Trading Symbols
(TSX-V: ELL; OTC: LMDCF; FSE: LIMA)

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Everybody Loves Languages Corp.

Form 51 – 102 F1

Management Discussion & Analysis

Third Quarter Ended September 30, 2025

November 27, 2025

Notice to Reader

*The following Management Discussion & Analysis ("MD&A") of Everybody Loves Languages Corp.'s (the "**Company**" or "**Everybody Loves Languages**") financial condition and results of operations, prepared as of November 27, 2025 should be read in conjunction with the Company's Condensed Consolidated Interim Financial Statements and accompanying Notes for the periods ended September 30, 2025 and 2024, which have been prepared in accordance with International Financial Reporting Standards are incorporated by reference herein and form an integral part of this MD&A. All dollar amounts are in Canadian Dollars unless stated otherwise. These documents can be found on the SEDAR+ website www.sedarplus.ca.*

Our MD&A is intended to enable readers to gain an understanding of Everybody Loves Languages' current results and financial position. To do so, we provide information and analysis comparing the results of operations and financial position for the current year to those of the preceding comparable year. We also provide analysis and commentary that we believe is required to assess the Company's prospects. Accordingly, certain sections of this report contain forward-looking statements that are based on current plans and expectations. These forward-looking statements are affected by risks and uncertainties that are discussed in this document and that could have a material impact on prospects. Readers are cautioned that actual results could vary.

Cautions Regarding Forward-Looking Statements

This MD&A contains certain forward-looking statements, which reflect management's expectations regarding the Company's results of operations, performance, growth, and business prospects and opportunities.

Statements about the Company's future plans and intentions, results, levels of activity, performance, goals or achievements or other future events constitute forward-looking statements. Wherever possible, words such as "may," "will," "should," "could," "expect," "plan," "intend," "anticipate," "believe," "estimate," "predict," or "potential" or the negative or other variations of these words, or similar words or phrases, have been used to identify these forward-looking statements. These statements reflect management's current beliefs and are based on information currently available to management as at the date hereof.

Forward-looking statements involve significant risk, uncertainties, and assumptions. Many factors could cause actual results, performance, or achievements to differ materially from the results discussed or implied in the forward-looking statements. These factors should be considered carefully, and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this MD&A are based upon what management believes to be reasonable assumptions, the Company cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this MD&A, and the Company assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law. Many factors could cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including general economic and market segment conditions, competitor activity, product capability and acceptance, international risk and currency exchange rates and technology changes. More detailed assessment of the risks that could cause actual results to materially differ than current expectations is contained in the "Quantitative and Qualitative Disclosures of Market Risk" section of this MD&A.

Summary Description of Everybody Loves Languages

Everybody Loves Languages Corp. (“**Everybody Loves Languages**”, “**ELL Corp.**,” the “**Company**,” “we” or” us”), is an edtech language-learning edutainment and content development company that provides online and content-based solutions through two distinct business units: Everybody Loves Languages Inc. (“**ELL**”) and Lingo Learning Inc. (“**Lingo Learning**”), a state-of-the-art technology platform that delivers personalized learning experiences in classrooms and online. Its programs provide innovative SaaS-based e-learning solutions, including online and offline content, a learning management system, assessments, real-time reports, speech recognition technology, and white-label tools. ELL’s market consists of educational institutions (such as elementary schools, high schools, vocation schools, universities, etc.) and corporations. It sells its online language learning solutions primarily in Latin America, Asia, Europe, and the U.S.

