, advertising revenue and subscriptions, revolutionizing the news media sector. Moovly's News Video Maker leverages the Company's latest dynamic templating technology enabling subscribers to build advanced dynamic templates for various application-specific video maker tools. This technology offers enhanced template design flexibility, allowing the same template to be utilized for multiple news articles automatically.

Moovly's E-Commerce Video Maker Available on Spotify
In March 2023, Moovly integrated its e-commerce video maker into Shopify, enabling Shopify-based web shops and their users and agencies to easily create product videos and video ads based on product data and visuals in their Shopify accounts. This integration provides Shopify customers and agencies with the tools needed to increase their e-commerce sales using video. When combined with the Moovly Automator, users can produce large volumes of product adverts or product videos automatically.

Moovly Expands Partnership with Getty Images
In March 2023, Moovly signed an extended partner agreement with preeminent global visual content creator and marketplace, Getty Images, offering Moovly customers over 100 million media assets to license in their video projects made on the Moovly platform. The Getty Images integration allows Moovly users to access the impressive digital asset libraries from Getty Images and iStock seamlessly inside the Moovly Studio Editor.

Moovly Integrates ChatGPT Functionality Enabling AI-Based Video Content Creation
In February 2023, Moovly integrated the Moovly platform with OpenAI GPT-3 to bring customers next-generation AI capabilities. The initial integration within Moovly applies these capabilities for video script generation, enabling smart, AI-based automated video content creation, representing the first step to building an end-to-end automatic video generation solution.

Moovly Partners with Wehaa for Video Automation
In January 2023, Moovly signed a video automation partnership with Wehaa. Wehaa is a multinational digital service provider for integrated media companies. It is trusted by hundreds of media companies across North America such as The Washington Post, The Seattle Times, Black Press Media and many others. Wehaa uses Moovly's video creation studio and Moovly's video automator (API) technology to easily create videos using templates created on the Moovly platform. Integrating with Wehaa's dynamic inventory technology, Moovly's API is used to populate the video templates with relevant text, images and videos. Wehaa focuses on real estate and automotive advertising, and aims to serve many more sectors in the future using Moovly technology.

Moovly Becomes Amazon Ads Verified Partner
In January 2023, Moovly announced that it was an Amazon Ads verified partner, with new API integrations in place that help simplify the video creation process. Moovly's e-commerce video maker with this new functionality is now available to all Amazon Ads customers and product marketeers. Moovly has now integrated its new e-commerce video maker with the Amazon Ads API, enabling Amazon selling partners, product marketeers and agencies to create videos with a few clicks to incorporate the same product visuals and copy used on the product detail page within the Amazon store without an upfront fee or subscription.

Users will be able to make their own templates tailored to their unique needs. Those that decide to subscribe will also have full access to Moovly's advanced features, including AI translation.

Moovly Launches E-Commerce Video Maker Product
In October 2022, Moovly announced a video automation and video integration partnership with Nordic Easy. Nordic Easy is a fully on-line suite of sales, marketing and administration solutions for the real estate industry in Norway and Sweden. A vital part of this on-line suite of solutions is an ad maker for its clients to enable them to create images and videos using data from its real estate database. Moovly is the driving engine behind the video component.

Moovly Launches E-Commerce Video Maker Product
In October 2022, Moovly launched a new product called the E-Commerce Video Maker, focused on on-line commerce platforms. Based on the Moovly Automator and templating technology, the Moovly E-Commerce Video Maker, when integrated with e-commerce platforms, allows store owners to produce product or advertising videos with a simple click. Via the integration, the Moovly platform fetches all the digital assets (photos, product details etc) from the partner e-commerce platform and uses those assets and details to automatically produce the video. The resulting video can then be used on the e-commerce platform itself as well as on social media and third party advertising networks.

PERFORMANCE AND MILESTONES

Strategic Shift
Moovly continues to execute its three-prong strategy, which is starting to show traction in terms of increased sales leads particularly in the area of Corporate Sales and Partnership / Integrations.

These deals are bigger than the average deal size compared to e-commerce, they also take significantly longer to close, hence there is expected to be a lag between increase in leads and those leads turning into orders, cash and revenue. The Company is also seeking to simplify and make its advanced Automator and API capabilities available to organisations with large customer bases.

E-Commerce Business
The ecommerce part of Moovly's business has not grown as anticipated, thus putting more pressure on the Company to seek other revenue sources especially Enterprise and Automator sales. The Company continues to work with external parties to advise on these actions and campaigns.

