



Bragg Gaming Group Inc.

**MANAGEMENT DISCUSSION & ANALYSIS FOR THE THREE AND SIX-MONTH MONTH PERIOD
ENDED JUNE 30, 2025**

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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 flow for Bragg Gaming Group Inc. and its subsidiaries (“**Bragg**” or the “**Company**”), on a consolidated basis, for the three and six months period ended June 30, 2025 (“**2Q25**”). This document should be read in conjunction with the interim unaudited condensed consolidated financial statements for the three and six months period ended June 30, 2025 (the “**Interim Financial Statements**”).

For reporting purposes, the Company prepared the Interim Financial Statements in European Euros (“**EUR**”) and, unless otherwise indicated, in conformity with IFRS® Accounting Standards (“**IFRS**”) as issued by the International Accounting Standards Board (“**IASB**”). The financial information contained in this MD&A was derived from the Interim Financial Statements. Unless otherwise indicated, all references to a specific “note” refer to the notes to the Interim Financial Statements.

This MD&A references non-IFRS financial measures, including those under the headings “Selected Financial Information” and “Other Financial Information” below. The Company 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 Company, 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. Non-IFRS measures 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 their usefulness for comparison purposes. These non-IFRS measures and metrics are used to provide investors with supplemental measures of our operating performance and liquidity and thus highlight trends in our business that may not otherwise be apparent when relying solely on IFRS measures.

This MD&A and, in particular the information in respect of Bragg’s prospective revenues and Adjusted EBITDA may contain future oriented financial information (“**FOFI**”) within the meaning of applicable securities laws. The FOFI has been prepared by management to provide an outlook on Bragg’s proposed activities and potential results and may not be appropriate for other purposes. The FOFI has been prepared based on a number of assumptions, including the assumptions discussed above, and assumptions with respect to customer growth and market expansion. Bragg and its management believe that the FOFI has been prepared on a reasonable basis, reflecting management’s best estimates and judgments; however, the actual results of operations of Bragg and the resulting financial results may vary from the amounts set forth herein and such variations may be material. FOFI contained in this MD&A was made as of the date of this MD&A and Bragg disclaims any intention or obligation to update or revise any FOFI contained in this MD&A, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law.

Unless otherwise stated, in preparing this MD&A the Company has considered information available to it up to August 14, 2025, the date the board of directors of the Company (the “**Board**”) approved this MD&A.

2. CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This MD&A may contain 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 Company, its subsidiaries and their respective customers and industries. Although the Company and management believe the expectations reflected in such forward-looking statements are appropriate 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 Company’s stage of development, long-term capital requirements and future ability to fund operations, future developments in the Company’s markets and the markets in which it expects to compete, risks associated with its strategic alliances, the impact of entering new markets on the Company’s operations, and risks associated with new or proposed gaming regulations. Each factor should be considered carefully, and readers are cautioned not to place undue reliance on such forward-looking statements. For a detailed description of risk factors associated with the Company, please refer to the “Risk Factors” section in the Company’s current annual information form (the “AIF”), a copy of which is available electronically on the Company’s website, under the Company’s SEDAR+ profile at www.sedarplus.ca and under the Company’s EDGAR profile at www.sec.gov.

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 Company, forward-looking statements in this MD&A describe the Company’s expectations as of August 14, 2025, and, accordingly, are subject to change after such date. The Company does not undertake to update or revise any forward-looking statements, except in accordance with applicable securities laws.

3. LIMITATIONS OF SELECTED FINANCIAL INFORMATION AND OTHER DATA

The Company’s selected financial information are calculated using internal Company data. While these numbers are based on what the Company 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 Company’s selected financial information 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 Company’s non-IFRS measures, see the information presented in “Selected financial information” below. The Company 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 Company’s methodology.

4. OVERVIEW OF 2Q25

Bragg Gaming: Overview and Strategy

Bragg is a content-driven business-to-business (“**B2B**”) iGaming and vertically integrated technology provider. Its suite of iGaming content and technology, commercial relationships and operational licenses allows it to offer a complete gaming solution in regulated online gaming markets globally. Its premium content portfolio currently includes over 10,000 casino game titles, including proprietary games developed by its in-house studios, exclusive titles developed by third-party partners on its remote games server (“**RGS**”) as well as aggregated, licensed games from top studios around the world.

The Company’s proprietary suite of products includes a player account management (“**PAM**”) platform, which provides the tools required to operate an online gaming business, including player engagement and data analysis software. The Company’s technology was developed on a greenfield basis and is not dependent on legacy code. The Company’s suite of products and services offers a one-stop solution to its customers that is adaptable to various gaming markets and legislative jurisdictions, including in North American, South American and European iGaming markets.

The Company was incorporated by Articles of Incorporation pursuant to the provisions of the Canada Business Corporations Act on March 17, 2004, and on December 20, 2018, the Company completed a business combination transaction to acquire Oryx Gaming International LLC (“**Oryx**”), a full turnkey iGaming solutions provider with an established customer base in Europe and Latin America.