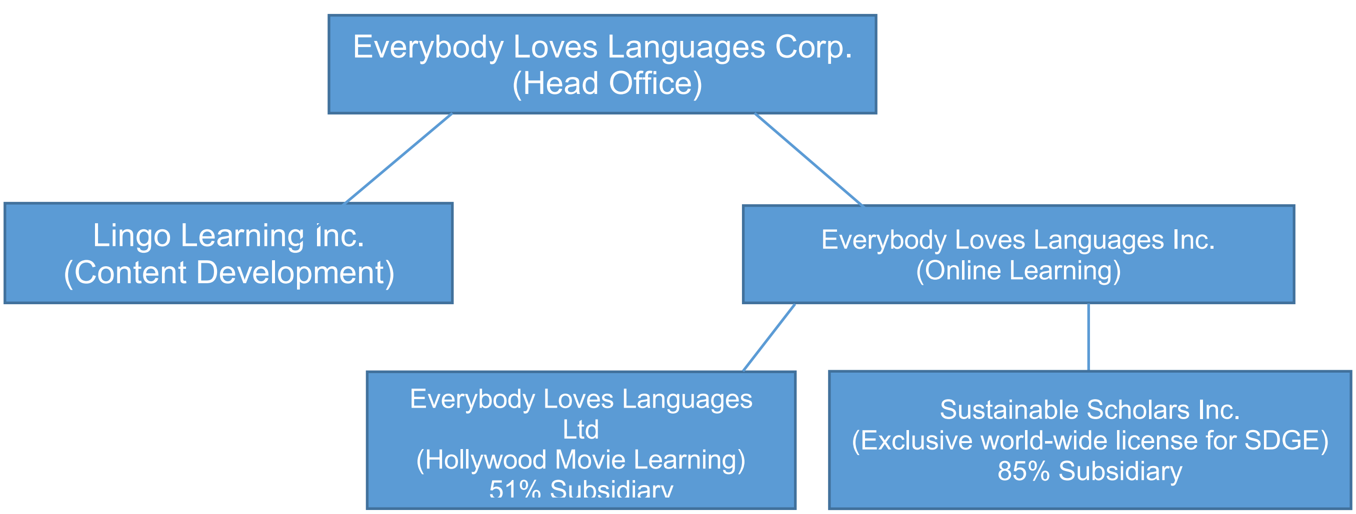
The Company empowers language educators to easily transition from traditional teaching methods to digital learning with a course portfolio that offers more than 3,000 hours of learning material and proprietary content for online and blended learning.

Learning a new language is one of the most challenging learning experiences a student can pursue. But studies confirm that combining movies with language lessons is a great way to learn languages. A huge obstacle in acquiring a second language is three-fold: engagement, structure, and interactivity. In September 2022, ELL announced a strategic partnership with Row 9-Digital which would undertake and develop Hollywood movie-based lessons and activities to various age groups. Through this strategic partnership, ELL has been using popular movies – such as Spiderman, Soul, Lightyear, Encanto, and West Side Story among the many in its library. The new partnership combines ELL’s learning management system and content with Row 9-Digital’s AcadeMe+ interactive lesson program that uses an innovative AI-enabled film search engine to provide teachers with educational and student-engaging content. This business unit operates under the subsidiary, Everybody Loves Languages Ltd.

The Company had expanded further by partnering with ELT Songs to develop a Sustainable Development Goals based program (SDG) that covers the 17 SDG principles which were developed by the United Nations (UN) and adopted by 170 countries with a goal of implementing it by 2030. This enables ELL to expand beyond language learning, and further, target English speaking educational markets with the important mission of improving life and conditions for all. In 2024, Sustainable Scholars Inc. was incorporated for the distribution of ELL-ELT Songs partnership business, and 15% of the common shares was issued to ELT Songs.

Everybody Loves Languages’ strategy is to focus on sales channels and relationships while continuously investing in and developing its content and technology offerings. In addition, the Company will seek licensing opportunities to its platform with large publishers who wish to offer a unique and competitive advantage solution to their client base.

Corporate Structure



Q3 2025 Operational Highlights

- Online English Language Learning:
  - ✓ Released a new course focusing on reading, in addition, integrated the new reading content within English for Success (EFS) which would be available for use in 2026

- Content-Based English Language Learning:
  - ✓ Continued to develop content for the latest revision of the PEP books

Strategic Partnership

Everybody Loves Languages Ltd.

The license agreement with Row 9-Digital requires ELL Ltd. to pay advanced license fees to Row 9-Digital in the amount of U.S.$350,000. These Minimum Guarantee Payments (“MGP”) are payable as follows: 25% being U.S. $87,500 upon the execution of the agreement; 25%, being U.S. $87,500 within 90 days the execution of the agreement; and a further 21%, being U.S. $73,500 within 120 days of the execution of the agreement. The remaining 29%, being the sum of U.S. $101,500 is to be paid within 36 months of the execution of the agreement.

