

BANTAM CAPITAL CORP.
(formerly IDG HOLDINGS INC.)
FORM 51-102F1

MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE SIX MONTHS ENDED DECEMBER 31, 2024

INTRODUCTION

The following Management's Discussion and Analysis ("MD&A") for Bantam Capital Corp. (formerly IDG Holdings Inc.) (the "Company"), prepared as of January 13, 2025, for the six months ended December 31, 2024 should be read in conjunction with the unaudited interim financial statements and related notes of the Company for the six months ended December 31, 2024 and the audited financial statements of the Company and related notes for the years ended June 30, 2024 and 2023. The financial statements have been prepared using accounting principles consistent with International Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB"). All monetary amounts in this MD&A and in the financial statements are expressed in Canadian dollars unless otherwise stated. Additional information on the Company can be found on SEDARPLUS at www.sedarplus.ca. The reader should be aware that historical results are not necessarily indicative of future performance. The interim financial statements together with the following MD&A are intended to provide readers with a reasonable basis for assessing the financial performance of the Company.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The Company's Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Board's audit committee meets with management quarterly to review the financial statements, including the MD&A, and to discuss other financial, operating and internal control matters.

FORWARD LOOKING INFORMATION

The statements made in this MD&A that are not historical facts contain forward-looking information that involves risks and uncertainties. All statements, other than statements of historical facts, which address the Company's expectations, should be considered forward-looking statements. Such statements are based on management's exercise of business judgment as well as assumptions made by and information currently available to management. When used in this document, the words "may", "will", "anticipate", "believe", "estimate", "expect", "intend" and words of similar import, are intended to identify any forward-looking statements.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, which give rise to the possibility that predictions, forecasts, projections and other forward-looking statements will not be achieved. Certain material factors or assumptions are applied in making forward-looking statements and actual results, performance or achievements may differ materially from those expressed or implied in such statements. You should not place undue reliance on forward-looking statements as a number of important factors, many of which are beyond our control, could cause actual results, performance or

achievements to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates and intentions expressed in such forward-looking statements. These factors that relate to our company include, but are not limited to: execution of the business plan; expansion plans; dependence on key personnel; key relationships; dependence on key customers; dependence on key suppliers; competition; market factors and volatility of commodity prices; operating risks; proprietary rights; infrastructure; future capital requirements; technical substitution; exchange rate fluctuations; insurance; weather conditions and natural disasters; control by management; seasonality; dividends; conflicts of interest; global financial conditions; change of law; government sector intervention; foreign investment; repatriation of profit and currency conversion; tax; shareholders' rights and enforcement judgments; protection of intellectual property rights; permits and business licenses; appropriation. Should one or more of these factors materialize or should the Company's estimates or underlying assumptions prove incorrect, actual results, performance or achievements may vary materially from those described in forward-looking statements.

The Company cannot assure readers that actual results, performance and achievements will be consistent with these forward-looking statements, and the differences may be material. The Company undertakes no obligation to update any forward-looking statements except as required by law.

DESCRIPTION OF BUSINESS AND OVERVIEW

Bantam Capital Corp. (formerly IDG Holdings Inc.) ("Bantam" or the "Company") is incorporated under the Business Corporations Act (Alberta) and has continued its existence under the Business Corporations Act (British Columbia). On September 12, 2024, the Company changed its name to Bantam Capital Corp. and completed a share consolidation at a ratio of one new, post-consolidated share, for every ten old, pre-consolidated shares. All share amounts in these financial statements are reflected on a post-consolidated basis.

The Company's shares are listed on the TSX Venture Exchange ("Exchange") and effective September 13, 2024 the shares began trading under the symbol "BCC". The Company is currently in the process of identifying and evaluating corporations, businesses or assets for acquisition and once identified and evaluated, to negotiate an acquisition or participation subject to receipt of regulatory and shareholder approval as applicable.

The address of the Company's registered office is 2200 – 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8.

The financial statements of the Company are presented in Canadian dollars, the functional currency of the Company, unless otherwise noted.

SELECTED ANNUAL INFORMATION

The following financial data are selected information for the Company for the three most recently completed financial years:

	June 30, 2024	June 30, 2023	June 30, 2022
	\$	\$	\$
Current assets	15,781	75,534	168,197
Total assets	15,781	75,534	168,197
Current liabilities	25,265	18,921	22,946
Total non-current financial liabilities	-	-	-
Total revenue	-	-	-
Net loss	(66,097)	(88,638)	(163,806)
Net loss per share, basic and diluted	(0.05)	(0.06)	(0.12)
Weighted average number of common shares outstanding	1,383,950	1,383,950	1,383,950

The losses in 2024, 2023 and 2022 resulted from ongoing regulatory expenses as well as advisory fees related to a proposed merger.