In June 2021, the Company acquired Wild Streak LLC, doing business as Wild Streak Gaming (“**Wild Streak**”), a leading iGaming content studio based in Las Vegas, Nevada with a portfolio of proprietary titles distributed globally, including in the U.S. and Europe.

In June 2022, the Company acquired Spin Games LLC (“**Spin**”), a Reno, Nevada-based iGaming technology supplier and content provider licensed and active in key regulated North American jurisdictions.

In September 2022, the Company consolidated its group of companies including Oryx, Wild Streak and Spin under the single brand name, Bragg Group.

The Company is dual-listed on the Nasdaq Global Select Market and the Toronto Stock Exchange, both under the symbol BRAG.

The Company aims to grow its business as a vertically integrated B2B provider to regulated online casinos, regulated online sports betting, lottery and land-based casino offerings in global markets.

Driven by an experienced management team and offering its differentiated content portfolio, software-as-a-service technology and managed services, the Company aims to become a leading vertically integrated content-led technology provider in the iGaming industry.

Financial performance in the second quarter of 2025

The Company is pleased to report on its trading performance during the three months ended June 30, 2025. The Company has continued to deliver against its strategic objectives, achieving growth, while remaining committed to revenue diversification and geographic expansion.

The Company has only one operating segment: B2B online gaming, and as of June 30, 2025 it derived 86.1% of its revenue from its games and content services, with the remainder of its revenue coming from iGaming platform and Turnkey solutions. The Company’s customer base consists only of online gaming operators. The principal products and services provided by the Company are the licensing of its iGaming technology, games and content, and managed services. For the three months ended June 30, 2025, the majority of the

Company's operating revenue is geographically based in Europe, though this segmentation is not correlated to the geographical location of the Company's worldwide end-user base.

Revenue

The Company's revenue¹ for the three-month period ended June 30, 2025 increased from the same period in the previous year by 4.9% to EUR 26.1m (2Q24: EUR 24.9m) despite a 17% decline in revenue from the Netherlands due to regulatory changes and an increase in gaming taxes from 30.5% to 34.2%.

Factoring out the Netherlands, the business grew by 21%² mainly derived from the games and content products. Total games and content products revenue amounted to EUR 22.5m (2Q24: EUR 19.9m) and accounted for 86.1% (2Q24: 80.1%) of total revenues. This performance reflects sustained demand for the Company's unique games and content and technology proposition continues to grow. Growth in this revenue stream, particularly in the U.S. market, has been supported by continued investment and innovation in its technology, games development and product offering.

Gross Profit

Gross profit increased compared to the same period in the previous year by 10.8% to EUR 13.7m (2Q24: EUR 12.4m) with gross margin increasing by 280 bps to 52.7% (2Q24: 49.9%). The gross profit margin increase is primarily the result of a rise in RGS Proprietary content, which accounted for 14.8% of total revenue in 2Q25 (up from 10.8% in 2Q24), driven largely by strong growth in the U.S. distribution market.

Expenses

Selling, general and administrative expenses increased from the same period in the previous year by 17.4% to EUR 16.1m (2Q24: EUR 13.7m) amounting to 61.7% of total revenue (2Q24: 55.1%).

Main changes in the quarter were driven by the following:

- (a) **Salaries and subcontractors** increased by EUR 0.4m to EUR 5.7m (2Q24: EUR 5.3m) mainly due to increased headcount across the group and general salary increases.
- (b) **Share based compensation costs** increased by EUR 0.3m to EUR 0.7m (2Q24: EUR 0.4m) in connection with share appreciation rights ("SARs") plan awarded to the executive management on 29 December 2024.
Total employee costs (including share-based compensation charge) increased by EUR 0.7m to EUR 6.5m (2Q24: EUR 5.8m).
- (c) **Information technology hosting** increased by EUR 0.2m to EUR 1.4m (2Q24: EUR 1.2m) as a result of hosting and security enhancements.
- (d) **Professional fees** decreased by EUR 0.3m to EUR 1.2m (2Q24: EUR 1.5m) mainly comprised of audit and tax advisory, legal, recruitment, regulatory and licensing costs, which were higher in the prior period due to non-recurring expenses related to the Board's strategic review.
- (e) **Corporate costs** remained at EUR 0.1m (2Q24: EUR 0.1m) which relates to costs of investor and public relations activities as part of the Company's general corporate strategy.

¹ Revenue includes group share in Game and content, platform fees and management and turnkey solutions.

² 16% YoY revenue growth excluding revenue derived from Bragg's customers licensed and operating in the Netherlands jurisdiction.

(f) **Sales and marketing** decreased by EUR 0.2m to EUR 0.3m (2Q24: EUR 0.5m) primarily due to timing of expenditure.

(g) **Other operational costs** increased to EUR 0.5m (2Q24: EUR 0.3m) primarily due to timing of expenditure.