In 2022, the Company paid 50% of the MGP, which is U.S. $175,000, equivalent to CAD $232,295, and such amount was included in Prepaid and other receivables as at December 31, 2022. In 2023, ELL Ltd. paid U.S.$75,000 to Row 9-Digital, and such amount was included in Prepaid and other receivables. As at January 1, 2024, the beginning prepaid pertaining to the MGP is $331,967 Canadian Dollars, of which $171,500 was included in prepaid and other receivables and $160,467 was included in non-current prepaid and other receivables.

During the fiscal year of 2024, $89,345 was expensed towards MGP. As at December 31, 2024, the ending prepaid pertaining to the MGP is $243,123 Canadian Dollars. The Company reallocated $26,345 to prepaid and other receivables based on updated sales projection, which brings the balance of prepaid and other receivables to $108,500 and reduced non-current prepaid and other receivable to $134,123.

During the 3-month period ended September 30, 2025, $16,550 has been expensed towards MGP, which brings the balance of prepaid and other receivables to $84,864.

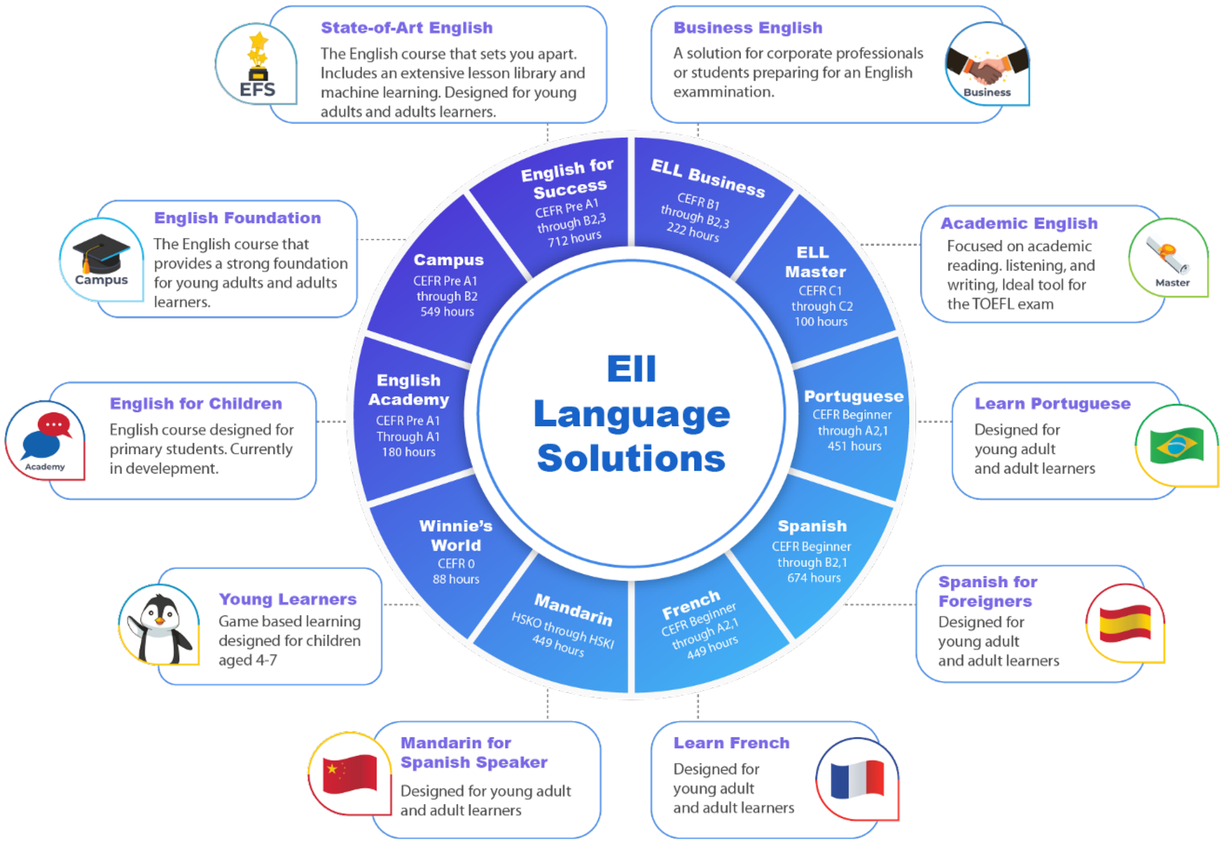
Sustainable Scholars Inc

On May 26, 2023, the Company entered into a strategic partnership to become the technology platform provider and worldwide exclusive distributor (excluding the B2C category) for multi-award-winning education company, ELT Songs Plc ("ELT Songs"). Under the agreement and with ELT Songs' vision, the Company will develop engaging, interactive videos and content that is aligned with the UN-adopted Sustainable Development Goals ("SDG") initiative, a collection of 17 global goals to improve the planet and the quality of human life around the world by 2030. Under the terms of the agreement, the Company had incorporated a new company for the distribution of ELL-ELT Songs partnership business, and issued 15% of the common shares to ELT Songs. ELL and ELT Songs also agreed to sell and distribute worldwide on the ELL technology platform, Planet Pop, a successful primary school interactive video program developed by ELT Songs. Under the terms of the agreement, the Company had advanced US$150,000 against future royalties. The advance was paid in 2023, resulting in a total ending prepaid balance of $203,790 Canadian Dollars as at December 31, 2023, of which $14,452 was included in prepaid and other receivables and $189,338 was included in non-current prepaid and other receivables.

During the 3-month period ended September 30, 2025, there is no reportable business activity within the company.

Online English Language Learning

ELL has developed and markets one of the largest libraries of online language learning resources in the world. The library provides more than 3,000 hours of interactive learning through several product offerings that include *Winnie's World, English Academy, Campus*, *English for Success*, AcadeMe English, AcadeMe Junior, *Master* and *Business* English in addition to courses that teach French, Mandarin, Spanish, and Portuguese languages. ELL's programs are primarily marketed in Latin America, Asia, part of Europe, and the U.S. through a network of distributors and direct sales personnel and the company generates revenues from online and offline licensing fees from its suite of web-based language learning products and applications.