Corporate Sales
This group is lead by the Company's co-founders with a team that has grown to three full-time dedicated corporate sales professionals over the past year. This increase in sales staff plus increased marketing efforts and expenditures is expected to drive this part of the business, namely sales to large corporations (mainly Fortune 5000 companies). Given the initial positive signs following implementation, the Company plans to accelerate this part of the strategy. One of the challenges Moovly faces is that most of the larger corporate clients the Company signs with have strict non-disclosure clauses as part of their agreements which prohibits Moovly from publicly disclosing them as clients or using them as references on the Company's public disclosure. The Company will continue to seek permission and where permitted announce deals as and when appropriate.

Partnerships
Believing that we have the best product and most flexible platform on the market, and now with some sales and marketing resources, the Company increased its Business Development team and has invested in additional resellers and referral partners in key industries. This activity, like the Corporate Sales division, has seen increased leads. While the sales process takes time, the deal size is typically significantly larger than an average e-commerce transaction. Moovly believes that this part of the strategy is showing positive signs and is worth continuing and accelerating. Part of the Company's business plan is to find companies interested in investing in marketing and selling a Moovly-based product to their clients and markets in exchange for a revenue share, thus offering Moovly growth potential without an upfront investment by Moovly (trading upfront Cost of Sale with success-based Cost of Acquisition).

Of particular note is the increase in interest from marketing agencies to use Moovly's automator and platform as an enabling technology upon which they can develop and deliver innovative new services which were not previously possible or economically viable.

Key performance indicators for the year ended September 30, 2023:

- Moovly continued it's indirect go to market strategy of seeking reseller and OEM partners to bring its video products to market. In particular, the ecommerce ecosystem (marketplaces, agencies etc.) and content management space (DAMs, News, etc.) and others.
- Focus sales on direct sales to larger companies for corporate video services plus enhance and simplify the automator capabilities making it easier to use and integrate by and with partners with large customer bases.
- Significantly improve the enterprise offering with new features with involvement of our largest customers and more advanced back office functionality (e,g, self admin, floating subscriptions assignment, usage statistics etc.).
- Increase security and scalability so support large volumes of content creation and multinational requirements.
- Expand partner program and sign both technology and reseller / channel partners.
- Expand the API functionalities to make them more useful and valuable to clients and partners wishing to integrate and work with Moovly.
- Seek 3rd party platforms seeking to add video to their offering and integrate Moovly's offering, rather than develop it themselves.

SELECTED ANNUAL INFORMATION

The following table sets out selected annual financial information for the last three financial years. The financial data has been prepared in accordance with IFRS:

	Year Ended September 30, 2023	**Year Ended September 30, 2022**	**Year Ended September 30, 2021**
	($)	**($)**	**($)**
Income Summary			
Revenue	1,366,293	1,401,174	1,605,164
Net Loss	(1,591,007)	(2,061,867)	(3,354,260)
Net Loss per Share	(0.01)	(0.01)	(0.02)
Financial Position Summary			
Total Assets	743,937	822,295	2,486,477
Total Non-Current Financial Liabilities	-	298,600	688,056

SUMMARY OF QUARTERLY RESULTS

The following table sets out selected unaudited consolidated financial information for the eight most recently completed quarters.

Three Months Ended	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022
	($)	($)	($)	($)
Total Revenue	356,434	309,864	350,680	349,315
Loss for the Period	(552,098)	(330,884)	(395,379)	(312,646)
Comprehensive Loss	(862,744)	(103,909)	(284,047)	(389,947)
Basic and Diluted Loss per Share	(0.00)	(0.00)	(0.00)	(0.00)

Three Months Ended	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021
	($)	($)	($)	($)
Total Revenue	327,541	346,041	358,100	369,492
Loss for the Period	(415,065)	(385,713)	(646,320)	(614,769)
Comprehensive Loss	(421,925)	(366,395)	(612,289)	(593,594)
Basic and Diluted Loss per Share	(0.00)	(0.00)	(0.00)	(0.00)

RESULTS OF OPERATIONS

Three-Month Period Ended September 30, 2023

Revenues for the three-month period ended September 30, 2023 (the "Current Quarter") was $356,434 compared to $327,541 during the three-month period ended September 30, 2022 (the "Prior Quarter"), representing an increase of $28,893.