Profitability

Total operating loss for the three-month period amounted to EUR 2.3m (2Q24: operating loss of EUR 1.2m), an increase of EUR 1.1m as a result of the increase in selling, general and administrative expenses of EUR 2.4m, offset by the increase in gross profit of EUR 1.3m.

The Company's Adjusted EBITDA decreased from the same period in the previous year by 4.3% to EUR 3.5m (2Q24: EUR 3.6m) with Adjusted EBITDA margin decreasing by 128 bps to 13.3% (2Q24: 14.5%). The decrease relates to additional costs as noted above, while revenue remained relatively flat. Definition of aforementioned financial metrics and a reconciliation between the current and prior year's reported figures to Adjusted EBITDA are provided in Section 5.3.

Profitability is expected to improve following a strategic realignment, with a focus on integration and optimization. Key areas were identified and addressed to streamline the cost structure and capture synergies from previous acquisitions. These efforts will unlock improved margins and drive efficiency, focus, and long-term scalability.

Cash Flow

Cash flows generated from operating activities for the three months ended June 30, 2025, amounted to an inflow of EUR 2.6m (2Q24: EUR 0.7m outflow) with the underlying performance reaching EUR 3.2m (2Q24: EUR 3.1m) coupled with negative movement in working capital of EUR 0.6m (2Q24: negative EUR 3.8m).

Cash flows used in investing activities amounted to EUR 3.9m (2Q24: EUR 3.1m), an increase of EUR 3.5m primarily driven by increased investment in software development costs.

Cash flows used in financing activities amounted to an outflow of EUR 4.6m (2Q24: EUR 6.3m inflow) mainly from the repayment of loan of EUR 4.4m (2Q24: proceeds from loan of EUR 6.5m), repayment of lease liability of EUR 0.2m (2Q24: EUR 0.2m).

Financial performance in the first half of 2025

Revenues

The Company's revenue for the six months ended June 30, 2025 increased from the same period in the previous year by 6.0% to EUR 51.6m (six months ended June 30, 2024: EUR 48.7m). The Company's positive year-over-year revenue growth was derived mainly from the onboarding of new customers in various jurisdictions, development work with our partners and a strong revenue performance from its proprietary casino games studio and existing U.S. customer base.

Gross Profit

Gross profit for the six months ended June 30, 2025 increased from the same period in the previous year by 15.4% to EUR 28.0m (six months ended June 30, 2024: EUR 24.3m) with gross margins also increasing by 445 bps to 54.3% (six months ended June 30, 2024: 49.9%). The gross profit and gross profit margin increases are mainly as a result of the shift in the product mix towards proprietary products.

Expenses

Selling, general and administrative expenses amounted to EUR 31.9m, an increase of EUR 5.8m from the same period in the previous year (six months ended June 30, 2024: EUR 26.1m). Expenses were mainly driven by an increase of EUR 2.1m in salaries and subcontractors due to higher headcount, a change in the mix of operating geographies and general pay raises; EUR 1.0m in share-based compensation due to introduction of SARs; EUR 1.8m in depreciation and amortization due to continuous investment in software development costs; and EUR 0.9m in bad debt provision expense.

Profitability

Adjusted EBITDA amounted to EUR 7.5m (six months ended June 30, 2024: EUR 7.0m), with margins increasing by 19 bps to 14.6% (six months ended June 30, 2024: 14.5%). Operating loss amounted to EUR 4.0m (six months ended June 30, 2024: loss of EUR 2.5m), an increase in loss of EUR 1.5m as a result of increase in total employee costs and amortization and depreciation as discussed in previous section, partially offset by increase in gross profit as a result of the shift in the product mix towards proprietary products.

Profitability is expected to improve following a strategic realignment, with a focus on integration and optimization. Key areas were identified and addressed to streamline the cost structure and capture synergies from previous acquisitions. These efforts will unlock improved margins and drive efficiency, focus, and long-term scalability.

Cash Flow

Cash flows generated from operating activities for the six-month period ended June 30, 2025 amounted to EUR 7.1m (six months ended June 30, 2024: EUR 2.1m) with the underlying performance remaining at EUR 7.3m (six months ended June 30, 2024: EUR 6.7m) coupled with a net negative movement in working capital and income taxes paid of EUR 0.2m (six months ended June 30, 2024: net negative EUR 4.6m).

Cash flows used in investing activities amounted to EUR 7.2m (six months ended June 30, 2024: EUR 5.9m), an increase of EUR 1.3m primarily driven by increased investment in software development costs.

Cash flows generated from financing activities amounted to an outflow of EUR 5.2m (six months ended June 30, 2024: EUR 5.6m inflow) mainly from the repayment of loan of EUR 4.4m (six months ended June 30, 2024: proceeds from loan of EUR 6.5m).

Financial Position

Cash and cash equivalents as of June 30, 2025 amounted to EUR 4.2m (December 31, 2024: EUR 10.5m), an decrease of EUR 6.3m as a result of EUR 7.1m cash generated from operating activities offset by EUR 7.2m used in investing activities, EUR 5.2m used in financing activities and EUR 0.9m of foreign exchange impact.