ELL's high-tech, easy to implement e-learning Software-as-a-Service solutions provides learners of all ages and levels of English proficiency with a platform to further their language learning development.

All products have been designed by ELL to market and sell its proprietary products to academic institutions and governments. Educators who license the platform can easily assign, and arrange lessons and courses as they see fit, including personalizing the learning to a particular individual's needs and progress.

Formative assessments and data gathering functionality enables ELL to adapt and improve content. Based on that data, the company can continue to innovate and improve to address specific problem areas and to make learning more accessible, efficient and measurable. Built for learners, by experienced educators, ELL empowers teachers and allows them to easily transition from pure classroom paper-based teaching to the online world.

Content-Based English Language Learning

The Company continues to maintain its legacy textbook publishing business through Lingo Learning Inc., a content-based publisher of English language learning programs in China since 2001. Lingo Learning has an established presence in China's education market of over 300 million students. To date, it has co-published more than 972 million units from its library of program titles.

Overall Performance

During the quarter ended September 30, 2025, Everybody Loves Languages recorded revenues of $287,375 as compared to $297,273 in 2024, an decrease of 3%. Net loss was $(253,746) as compared to $(215,757) in 2024 resulting in a $(0.01) loss per share as compared to $(0.01) loss per share in 2024. Total comprehensive loss was $(265,276) as compared to $(209,403) in 2024. Share-based payments of $17,479 was recorded in Q3 2025 as compared to $5,179 in Q3 2024. In addition, cash used in operations during the third quarter was $497,997 as compared to $123,631 in the same period of 2024.

Online English Language Learning

ELL earned revenue from its portfolio of products of $221,647 for the period, compared to $252,447 in 2024, a decrease of 12%. The decline in revenue for the quarter ended September 30, 2025 refelects the seasonal effects of education institutions, during which customer activity and demand historically decrease.

Content-Based English Language Learning

Lingo Learning earned royalty revenue of $65,728 in Q3 2025 compared to $44,824 in the same period of 2024 from People's Education Press and People's Education & Audio-Visual Press. This is primarily due to a change in the timing of several publishers' settlements with People's Education Press and People's Education & Audio-Visual Press. A few publishers who typically settle their accounts in other periods completed their payments in Q3, resulting in a temporary uplift in reported revenue.