RESULTS OF OPERATIONS

The following selected financial data is derived from the financial statements of the Company prepared within acceptable limits of materiality and is in accordance with International Financial Reporting Standards.

	3 Months ended Dec 31, 2024	3 Months ended Sep 30, 2024	3 Months ended Jun 30, 2024	3 Months ended Mar 31, 2024	3 Months ended Dec 31, 2023	3 Months ended Sep 30, 2023	3 Months ended Jun 30, 2023	3 Months ended Mar 31, 2023
	\$	\$	\$	\$	\$	\$	\$	\$
Total revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Loss for the period	(19,371)	(43,813)	(29,430)	(9,744)	(9,635)	(17,182)	(21,543)	(9,535)
Net loss per share, basic and diluted	(0.01)	(0.03)	(0.02)	(0.01)	(0.01)	(0.01)	(0.02)	(0.01)
Total assets	13,851	6,863	15,781	27,405	36,788	50,109	75,534	84,806
Total liabilities	86,519	60,160	25,265	7,460	7,098	10,678	18,921	6,651
Total shareholders' equity (deficiency)	(72,668)	(53,297)	(9,484)	19,945	29,690	39,431	56,613	78,155

Three months ended December 31, 2024

During the three months ended December 31, 2024, the Company reported a net loss of \$19,371 compared to a net loss of \$9,635 for the same period in the prior year, representing a change of \$9,736.

Significant items in the quarter ended December 31, 2024 include:

- Management compensation of \$6,573 (2023 - \$4,998), an increase of \$1,575.
- Professional fees of \$4,016 (2023 - \$908). The increase of \$3,108 is related to ongoing regulatory requirements.
- Transfer agent and regulatory fees of \$7,130 (2023 - \$1,952) related to the share consolidation that occurred in September, 2024.

Six months ended December 31, 2024

During the six months ended December 31, 2024, the Company reported a net loss of \$63,184 compared to a net loss of \$26,923 for the same period in the prior year, representing a change of \$36,261.

Significant items in the six months ended December 31, 2024 include:

- Management compensation of \$13,671 (2023 - \$9,996), an increase of \$3,675.
- Professional fees of \$28,328 (2023 - \$6,754). The increase of \$21,574 is related to the continuation of the Company in British Columbia and the share consolidation and name change completed in September 2024.
- Corporate communication and regulatory expense of \$5,007 and \$14,221, respectively, (2023 - \$Nil and \$6,624, respectively) related to the activities described above under Professional fees and the 2024 annual general meeting.

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2024, the Company had cash of \$12,539 and prepaid expenses of \$1,312 with current liabilities of \$86,519 resulting in a working capital deficiency of \$72,668.

Cash Flow

Cash used in operating activities in the six months ended December 31, 2024 amounted to \$58,242 compared to \$42,246 in the six months ended December 31, 2023.

The Company conducted no investing activity in the six months ended December 31, 2024 or 2023.

The Company received advances of \$55,000 during the six months ended December 31, 2024 from an investor who is assisting in implementing the Company's business plan. These advances are providing the working capital for the Company to meet its regulatory obligations. These advances are unsecured, bear interest at 10% per annum and are due on demand. At December 31, 2024, \$1,374 in interest has been accrued.

The Company's cash is held in a Schedule 1 Canadian financial institution in highly liquid accounts. No amounts have been or are invested in asset-backed commercial paper.

Off-Balance Sheet Transactions

The Company has no off-balance sheet transactions.

RELATED PARTY TRANSACTIONS

Related party transactions have been measured at the exchange amount of consideration agreed between the related parties. Key management personnel comprise the Company's Board of Directors and executive officers. Related party transactions not disclosed elsewhere in these financial statements are presented below.

Related Party Transactions

No remuneration was paid or payable to key management personnel during the six months ended December 31, 2024 and 2023 other than that shown below:

- a) consulting fees of \$3,675 (2023 - \$Nil) to a director of the Company;

- b) consulting fees of \$6,000 (2023 - \$6,000) to the CEO/CFO of the Company;
- c) consulting fees of \$3,996 (2023 - \$3,996) to a company controlled by a director of the Company.

The Company did not incur any post-employment or other long-term benefits to key management personnel for the six months ended December 31, 2024 and 2023.