Trade and other receivables as of June 30, 2025 totalled EUR 25.0m (December 31, 2024: EUR 20.1m), with an increase in accrued income of EUR 4.4m due to timing of billing, whilst the collection cycle maintained its prior position.

Trade payables and other liabilities as of June 30, 2025, increased by EUR 6.7m to EUR 26.6m (December 31, 2024: EUR 19.9m), primarily driven by timing of payments.

Others

- **Financing:** During the three months ended June 30, 2025, the Company repaid a total of USD 5.0m of the outstanding USD 7.0m secured promissory note. Subsequent to the reporting period, the promissory note maturity has been extended to September 15, 2025, with an option for a further one-month extension if required. The Company is also in the advanced stages of securing a new working capital revolving debt facility from a Tier 1 Canadian financial institution. Although the process has taken longer than initially anticipated, the facility is expected to be finalized during the third quarter of 2025.
- **Share Capital:** As of June 30, 2025, the number of issued and outstanding shares was 25,449,478 (December 31, 2024: 25,042,982), the number of outstanding awards from equity incentive plans was 1,883,983 (December 31, 2024: 1,909,012), and the number of warrants issued upon convertible debt was 979,048 (December 31, 2024: 979,048).
- **Employees:** As of June 30, 2025, the Company has 540 employees, contractors, and sub-contractors (June 30, 2024: 466) across Europe, North America, and India.

Strategic Progress

Bragg has continued to deliver on its strategy of becoming a global leader in iGaming through the provision of best-in-class games and cutting-edge technology solutions which meet and exceed the industry standard.

Drawing on a suite of online casino content and technology solutions which are available in over 30 regulated iGaming jurisdictions globally, Bragg has positioned itself as the go-to Nasdaq and TSX-listed, regulated iGaming supplier to its customers.

The Company ideates and delivers online casino games, including cutting-edge proprietary content as well as top-tier online casino games from third-party studios. Bragg also enables online casino, sports betting and lottery operators to launch, run, scale and optimize their apps and websites for maximum success.

Bragg grows the end user experience through the leveraging of advanced analytics and powerful AI to enhance player engagement, maximise revenue potential, and to drive smarter, more efficient iGaming operations.

The Company's strategic focus areas to achieve its vision are:

- **Shifting Revenue Concentration:** The Company aims to increase the percentage of revenue derived from the development and delivery of proprietary online casino content in order to provide a more margin-accretive mix and to improve profitability, resulting in a reduced reliance on revenue from aggregated, non-exclusive online casino content by year end. In the second quarter of 2025, the Company reported a 44% increase in revenue from proprietary casino content when compared to the second quarter of the previous year.
- **Growth in Key Markets:** Content-focused products, including proprietary, exclusive and aggregated content are projected to drive significant revenue growth in North America and Brazil, which are expected to contribute up to 15% and 10% of revenue, respectively, by year-end.
- **Brazil's Growth:** Bragg launched in the regulated Brazil iGaming market on the day of market opening, January 1, 2025. In the second quarter of 2025, the Company saw 56% proforma revenue growth in the market, when compared to the same period in the previous year when the Company was a supplier to certain operators in the pre-regulated market. The Company believes that its proprietary and exclusive content and aggregation businesses are strategically positioned to capture a significant share of Brazil's USD 3.9 billion iGaming market, projected to surge to USD 6.1 billion by 2030, according to H2 Gambling Capital. Early in the second quarter of 2025, the Company announced it had partnered with and invested in RapidPlay, a specialist Brazilian

online casino content studio, to expand its exclusive, localized games portfolio for Brazil, the wider LatAm region and globally, and to further support its online casino customers in the region.