Lingo Learning earns royalty revenues from its key customer, People's Education Press and People's Education & Audio-Visual Press (collectively "PEP"), who are China's State Ministry of Education's publishing arm, on the following basis:

Lingo Learning earns significantly higher royalties from Licensing Sales compared to Finished Product Sales. People's Education Press provides Lingo Learning with sales reconciliations on a semi-annual basis. People's Education & Audio-Visual Press provides Lingo Learning with sales reconciliations on a quarterly basis. Revenue from royalty and licensing sales is recognized based on confirmation of finished products produced by Lingo Learning's co-publishing partners and when collectability is reasonably assured. Royalty revenue from audiovisual products is recognized based on the confirmation of sales by its co-publishing partners, and when collectability is reasonably assured. Royalty revenues are not subject to right of return or product warranties. This revenue recognition policy causes an impact of higher revenues in the second and the fourth quarter of the year and lower revenues in the first and the third quarter.

Market Trends and Business Uncertainties

Everybody Loves Languages (ELL) continues to operate within a global environment that strongly supports the expansion of English language learning. Across developing regions - particularly in Latin America and the Asia-Pacific—there is increasing institutional and individual demand for English proficiency, driven by economic globalization, digital transformation, and education policy mandates.

According to HolonIQ, the global language learning market is projected to exceed $200 billion by 2028, with English accounting for the largest share of this growth. Meticulous Market Research forecasts that the global English language learning market will reach approximately $69 billion by 2029, growing at a CAGR of 9.5% from 2022. In the digital space, BrandEssence Market Research estimates the digital English language learning segment will grow at a CAGR of 18.7% through 2027, while Technavio anticipates a CAGR of over 20%, highlighting the growing shift toward mobile-first and platform-based language education.

Latin American Region

The Latin American market continues to show strong demand for accessible and effective English language training. A 2023 report by the Inter-American Dialogue emphasizes three core challenges that regional English language programs must address to ensure success: (i) continuity of instruction, (ii) robust monitoring and evaluation systems, and (iii) the development of a skilled teaching workforce. While traditional ELT (English Language Training) methods persist, digital learning platforms are gaining rapid traction due to cost-efficiency, scalability, and alignment with younger, tech-savvy learners. As of 2022, the region accounted for approximately 15% of global ELT revenues, and its growth trajectory suggests a significant expansion opportunity for digital-first solutions like ELL's.

Asia-Pacific Region

The Asia-Pacific region remains one of the most dynamic markets for English language education, driven by national policies in countries such as China, South Korea, Vietnam, and Indonesia. According to The Insight Partners, the digital English learning market in Asia-Pacific is projected to reach USD 6.1 billion by 2027, with a CAGR of 17.6% from 2020. Regional demand is fueled by the integration of English into early education, corporate upskilling initiatives, and the expansion of e-learning infrastructure. China and South Korea continue to lead the market, although Southeast Asia is emerging as a high-growth sub-region.

Everybody Loves Languages is well-positioned to capitalize on these market trends with its proprietary, scalable, and cloud-based digital language learning platform. The Company's focus on adaptive learning, multilingual interface design, and data-driven instruction aligns well with the evolving needs of educational institutions, governments, and corporate clients in both Latin America and Asia.

Despite the positive market outlook, uncertainties remain. These include regional economic fluctuations, government policy shifts, and competitive dynamics in the digital education sector. While ELL believes it is strategically equipped to benefit from global demand growth in English language learning, there can be no assurance that these favorable trends will continue or that the Company will achieve sustained market penetration in its target regions.

General Financial Condition

As at September 30, 2025, Everybody Loves Languages had working capital balance of $2,761,306 compared to $2,439,405 as at September 30, 2024. Net loss for the quarter ended September 30, 2025 was $(253,746) compared to $(215,757) for the quarter ended September 30, 2024. Share-based payments of $17,479 was recorded in 2025 as compared to $5,179 in 2024. Cash used in operations was $497,997 as compared $123,631 in the same period of 2024.

Financial Highlights – for the Third Quarter Ended September 30, 2025

	2025	2024
Revenue		
Content-Based English Language Learning	$ 65,728	$ 44,824
Online English Language Learning	221,647	252,449
	287,375	297,273
Net Loss for the Period	(253,746)	(215,757)
Total Comprehensive Loss	(265,276)	(209,403)
Loss per Share	$(0.01)	$(0.01)
Total Assets	3,691,462	3,786,132
Working Capital	2,761,306	2,439,405
Cash Used in – Operations	(497,997)	(123,631)

The Company had cash on hand as at September 30, 2025 of $1,986,040 (2024 - $1,829,636) generated from the difference sources of revenue.