Net loss for the Current Quarter was $552,098 compared to $415,065 for the Prior Quarter, representing an increase in loss of $137,033. Comprehensive loss for the Current Quarter was $862,744, compared to $421,925 for the Prior Quarter, representing an increase in loss of $440,819.

Year Ended September 30, 2023

Revenues for the year ended September 30, 2023 (the "Current Year") was $1,366,293 compared to $1,401,174 during the year ended September 30, 2022 (the "Prior Year"), representing a decrease of $34,881.

Net loss for the Current Year was $1,591,007 compared to $2,061,867 for the Prior Year, representing a decrease in loss of $470,860. Comprehensive loss for the Current Year was $1,640,647, compared to $1,994,203 for the Prior Year, representing a decrease in loss of $353,556.

Expenses for the Current Year were $2,906,272 as compared to $3,463,041 during the Prior Year. The primary reasons for the decrease in costs of $556,769 in the Current Year were as follows:

a) Advertising and promotion expenses decreased by $103,142 during the Current Year, as compared to the Prior Year due to the Company increasing its in-house advertising efforts as opposed to retaining independent contractors as it did in the Prior Year.
b) Wages and benefits decreased by $214,728 during the Current Year as compared to the Prior Year, as the Company employed additional employees in the Prior Year.
c) Share-based compensation decreased by $141,434 during the Current Year as compared to the Prior Year due to the granting and vesting of stock options during the respective years.

LIQUIDITY AND CAPITAL RESOURCES

The Company's consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing on reasonable terms and to commence profitable operations in the future. Moovly has continued to fund its growth through debt and equity raises. The growth that the Company has seen to date has been sufficient to attract investor interest, and it has allowed the Company to focus on developing an industry leading platform with "future proof" technical capabilities allowing the Company to accelerate and develop features in a flexible way.

Given the recent capital influx, management is focused on investing those proceeds to grow the team and invest in suitable sales and marketing activities versus the focus on short term cash flow last fiscal year when the Company did not have excess cash in hand. While sales traction is increasing, the Company is focused on larger, longer-term contracts which recognizes revenue over the life of the contract.

During the year ended September 30, 2023, the Company closed a private placement through the issuance of 9,000,000 units at a price of $0.075 per unit, for gross proceeds of $675,000, of which $30,000 was exchanged for debt. Each unit comprised one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $0.15 per share for a period of 24 months from the date of issuance.

As at September 30, 2023, the Company had cash of $23,288 (September 30, 2022 - $151,464) and a working capital deficiency of $4,593,015 (September 30, 2022 - $4,380,654 deficiency).

OFF-BALANCE SHEET ARRANGEMENTS

As at the Report Date the Company has no off-balance sheet arrangements.

PROPOSED TRANSACTIONS

As at the Report Date the Company has no proposed transactions.

DISCLOSURE OF OUTSTANDING SHARE DATA

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

As at the Report Date there were 195,029,573 common shares issued and outstanding.

Escrow

As of September 30, 2023, no common shares were held in escrow.

Warrants

As at the Report Date, the Company had the following warrants outstanding:

Expiry Date	Options Outstanding	Exercise Price
		($)
January 25, 2026	16,972,446	0.08
October 13, 2024	9,175,000	0.15
March 24, 2024	8,444,445	0.62
	34,591,891	0.28

Stock Options

As at the Report Date, the Company had the following stock options outstanding:

Expiry Date	Options Outstanding	Exercise Price
		($)
April 13, 2025	4,000,000	0.10
January 5, 2026	750,000	0.105
June 23, 2026	2,500,000	0.45
June 23, 2026	1,040,000	0.185
October 8, 2026	450,000	0.21
May 31, 2027	765,000	0.10
July 18, 2027	200,000	0.10
December 6, 2028	6,950,000	0.05
	16,655,000	0.14

TRANSACTIONS WITH RELATED PARTIES

The Company's key management personnel consist of directors, officers and companies owned or controlled in whole or in part by officers and directors. The following summarizes the Company's related party transactions, during the years ended September 30, 2023 and 2022:

Key Management Compensation

	2023	2022
	($)	($)
Management fees paid or accrued to a corporation controlled by the Chief Executive Officer ("CEO") of the Company.	172,272	166,062
Professional and consulting fees paid or accrued to a corporation controlled by the Chief Financial Officer ("CFO") of the Company.	72,000	72,000
Management fees paid or accrued to a corporation controlled by the Chief Technology Officer ("CTO") of the Company.	215,340	207,577
Consulting fees paid or accrued to a corporation controlled by the Chief Executive Officer ("CEO") of the Company.	43,068	41,515
Share-based compensation vested for certain directors and officers of the Company	-	94,955

Total	502,680	582,109

As at September 30, 2023, $984,767 (September 30, 2022 - $829,305) was included in accounts payable and accrued liabilities owing to directors, officers and companies controlled by them. These amounts are unsecured with no specific terms of repayment.