- **U.S. Market Penetration:** U.S. revenue grew 64% in the second quarter of 2025 compared to the same period in the previous year. The Company believes that it is strategically positioned for significant growth in the U.S. market by leveraging its proprietary and exclusive content portfolio. Through integration with top-tier operators such as DraftKings, FanDuel, Rush Street, Caesars and BetMGM, and licenses in all key iGaming states, the Company's content is accessible to over 90% of the U.S. iGaming market, which is valued at over USD 10 billion, according to H2 Gambling Capital. The Company further expects more states to introduce regulatory frameworks for online casino operations in the coming years, with the total addressable market at maturity projected at over USD 75 billion. The Company is well positioned to scale with the market. With technical integrations and commercial agreements already in place with the leading U.S. facing online casino operators, the projected costs and barriers for the Company to roll out in newly regulated U.S. jurisdictions are low, or negligible. Capitalizing on the potential for further states to open up to online casino gaming, the Company built on its previously announced technology partnership with Caesars Entertainment. During the second quarter of 2025, the Company agreed a content development partnership with tier one operator Hard Rock Digital to develop a series of exclusive online casino games titles for its top-rated Hard Rock Bet Casino. Post quarter end, the Company launched its newest online casino content and RGS technology with Fanatics Betting & Gaming across New Jersey, Michigan and Pennsylvania.
- **Stronger Penetration in Major European Markets:** Bragg aims to expand content distribution in key Western European markets, including Italy, the U.K., Spain, and Sweden, by leveraging existing integrations with top operators and implementing targeted sales strategies which includes new, localized online casino content offerings.
- **Expand Exclusive Partnerships:** The Company plans to continue to increase its roster of partner studios to enhance the release cadence of titles in North America and in Europe. In the second quarter of 2025, the Company added Brazilian iGaming development studio RapidPlay to its Powered by Bragg program, with the aim of supporting its Brazilian, LatAm and global exclusive casino content portfolios.
- **Leverage PAM Business to Develop Long-term Partnerships:** While regulatory headwinds including increased taxation in the Netherlands, the Company's largest PAM market, mean that overall, the Company expects PAM revenue as a proportion of total revenue to decline in the full year of 2025 compared to the previous year, the Company remains a leading PAM provider in the Netherlands. The long-term relationships with operators utilizing the Company's PAM offer opportunities to cross sell and upsell the Company's other products, including Bragg HUB product delivery and casino content aggregation, Fuze™ player engagement and high-margin proprietary casino content. The Company notes that while overall it reported revenue growth of 1.9% in the second quarter of 2025 compared to the same period in the previous year, if the Netherlands is excluded, then revenue grew 16% during the period, demonstrating strength in the underlying business and strong growth in markets outside of the Netherlands.
- **Enhanced Technology Profile:** The Company continues to innovate with technologies such as FUZE™, which provides bonuses, free rounds, tournaments, jackpots, recommendation engine and other engagement and promotional tools seamlessly across all iGaming, Sports betting and iLottery products, requiring no additional integration. These advanced features enhance player experience and contribute to the growth of the Company's product portfolio revenue. During the second quarter of 2025, the company increased its FUZE™ toolset with the addition of Big Ticket Bonanza, a new way to engage with players through multiple targeted and bespoke campaigns.
- **Data and AI Enhancements:** By leveraging extensive gaming data, the Company generates actionable insights and employs AI-driven optimizations to elevate player experiences and enhance operator profitability, thereby accelerating profitable growth in proprietary and exclusive content verticals. Opportunities to leverage AI to reduce costs and enhance product margins are also

being actively explored. Post quarter end, the Company announced the appointment of Luka Pataky as Executive Vice President for AI and Innovation, an appointment which will include the creation of a 360° AI strategy encompassing all parts of the business.

- **Personnel changes:** During the second quarter of 2025, the Company made three key personnel changes. The first of which was the appointment of Holly Gagnon to the position of Chair of the Board of Directors, replacing the previous Chair of the Board and the Company's Chief Executive Officer, Matevž Mazij, who continues to serve as Chief Executive Officer and as a Board member. The second appointment was that of Scott Milford, appointed during 2Q 2025 as Executive Vice President, Group Content. The third appointment was that of Luka Pataky joining the Company as Executive Vice President of Artificial Intelligence and Innovation.

Outlook

Previously, the Company anticipated double-digit growth in revenue and Adjusted EBITDA for the full year of 2025 which was driven by a strategic focus on expanding in regulated markets, growing proprietary and exclusive content portfolio, and continuing momentum in growth markets such as the U.S. and LatAm.

While Company strategy remains the same, full year 2025 guidance has been revised to reflect higher gaming taxes and market softness in the Netherlands and Brazil, as well as broader market conditions impacting key regulated markets. The Company now anticipates full year 2025 revenue between EUR 106.0m and EUR 108.5m and Adjusted EBITDA of EUR 16.5m to EUR 18.5m.

This change reflects a deliberate shift toward higher-quality earnings. The Company is prioritizing margin and cash generation over lower-margin revenue, and synergies realized post-quarter end to become a leaner operation put the Company on track to move Adjusted EBITDA margins closer to 20% in the second half of the year. The Company remains focused on growing the business in a sustainable and margin-accretive manner, with strong momentum in the proprietary content and technology pipeline positioning Bragg for long-term profitable growth.

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.

The presentation currency of the Company is the Euro, while the functional currencies of its subsidiaries are Euro, Canadian dollar, United States dollar, and British pound sterling due to primary location of individual entities within our corporate group. The presentation currency of the Euro has been selected as it best represents the majority of the Company's economic inflows, outflows as well as its assets and liabilities.

5.2 SELECTED INTERIM INFORMATION

The primary non-IFRS financial measure which the Company uses is Adjusted EBITDA. When internally analyzing underlying operating performance, management excludes certain items from EBITDA (earnings before interest, tax, depreciation, and amortization).