Results of Operations

Revenues

During the period, Everybody Loves Languages earned $221,647 in online licensing sales revenue as compared to $252,449 in 2024. Revenues from content-based English language learning for the period were $65,728 compared to $44,824 in 2024. Direct costs associated with content-based revenue are relatively modest and have been consistent throughout the years. The Company continues to maintain its relationship with PEP and PEP AV and is investing in the development of its existing and new programs and marketing activities to maintain and increase its royalty revenues.

During the third quarter, Everybody Loves Languages recorded revenues of $287,375 as compared to $297,273 in 2024. Net loss was $(253,746) as compared to $(215,757) in 2024 resulting in a $(0.01) loss per share as compared to $(0.01) loss per share in 2024.

Selling, General and Administrative

Selling, general and administrative expenses of quarter ended September 30, 2025 were $245,914 compared to $224,966 in the 2024. Selling, general and administrative expenses for the three segments are segregated below.

(i) Content-Based English Language Learning

Selling, general and administrative expenses for content-based publishing for the quarter was $47,683 compared to $51,144 in 2024. The decrease is primarily related to increase in accrued government grant during the quarter. The following is a breakdown of selling, general and administrative costs directly related to content-based English language learning:

For the Quarter Ended September 30th	**2025**	2024
Sales, marketing & administration	**$ 28,661**	$ 37,842
Consulting fees and salaries	**56,007**	47,421
Travel	**13,850**	3,031
Premises	**2,674**	3,156
Professional fees	**6,489**	4,694
Less: Grants	**(60,000)**	(45,000)
	$ 47,681	$ 51,144

(ii) Online English Language Learning

Selling, general and administrative costs related to online English language learning was $79,563 for the period compared to $48,157 in Q3 2024. This increase is primary due to more efforts in exploring and expanding business development worldwide and increase in internal consulting service and salary expenses allocated to the segment related to business management.

The following is a breakdown of selling, general and administrative costs directly related to online-based English language learning:

For the Quarter Ended September 30th		2025		2024
Sales, marketing & administration	$	**25,494**	$	9,598
Consulting fees and salaries		**51,921**		37,224
Travel		**305**		91
Premises		**844**		1,244
Professional fees		**1,000**		-
	$	**79,564**	$	48,157

(iii) Head Office

Selling, general and administrative costs related to head office was $118,668 for the period compared to $125,665 in 2024. Decreased selling, general and administrative costs is primarily due to the reduction in consulting fees that is allocated to online segment.

For the Period Ended September 30th		2025		2024
Sales, marketing & administration	$	**19,606**	$	17,066
Consulting fees & salaries		**61,312**		84,525
Premises		**844**		1,245
Shareholder services		**5,347**		2,379
Professional fees		**31,560**		20,450
	$	**118,669**	$	125,665
Total Selling and Administrative Expenses	$	**245,914**	$	224,966

Net Loss

Net loss for the Company was $(253,746) for the period ended September 30, 2025 as compared to $(215,757) in 2024. Net loss is attributed to the two operating segments and head office as a reporting segment as shown below:

Online ELL		2025		2024
Revenue	$	**221,647**	$	252,449
Expenses:				
Direct costs		**79,497**		74,204
General & administrative		**79,564**		48,157
Amortization		**22**		238
Development cost		**186,658**		131,117
		345,741		253,716
Segmented Loss - Online ELL	$	**(124,094)**	$	(1,267)
Loss for the period is Attributable to:				
Non-controlling interest		**(24,586)**		(1,483)
Shareholders of ELL Corp.		**(99,508)**		216
Content-Based ELL				
Revenue		**65,728**	$	44,824
Expenses:				
Direct costs		**57,025**		65,926
General & administrative		**47,681**		51,144
Amortization		**257**		195
Income taxes and other taxes		**6,573**		4,483
		111,535		121,748
Segmented Loss – Content-Based ELL	$	**(45,807)**	$	(76,924)