CAPITAL STOCK

Common Shares

The Company is authorized to issue an unlimited number of common shares of which 1,383,950 common shares are issued and outstanding as at the date of this MD&A.

On September 12, 2024, the Company completed a share consolidation at a ratio of one new, post-consolidated share, for every ten old, pre-consolidated shares. All share amounts in this MD&A are reflected on a post-consolidated basis.

Stock Options

Pursuant to a stock option plan (the “Plan”) for directors, officers, employees and consultants, the Company may reserve a maximum of 10% of the issued and outstanding listed common shares, the exercise price to be determined on the date of issuance of the options. No options are currently outstanding.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with International Financial Reporting Standards (“IFRS”) requires management to make judgments, estimates and assumptions that affect the application of accounting policies regarding certain types of assets, liabilities, revenues and expenses. Actual results could differ from those estimates.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

Critical judgments in applying accounting policies

The preparation of financial statements requires management to make judgments regarding the functional currency of the Company and has determined that the functional currency of the Company is the Canadian dollar.

Key Sources of Estimation Uncertainty

Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those

estimates and such differences could be significant. Significant estimates made by management affecting the financial statements include, but are not limited to, the following:

Share-based payments

Estimating fair value for granted stock options requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility, dividend yield, and rate of forfeitures and making assumptions about them.

Deferred tax assets and liabilities

The estimation of income taxes includes evaluating the recoverability of deferred tax assets and liabilities based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets and liabilities will not be realized. The ultimate realization of deferred tax assets and liabilities is dependent upon the generation of future taxable income. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or less deferred tax assets or liabilities, and deferred income tax provisions or recoveries could be affected.

MATERIAL ACCOUNTING POLICY INFORMATION

For a summary of the Company's accounting policies and new accounting standards to be adopted, see Note 3 of the audited financial statements for the year ended June 30, 2024.

RISK AND UNCERTAINTIES

Certain significant risks presently facing the Company are as follows:

Financing

The Company does not currently have any operations generating cash to pay overhead costs for an extended period. The Company is therefore dependent upon debt and equity financing to implement its business plan. There can be no assurance that such financing will be available to the Company. In the future, the Company may require additional funding to continue in operation. The lack of additional financing could result in the Company's inability to implement its business plan.

Business Risks

Regulatory risks include possible delays in getting regulatory approval for transactions that the Board of Directors believe to be in the best interest of the Company, increased fees for filings, and the introduction of ever more complex reporting requirements, the cost of which the Company must meet in order to maintain its exchange listing.

FINANCIAL INSTRUMENTS

As at December 31, 2024, the Company's financial instruments consist of cash and accounts payable.

The Company is exposed in varying degrees to a variety of financial instrument related risks.

Credit Risk

Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. The credit risk of the Company is associated with cash. The credit risk with respect to its cash is minimal as it is held with high-credit quality financial institutions. Management does not expect these counterparties to fail to meet their obligations.

Liquidity Risk

Liquidity risk is the risk that the Company will not meet its obligations associated with its financial liabilities as they fall due. As at December 31, 2024, the Company had a balance in cash of \$12,539 to settle current liabilities of \$86,519. The Company's financial liabilities include accounts payable which have contractual maturities of 30 days or are due on demand.

The Company manages liquidity risk through its capital management as outlined below.

As at December 31, 2024, the Company does not have sufficient cash to settle all of its accounts payable and accrued liabilities. The Company will need to raise additional funds through equity or debt to continue with its operations.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash are exposed to interest rate risk as the Company invests cash at floating rates of interest in highly liquid instruments. Fluctuations in interest rates impact the value of cash and cash equivalents.

Currency Risk

Currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at December 31, 2024, the Company's expenditures are exclusively in Canadian dollars, and any future equity raised is expected to be predominantly in Canadian dollars. As a result, the Company does not believe it is exposed to any significant currency risk.

CAPITAL MANAGEMENT

The Company's objectives for the management of capital are to safeguard the Company's ability to continue as a going concern, including the preservation of capital, and to achieve reasonable returns on invested cash after satisfying the objective of preserving capital.

The Company considers its cash to be its manageable capital. The Company's policy is to maintain sufficient cash and deposit balances to cover operating costs over a reasonable future period. The Company accesses capital markets as necessary and may also raise additional funds where advantageous circumstances arise.

The Company currently has no externally imposed capital requirements.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

There have been no changes in the Company's internal control over financial reporting during the six months ended December 31, 2024, that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

APPROVAL

The Board of Directors of Bantam Capital Corp. has approved the disclosure contained in this MD&A as of January 13, 2025.