EUR 000	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
Revenue	26,079	24,861	51,584	48,672
Net Loss	(1,829)	(2,400)	(4,469)	(4,304)
EBITDA	2,621	2,779	5,661	5,388
Adjusted EBITDA	3,459	3,615	7,543	7,026
Basic Loss Per Share	(0.07)	(0.10)	(0.18)	(0.18)
Diluted Loss Per Share	(0.07)	(0.10)	(0.18)	(0.18)

	As at June 30, 2025	As at December 31, 2024
Total assets	100,941	106,595
Total non-current liabilities	3,894	3,982
Dividends paid	nil	nil

As at June 30, 2025, non-current financial liabilities primarily consists of EUR 2.4m in lease obligations on right of use assets in relation to office leases (December 31, 2024: EUR 2.8m).

With the exception of EBITDA and Adjusted EBITDA, the financial data has been prepared to conform with IFRS as issued by the International Accounting Standards Board. These accounting principles have been applied consistently across for all reporting periods presented.

5.3 OTHER FINANCIAL INFORMATION

To supplement its Interim Financial Statements, the Company considers certain financial measures that are not prepared in accordance with IFRS. The Company uses such non-IFRS financial measures in evaluating its operating results and for financial and operational decision-making purposes. The Company 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 Company 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. Accordingly, these non-IFRS measures should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. The Company uses the non-IFRS financial measures “EBITDA” and “Adjusted EBITDA” (each defined below) in this MD&A. The most directly comparable financial measure to each of EBITDA and Adjusted EBITDA is Net Loss. These non-IFRS measures are used to provide investors with supplemental measures of our operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS measures. The Company also believes that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers. The Company’s management uses non-IFRS measures in order to facilitate operating

performance comparisons from period to period, to prepare annual operating budgets and forecasts and to determine components of management compensation.

The Company defined such non-IFRS measures as follows:

“EBITDA” means as net income (loss) plus interest, taxes, depreciation and amortization; provided that all revenue, costs and expenses shall be recorded on an accrual basis. The Company’s method of calculating EBITDA may differ from the method used by other issuers and, accordingly, the Company’s EBITDA calculation may not be comparable to similarly titled measures used by other issuers.

“Adjusted EBITDA” means EBITDA after: (i) adding back share based compensation; (ii) adding back or deducting gain (loss) on lease modification; (iii) deducting lease payments recorded as a depreciation of right-of-use assets and lease interest expense; (iv) adding back or deducting gain (loss) on re-measurement of deferred consideration; (v) adding back or deducting gain (loss) on re-measurement of derivative liability; (vi) adding back or deducting gain (loss) on settlement of convertible debt; and (vii) adding back certain exceptional costs. “Adjusted EBITDA margin” means Adjusted EBITDA divided by revenue.

A reconciliation of operating loss to EBITDA and Adjusted EBITDA is as follows:

EUR 000	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net Loss	(1,829)	(2,400)	(4,469)	(4,304)
Income taxes (expense) recovery	(533)	255	81	299
Loss Before Income Taxes	(2,362)	(2,145)	(4,388)	(4,005)
Net interest expense and other financing charges	14	930	360	1,522
Depreciation and amortization	4,969	3,994	9,689	7,871
EBITDA	2,621	2,779	5,661	5,388
Depreciation of right-of-use assets	(215)	(147)	(429)	(373)
Lease interest expense	(25)	(26)	(52)	(60)
Gain on lease modification	—	—	(101)	—
Share based compensation	739	420	1,585	604
Exceptional costs	339	672	722	792
(Gain) Loss on remeasurement of derivative liability	—	(38)	—	140
Gain on settlement of convertible debt	—	—	—	(65)
(Gain) Loss on remeasurement of deferred consideration	—	(45)	157	600
Adjusted EBITDA	3,459	3,615	7,543	7,026

Exceptional costs in the three and six months ended June 30, 2025 amount to EUR 0.3m and EUR 0.7m relating to legal and professional costs associated with non-recurring corporate and regulatory matters, and employee retention incentives. Exceptional costs in the three and six months ended June 30, 2024 amount to EUR 0.7m and EUR 0.8m relating to legal and professional costs associated with non-recurring corporate and regulatory matters, and expenses related to the Board’s strategic review.

Gain/Loss on remeasurement of derivative liability is due to remeasurement of the present value of the conversion options embedded in the convertible debt instrument, whilst gain on settlement of convertible debt arose from cash-in-lieu settlement of the debt. Gain/Loss on remeasurement of deferred consideration is due to remeasurement of the present value of deferred share consideration in relation to the acquisition of Spin, which was fully settled on June 05, 2025, with the issuance of 371,496 shares.