Head Office		**2025**		2024
Expenses:				
General & administrative		**118,669**	$	125,665
Amortization of property & equipment		**10**		24
		118,679		125,689
Total Segmented Loss	**$**	**(288,580)**	$	(203,880)
Other Financial Items				
Foreign exchange gain		**38,488**	$	(21,176)
Interest and other financial expenses		**13,825**		14,478
Share-based payment		**(17,479)**		(5,179)
Other comprehensive income (loss)		**(11,530)**		6,354
		23,304		(5,523)
Total Comprehensive Loss	**$**	**(265,276)**	$	(209,403)

Foreign Exchange

The Company recorded foreign exchange gain of $38,488 as compared to foreign exchange loss $(21,176) in 2024, relating to the Company's currency risk through its activities denominated in foreign currencies as the Company is exposed to foreign exchange risk as a significant portion of its revenue and expenses are denominated in Chinese Renminbi and US Dollars.

Share-Based Payments

The Company amortizes share-based payments with a corresponding decrease to the contributed surplus account. During the period, the Company recorded an expense of $17,479 compared to $5,179 in Q3 2024.

Net Loss for the Period

The Company reported a net loss of $(253,746) for the period as compared to $(215,757) in Q3 2024. The loss per share for the period is $(0.01) compared to $(0.01) in Q3 2024.

Total Comprehensive Loss

The total comprehensive loss is calculated after the application of exchange differences on translating foreign operations gain/(loss). The Company reported a total comprehensive loss of $(265,276) for the quarter ended September 30, 2025 as compared to $(209,403) in Q3 2024.

Summary of Quarterly Results

	Q4 – 24	Q1 – 25	Q2 – 25	Q3 - 25
Revenue	$ 995,094	$ 362,953	$ 964,862	$ 287,375
Income / (Loss) Before Taxes and Other Comprehensive Income	798,630	(161,705)	231,642	(247,173)
Total Comprehensive Income / (Loss)	490,306	(170,506)	188,106	$(265,276)
Income / (Loss) per Basic and Diluted Share	$0.01	$(0.00)	$0.00	$(0.01)

	Q4 – 23	Q1 – 24	Q2 – 24	Q3 – 24
Revenue	$ 1,053,724	$ 149,977	$ 991,288	$ 297,273
Income / (Loss) Before Taxes and Other Comprehensive Income	448,973	(506,633)	433,516	(204,576)
Total Comprehensive Income (Loss)	375,622	(312,327)	344,818	(209,403)
Income / (Loss) per Basic and Diluted Share	$0.01	$(0.01)	$0.01	$(0.01)

Liquidity and Capital Resources

As at September 30, 2025, the Company had cash of $1,986,040 compared to $1,829,636 in 2024. Accounts and grants receivable of $985,269 were outstanding at the end of the period compared to $1,008,927 in 2024. With 93% of the receivables from PEP and PEP AV and the balance due from Everybody Loves Languages' customers with a 90 – 180 days collection cycle. The Company does not anticipate an effect on its liquidity. Total current assets amounted to $3,351,711 (2024 - $3,128,383) with current liabilities of $590,406 (2024 - $688,978) resulting in working capital of $2,761,306 (2024 - $2,439,405).

Lingo Learning receives government grants based on certain eligibility criteria for publishing industry development in Canada and for international marketing support. The grant is applied based on Lingo Learning meeting certain eligibility requirements. Included as a reduction of selling, general and administrative expenses are government grants of $60,000 (2024 - $45,000), relating to the Company's publishing and software projects.

One government grant for the content-based English language learning segment is repayable in the event that the segment's annual net income before tax for the current year and the previous two years exceeds 15% of revenue. In 2024, the conditions for the repayment of grants did not arise and no liability was recorded.

ELL has access to working capital through equity financings and/or debt financings, if required to finance its growth plans and expansion into new international markets. The Company has been successful in raising sufficient working capital in the past.

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet finance arrangements.

Transactions with Related Parties

The Company's key management includes Gali Bar-Ziv, President & CEO and Khurram Qureshi, CFO in addition to Board Directors and the Secretary of the Board.

The Company had the following transactions with related parties, made in the normal course of operations, and accounted for at an amount of consideration established and agreed to by the Company and related parties.

Key management compensation for the quarter was $66,000 (2024 – $66,000) and is reflected as consulting fees paid to corporations owned by directors and officers of the Company.