As at September 30, 2023, $70,020 (September 30, 2022 - $17,558) was owing to directors and officers of the Company for principal loan and accrued interest.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial risk management

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.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities and notes payable.

The fair values of cash, accounts receivable, accounts payable and accrued liabilities and notes payable approximate their book values because of the short-term nature of these instruments.

Financial instrument risk exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its payment obligations. The Company manages this credit risk by ensuring that cash is placed with a major financial institution with strong investment grade ratings by a primary ratings agency. The Company's receivables consist of amounts due from government agencies and receivables from corporate customers of Moovly. Management believes that the credit risk with respect to these receivables is remote.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company endeavors to ensure that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company's cash is invested in business accounts which are available on demand. The Company is not in compliance with the terms of its notes payable and is exposed to liquidity risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is nominally exposed to interest rate risk on its notes payable.

Foreign exchange risk

Foreign currency exchange rate risk is the risk that the fair value of financial instruments or future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company operates in Canada and Belgium. The majority of the Company's sales are denominated in United States dollars, and are immediately converted to Euros upon receipt. The majority of the Company's costs are denominated in Euros.

The Company was exposed to the following foreign currency risk as at September 30, 2023 and September 30, 2022:

	September 30, 2023	**September 30, 2022**
	(€)	**(€)**
Cash	14,861	111,228
Accounts receivable	32,259	41,139
Prepaid expenses	9,000	9,000
Accounts payable and accrued liabilities	(761,276)	(758,216)
Deferred revenue	(353,641)	(313,198)
Interest payable	(72,956)	(42,062)
Loans payable	(522,782)	(233,332)
	(1,654,535)	(1,185,441)

The Company's reported results will be affected by changes in the Euro to the Canadian dollar. As at September 30, 2023, a 10% fluctuation to the Euro relative to the Canadian dollar would cause a EUR 165,454 change to net financial assets.

The following foreign exchange rates applied for the periods ended September 30, 2023 and September 30, 2022:

	September 30, 2023	**September 30, 2022**
Average EUR to CAD	1.4595	1.3838
As at	1.4356	1.3460

RISKS

The material risk factors involved with the Company include, but are not limited to, the following:

Dependence on Key Personnel and Consultants

The success of the Company will be largely dependent upon the performance of its management and key employees. Failure by the Company to retain or to attract and retain additional key employees with necessary skills could have a materially adverse impact upon the Company's growth and profitability. The Company intends to have no key person insurance for their management or for other key employees. These individuals, and the contributions they will make, are important to the future operations and success of the Company. The unexpected loss or departure of any of the key officers, employees or consultants of the Company could be detrimental to the Company's future operations.

The Company's success will depend in part on its ability to attract and retain qualified personnel, as they are needed. The competition for highly skilled technical, management, sales and other employees is high in the Company's industry and the cost of hiring and retaining such personnel has been increasing. There can be no assurance that the Company will be able to engage the services of such personnel or retain the Company's current personnel.

New Technology

The market for Moovly's services is characterized by rapid technological change, with frequent variations in user requirements and preferences, frequent new product and service introductions embodying new technologies and the emergence of new industry standards and practices.

The Company's success will depend, in part, on its ability to enhance and expand its existing service and to develop new technology that addresses the increasingly sophisticated and varied needs in the multimedia market and to respond to technological advances and emerging industry standards and practices and license leading technologies that will be useful in its business in a cost-effective and timely way. The Company may not be able to successfully use new technologies or adapt its current and planned services to new customer requirements or emerging industry standards. The introduction of new products embodying new technologies or the emergence of new industry standards could render its existing services obsolete, unmarketable or uncompetitive from a pricing standpoint. Failure to respond quickly and cost-effectively to new developments through the development of software and new products or enhancements to existing software and products could reduce the Company's revenue.