5.4 SELECTED FINANCIAL INFORMATION

Selected financial information is as follows:

EUR 000	Three Months Ended June 30,			Six Months Ended June 30,		
	2025	2024	2023	2025	2024	2023
Revenue	26,079	24,861	24,729	51,584	48,672	47,588
Operating Loss	(2,348)	(1,215)	1,271	(4,028)	(2,483)	1,791
EBITDA	2,621	2,779	4,525	5,661	5,388	7,754
Adjusted EBITDA	3,459	3,615	4,742	7,543	7,026	8,636

	As at June 30, 2025	As at December 31, 2024
Total assets	100,941	106,595
Total liabilities	34,066	33,096

TRADE AND OTHER RECEIVABLES

EUR 000	As at June 30, 2025	As at December 31, 2024
Trade receivables	23,929	19,558
Sales tax receivables	1,054	514
Trade and other receivables	24,983	20,072

EUR 000	As at June 30, 2025	As at December 31, 2024
Less than one month	23,090	18,984
Between two and three months	1,085	660
Greater than three months	3,130	2,411
	27,305	22,055
Provision for expected credit losses	(3,376)	(2,497)
Trade receivables	23,929	19,558

TRADE PAYABLES AND OTHER LIABILITIES

EUR 000	As at June 30, 2025	As at December 31, 2024
Trade payables	9,916	3,236
Accrued liabilities	15,974	16,666
Other liabilities	749	44
Trade payables and other liabilities	26,639	19,946

5.5 SUMMARY OF QUARTERLY RESULTS

The following table presents the selected financial data for continuing operations for each of the past eight quarters of the Company.

EUR 000	2023		2024				2025	
	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25
Revenue	22,574	23,357	23,811	24,861	26,169	27,160	25,505	26,079
Operating income (loss)	(2,137)	(431)	(1,268)	(1,215)	(406)	(654)	(1,680)	(2,348)
EBITDA	1,209	3,327	2,609	2,779	3,924	4,039	3,040	2,621
Adjusted EBITDA	3,814	2,786	3,411	3,615	4,083	4,682	4,084	3,459
Loss per share - Basic	(0.13)	(0.03)	(0.08)	(0.10)	(0.01)	(0.03)	(0.11)	(0.07)
Loss per share - Diluted	(0.13)	(0.03)	(0.08)	(0.10)	(0.01)	(0.03)	(0.11)	(0.07)

5.6 LIQUIDITY AND CAPITAL RESOURCES

The Company's principal source of liquidity is its cash generated from operations. On April 24, 2024, the Company obtained a secured promissory note in the principal amount of USD 7.0m from a member of management. The secured promissory note matured on April 24, 2025, with an extension agreed to September 15, 2025. It bears an interest at an annual rate of 14%, payable quarterly. During the three months ended June 30, 2025, the Company repaid a total of USD 5.0m of the outstanding USD 7.0m secured promissory note. The purpose of this debt financing facility has been to provide the Company with additional capital to be used for operational expenditure and for the achievement of greater financial flexibility. The Company calculates its working capital requirements from continuing operations as follows:

EUR 000	As at June 30, 2025	As at December 31, 2024
Cash and cash equivalents	4,242	10,467
Trade and other receivables	24,983	20,072
Prepaid expenses and other assets	4,141	2,624
Current liabilities excluding loans payable and deferred consideration	(28,476)	(21,291)
Net working capital	4,890	11,872
Loans payable	(1,696)	(6,579)
Deferred consideration -current	—	(1,244)
Net current assets	3,194	4,049

On June 30, 2025, deferred consideration is EUR nil (December 31, 2024: EUR 1.2m), following the settlement of the third anniversary payment related to the acquisition of Spin during the second quarter of 2025.

The undiscounted contractual maturities of significant financial liabilities and the total contractual obligations of the Company as of June 30, 2025 are below:

	2025	2026	2027	2028	2029	Thereafter	Total
Trade payables and other liabilities	26,639	—	—	—	—	—	26,639
Lease obligations on right of use assets	909	927	864	477	262	—	3,439
Loans payable	1,849	—	—	—	—	—	1,849
Share appreciation rights liability	1,382	1,382	1,382	—	—	—	4,146
Other non-current liabilities	4	3	19	23	7	431	487
	30,783	2,312	2,265	500	269	431	36,560

MARKET RISK

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

FOREIGN CURRENCY EXCHANGE RISK

The Company is exposed to foreign currency risk, which includes risks related to its revenue and operating expenses denominated in currencies other than EUR, which is both the reporting currency and primary contracting currency of the Company's customers. Accordingly, changes in exchange rates may in the future reduce the purchasing power of the Company's customers thereby potentially negatively affecting the Company's revenue and other operating results.

The Company has experienced and will continue to experience fluctuations in its net income (loss) 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 Company is also exposed to liquidity risk with respect to its contractual obligations and financial liabilities. The Company manages liquidity risk by continuously monitoring its forecasted and actual cash flows, and matching maturity profiles of financial assets and liabilities.

5.7 CASH FLOW SUMMARY

The cash flow may be summarized as follows:

EUR 000	Six Months Ended June 30,	
	2025	2024
Operating activities	7,074	2,097
Investing activities	(7,201)	(5,870)
Financing activities	(5,178)	5,609
Effect of foreign exchange	(920)	218
Net cash flow	(6,225)	2,054

Cash flows used in investing activities is primarily due to additions to intangible assets of EUR 6.5m (six months ended June 30, 2024: EUR 5.3m).