During the 3-month period ended September 30, 2025, the Company recorded $9,000 (2024 – $9,000) director fees to independent directors. As of September 30, 2025, $12,390 director fees including applicable tax was included in accounts paybale.

Additional Disclosure

Property and Equipment

		Computer and Office Equipment
Cost, January 1, 2024	$	56,635
Cost, September 30, 2024		57,832
Cost, December 31, 2024		57,832
Cost, September 30, 2025	**$**	**57,832**
Accumulated depreciation, January 1, 2024	$	45,600
Charge for the period		2,116
Accumulated depreciation, September 30, 2024	$	47,450
Charge for the period		565
Accumulated depreciation, December 31, 2024	$	48,015
Charge for the period		861
Accumulated depreciation, September 30, 2025	**$**	**48,876**
Net book value, January 1, 2024	$	11,035
Net book value, September 30, 2024	$	10,382
Net book value, December 31, 2024	$	9,817
Net book value, September 30, 2025	**$**	**8,956**

Risk Factors

Business Risk and Uncertainties

We are subject to a number of risks and uncertainties that can significantly affect our business, financial condition and future financial performance, as described below. In particular, there remain significant uncertainties in capital markets impacting the availability of equity financing. While these uncertainties in capital markets do not have a direct impact on our ability to carry out our business, the Company may be impacted should it become more difficult to gain access to capital when and if needed. These risks and uncertainties are not necessarily the only risks the Company faces. Additional risks and uncertainties that are presently unknown to the Company may adversely affect our business.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's monetary assets and liabilities denominated in currencies other than the Canadian Dollar and the Company's net investments in foreign subsidiaries.

The Company operates internationally and is exposed to foreign exchange risk as certain expenditures are denominated in non-Canadian Dollar currencies.

The Company has been exposed to this fluctuation and has not implemented a program against these foreign exchange fluctuations.

A 10% strengthening of the US Dollar against the Canadian Dollar would have increased the net equity approximately by $146,847 (2024 - $128,210) due to reduction in the value of net liability balance. A 10% of weakening of the US Dollar against the Canadian Dollar on September 30, 2025, would have had the equal but opposite effect. The significant financial instruments of the Company, their carrying values and the exposure to other denominated monetary assets and liabilities, as of September 30, 2025, are as follows:

	September 30, 2025	September 30, 2024
	USD	USD
Cash	1,357,003	483,735
Accounts receivable	598,827	696,130
Accounts payable	29,863	89,672

Liquidity Risk

The Company manages its liquidity risk by preparing and monitoring forecasts of cash expenditures to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's accounts payable and accrued liabilities generally have maturities of less than 90 days. At September 30, 2025, the Company had cash of $1,986,040, accounts and grants receivable of $985,269 and prepaid and other receivables of $ 330,795 to settle current liabilities of $590,406.

Credit Risk

Credit risk refers to the risk that one party to a financial instrument will cause a financial loss for the counterparty by failing to discharge an obligation. The Company is primarily exposed to credit risk through accounts receivable. The maximum credit risk exposure is limited to the reported amounts of these financial assets. Credit risk is managed by ongoing review of the amount and aging of accounts receivable balances. As of September 30, 2025, the Company has outstanding receivables of $805,269 (2024 - $873,927). New impairment requirements use an 'expected credit loss' ('ECL') model to recognize an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available. The Company deposits its cash with high credit quality financial institutions, with the majority deposited within Canadian Tier 1 Banks.

Retention or Maintenance of Key Personnel

Although Everybody Loves Languages' management has made efforts to align the interests of key employees with the Company by, among other things, granting stock options to its operations personnel with vesting schedules tied to continued employment, there is no assurance that Everybody Loves Languages can attract or retain key personnel in a timely manner as the need arises. Failure to have adequate personnel may materially compromise the ability of the Company to operate its business.

Disclosure of Outstanding Share Data

As of November 27, 2025, the followings are outstanding:

Common Shares – 35,642,524
Warrants – Nil
Stock Options – 3,350,000
Rstricted Share Units – 2,000,000

Approval

The Directors of Everybody Loves Languages have approved the disclosure contained in this MD&A.

Additional Information

Additional information relating to the Company can be found on SEDAR at www.sedarplus.ca.