Changes in Industry Standards or Technology

The industry in which the Company will operate is subject to constant and rapid changes in industry standards and technology, frequent new product introductions, short product life cycles, and evolving technical standards. Technological developments, or a substantial change in industry standards, may reduce the competitiveness of the Company's products and services and require unbudgeted upgrades that could be expensive and time consuming to implement. The Company continually evaluates expenditures for research and development and must choose among alternative technologies based on its expectations of future market growth and other factors. The Company may be unable to develop and introduce new or enhanced products and services that satisfy customer requirements and achieve market acceptance in a timely manner or at all, the technologies where it has focused its research and development expenditures may not become commercially successful, and it may be unable to anticipate new industry standards and technological changes.

The Company also may not be able to respond successfully to new product and service announcements and introductions by competitors. If it fails to adapt successfully to technological changes or fails to obtain access to important new technologies, the Company may be unable to retain customers, attract new customers or sell new products to its existing customers.

Competition

The Company operates in a competitive industry that is rapidly evolving and intensely competitive. Competition in the multimedia industry throughout the world continues to increase at a rapid pace as consumers, businesses and governments realize the capabilities of multimedia products and services. In addition, new competitors or alliances among competitors could emerge and rapidly acquire significant market share, to the Company's detriment. There may be additional competitive threats from companies introducing new and disruptive solutions. Some of the Company's competitors may have advantages over the Company, including, but not limited to, longer operating histories and market presence, greater name recognition, access to larger customer bases, economies of scale and cost structure advantages, greater sales and marketing, manufacturing, distribution, technical, financial and other resources and government support. Such competition may result in reduced sales, reduced margins or increased operating expenses.

Software Errors

The Company's technology is highly technical and may contain undetected errors, defects or security vulnerabilities. Some errors in the Company's technology may only be discovered after it has been deployed and used by its customers. Any errors, defects or security vulnerabilities discovered in its technology after commercial release could result in loss of revenue or delay in revenue recognition, loss of customers and increased service cost, any of which could adversely affect the Company's business, operating results and financial condition. In addition, the Company could face claims for product liability, tort or breach of warranty. Defending a lawsuit, regardless of its merit, is costly and may divert management's attention away from the business and adversely affect the market's perception of the Company and its services.

In addition, if the Company's business liability insurance coverage is inadequate or future coverage is unavailable on acceptable terms or at all, its operating results and financial condition could be adversely impacted.

Limited Operating History

Moovly has had a limited history of operations and is in the early stage of development and must be considered a start-up. As such, the Company will be subject to many risks common to such enterprises, including start-up losses, lack and uncertainty of revenues, markets and profitability, under-capitalization, cash shortages, and limitations with respect to personnel, financial and other resources. Moovly has a limited history of earnings and its limited operating history makes it difficult to predict how its business will develop and its future operating results. There is no assurance that any future products will generate earnings, operate profitably or provide a return on investment in the future and the likelihood of success and any potential return on a shareholder's investment must be considered in light of Moovly's early stage of operations. The Company has no intention of paying any dividends in the foreseeable future.

Disruption of Services

The Company hosts its services and serves all of its customers in third party facilities. It does not control the operations at the third party facilities. All of these facilities are vulnerable to damage or interruption from earthquakes, hurricanes, floods, fires, terrorist attacks, power losses, telecommunications failures and similar events. They also could be subject to break-ins, computer viruses, denial of service attacks, sabotage, intentional acts of vandalism and other misconduct. The occurrence of a natural disaster or an act of terrorism, a decision to close the third-party facilities without adequate notice or other unanticipated problems could result in lengthy interruptions in the Company's services.

Although off-site tape backups of customers' data is maintained, the Company does not currently operate or maintain a backup datacenter for any of its services, which increases vulnerability to interruptions or delays in service. Interruptions in the Company's services might harm its reputation, reduce its revenue, cause it to incur financial penalties, subject it to potential liability and cause customers to terminate their contracts.

Protection of Intellectual Property Rights

The industry in which the Company operates is characterized by vigorous protection and pursuit of intellectual property rights and positions, which may result in protracted and expensive litigation for many companies. The Company's commercial success depends, in part, upon the Company not infringing intellectual property rights owned by others. Some of the Company's competitors and other third parties may have been issued patents or filed patent applications or may obtain additional patents and proprietary rights for technologies similar to those used by the Company in its products. Some of these patents may grant very broad protection to the owners of such patents. The Company cannot determine with certainty whether any existing third party patents, or the issuance of any third party patents, would require the Company to alter its technology, obtain licenses or cease certain activities.