EUR 000	Six Months Ended June 30,	
	2025	2024
Purchases of property and equipment	(219)	(521)
Additions in intangible assets	(6,407)	(5,349)
Loan receivables	(375)	—
Investment in associates	(200)	—
Cash flows used in investing activities	(7,201)	(5,870)

In the six months ended June 30, 2025, cash flows used in financing activities mainly consisted of repayment of loan EUR 4.4m (six months ended June 30, 2024: proceeds from loan EUR 6.5m), repayment of convertible debt totaling EUR nil (six months ended June

30, 2024: EUR 0.5m), proceeds from exercise of stock options, repayment of lease liability, and interest and financing charges totaling net of EUR 0.8m (six months ended June 30, 2024: EUR 0.4m).

EUR 000	Six Months Ended June 30,	
	2025	2024
Proceeds from exercise of stock options	50	294
Repayment of convertible debt	—	(455)
Repayment of lease liability	(570)	(350)
Proceeds from (repayment of) loans	(4,410)	6,532
Interest and financing fees	(248)	(412)
Cash flows used in financing activities	(5,178)	5,609

Significant non-cash transactions from financing activities include settlement of convertible debt through issuance of common shares amounting to nil (six months ended June 30, 2024: EUR 2,704).

6 TRANSACTIONS BETWEEN RELATED PARTIES

The Company's policy is to conduct all transactions and settle all balances with related parties on market terms and conditions for those in the normal course of business. Transactions between the Company and its consolidated entities have been eliminated on consolidation and are not disclosed.

Key Management Personnel

The Company's key management personnel are comprised of members of the Board and the executive team.

Transactions with Shareholders, Key Management Personnel and Members of the Board of Directors

Transactions recorded in the interim unaudited condensed consolidated statements of loss and comprehensive loss between the Company and its shareholders, key management personnel and members of the Board are set out in aggregate as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Salaries and subcontractors	(745)	(760)	(1,523)	(1,317)
Share based compensation	(427)	(450)	(1,051)	(586)
	(1,172)	(1,210)	(2,574)	(1,903)

Balances due to/from shareholders, key management personnel and members of the Board are set out as follows:

Interim unaudited condensed consolidated statements of financial position	As at June 30, 2025	As at December 31, 2024
Accrued liabilities	(626)	(1,321)
Net related party payable	(626)	(1,321)

Other transactions with shareholders, key management personnel, Board of Directors are set out in aggregate as follows:

Interim unaudited condensed consolidated statements of changes in equity	Six Months Ended	
	June 30,	
	2025	2024
<i>Exercise of DSUs, RSUs and FSO's</i>		
Contributed surplus	(87)	(195)
Share capital	124	465
Net movement in equity	37	270

Interim unaudited condensed consolidated statements of changes in cash flow	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
Proceeds from exercise of options	—	270	37	270
	—	270	37	270

7 DISCLOSURE OF OUTSTANDING SHARE DATA

The number of equity-based instruments granted or issued may be summarized as follows:

	June 30, 2025	August 14, 2025
Common Shares	25,449,478	25,449,478
Warrants	979,048	979,048
Fixed Stock Options	1,577,317	1,577,317
Restricted Share Units	280,000	280,000
Deferred Share Units	26,666	26,666
	28,312,509	28,312,509

8 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The interim financial statements were prepared using the same basis of presentation, accounting policies and methods of computation, and using the same significant estimates and judgments in applying the accounting policies as those of the audited consolidated financial statements for the year ended December 31, 2024, which are available at www.sedarplus.ca.

9 CHANGES IN ACCOUNTING POLICY

There have been no changes in the Company's accounting policies in any of the reporting periods discussed in this MD&A.

10 MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements in accordance with IFRS. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Based on a review of the Company's internal control procedures, the Company's Chief Executive Officer and Chief Financial Officer believe its internal controls and procedures are appropriately designed as at the date of this MD&A.

There have been no material changes in the Company's internal control over financial reporting during the three and six months ended June 30, 2025, that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

Disclosure controls and procedures

Management is also responsible for the design and effectiveness of disclosure controls and procedures to provide reasonable assurance that material information related to the Company, including its consolidated subsidiaries, which is required to be disclosed by the Company in its filings or required to be submitted by the Company under securities legislation is recorded, processed and summarized and reported within specified time periods. The Company's Chief Executive Officer and Chief Financial Officer have each evaluated the design of the Company's disclosure controls and procedures as at the date of this MD&A, and have concluded that these controls and procedures were appropriately designed.

11 ADDITIONAL INFORMATION

Additional information relating to the Company, including the Company's annual information form, quarterly and annual reports and supplementary information is available on SEDAR+ at www.sedarplus.ca and on the EDGAR section of the SEC website at www.sec.gov under the Company's name.

Press releases and other information are also available in the Investor section of the Company's website at www.bragg.group.