The Company expects that in the future it may receive, particularly as a public company, communications from various industry participants alleging the Company's infringement of their patents, trade secrets or other intellectual property rights. Litigation may be necessary to determine the scope, enforceability and validity of third party proprietary rights or to establish the Company's proprietary rights.

Some of the Company's competitors have, or are affiliated with companies having, substantially greater resources than the Company, and these competitors may be able to sustain the costs of complex intellectual property litigation to a greater degree and for a longer period of time than the Company. Regardless of their merit, any lawsuits resulting from such allegations could subject the Company to significant liability for damages and invalidate the Company's proprietary rights; and any potential intellectual property litigation also could force it to do one or more of the following:

- stop selling products or using technologies that contain the allegedly infringing intellectual property;
- lose the opportunity to license the Company's technology to others or to collect royalty payments based upon successful protection and assertion of its intellectual property against others;
- incur significant legal expenses and spend time evaluating and defending any claims;
- divert management's attention and focus away from the business;
- pay substantial damages to the party whose intellectual property rights the Company may be found to be infringing;
- expend significant resources to modify and redesign those products that contain the allegedly infringing intellectual property;
- cross-license the Company's technology to a competitor to resolve an infringement claim, which could weaken the Company's ability to compete with that competitor; or
- pay substantial damages to the Company's customers or end-users to discontinue their use of or to replace infringing technology sold to them with non-infringing technology.

Any significant impairment of the Company's intellectual property rights from any litigation the Company faces could harm the Company's business and its ability to compete.

The Company may be prohibited from developing or commercializing certain technologies and products unless it obtains a license from a third party or pays costly royalties. There can be no assurance that the Company will be able to obtain any such license on commercially favourable terms, or at all. If the Company does not obtain such a license, its business, results of operations and financial condition could be materially adversely affected and the Company could be required to cease related business operations in some markets and to restructure its business to focus on operations in other markets.

The Company's customers could also become the target of litigation relating to the patent and other intellectual property rights of others. This could trigger technical support obligations in some of the Company's customer agreements.

These obligations could result in substantial expenses, including the payment by the Company of costs and damages relating to claims of intellectual property infringement. In addition to the time and expense required for the Company to provide support to its customers, any such litigation could disrupt the businesses of the Company's customers, which in turn could hurt the Company's relationships with its customers and cause the sale of its products to decrease.

MANAGEMENT OF CAPITAL

The Company considers its capital structure to include the components of shareholders' equity. Management's objective is to ensure that there is sufficient capital to minimize liquidity risk and to continue as a going concern. The Company is currently unable to self-finance its operations.

Although the Company has been successful in the past in obtaining financing through the issuance of debt and/or equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future, or that the terms of such financings will be favourable.

The Company's share capital is not subject to any external restrictions and the Company did not change its approach to capital management during the year ended September 30, 2023.

ACCOUNTING STANDARDS ISSUED AND ADOPTED

The Company has not adopted any new or revised standards, along with any consequential amendments for the year ended September 30, 2023.

SUBSEQUENT EVENTS

Subsequent to September 30, 2023, the Company:

a) closed a private placement through the issuance of 16,666,866 units at a price of $0.045 per unit, for gross proceeds of $750,009. Each unit comprises one common share and one common share purchase warrant. Each warrant will entitle the holder to purchase one common share at a price of $0.08 per share for a period of 24 months from the date of issuance. The Company additionally issued 305,580 finders' warrants. Each finder's warrant entitles the holder to purchase one common share at a price of $0.08 for a period of 24 months from the date of issuance.

b) granted 6,950,000 stock options at a price of $0.05 for a term of five years.

c) received $172,700 interest bearing notes payable, which are due on demand.

d) received $161,250 interest bearing notes payable, which are due in one year.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on the Company's website at www.moovly.com or on SEDAR+ at www.sedarplus.ca.

CORPORATE INFORMATION

Directors:	Brendon Grunewald Geert Coppens Robert Meister Jamie Newall
Officers:	Brendon Grunewald, President and CEO Kelsey Chin, CFO and Corporate Secretary Geert Coppens, CTO
Auditor:	Davidson and Company LLP Chartered Professional Accountants Suite 1200 – 609 Granville Street Vancouver, BC, V7Y 1G6
Legal Counsel:	Tingle Merrett Suite 639 - 1250 Standard Life Building 5th Avenue SW Calgary, AB, T2P 0M9
Transfer Agent:	Odyssey Trust Company 323 – 409 Granville Street Vancouver, BC, V6C 1T2