Metaguest.AI Incorporated (formerly BnSellit Technology Inc.)

Management Discussion and Analysis For the nine months ended September 30, 2023

This Management's Discussion and Analysis ("MD&A") provides a detailed analysis of the business of Metaguest.AI Incorporated and its subsidiary BnSellit Technology (US) Inc. ("Metaguest" or the "Company") and reviews its financial results for the nine months ended September 30, 2023. The MD&A should be read in conjunction with the audited consolidated financial statements of the Company for the year ended December 31, 2022 and related notes, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") and the unaudited condensed consolidated financial statements of the Company for the nine months ended September 30, 2023. The Company's reporting currency is the Canadian dollar and all amounts in this MD&A are expressed in Canadian dollars.

Additional information relating to the Company can be located on the SEDAR website at www.sedarplus.ca. This MD&A is current as at November 29, 2023.

Caution on Forward-Looking Statements

The MD&A contains certain forward-looking statements concerning anticipated developments in the Company's operation in future periods. Forward-looking statements are frequently, but not always identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. The forward-looking statements in the MD&A may include statements regarding budgets, capital expenditures, timelines, strategic plans, or other statements that are not statements of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. The Company's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from the Company's expectations include uncertainties involved in disputes, arbitration and litigation; uncertainty of estimates of capital and operating costs, the need to obtain additional financing to develop products and contents; uncertainty as to the availability and terms of future financing; the possibility of delay in research or development programs and uncertainty in meeting anticipated milestones; uncertainty as to timely availability of permits and other government approvals and other risks and uncertainties disclosed in other information released by the Company from time to time and filed with the appropriate regulatory agencies.

Overall Performance

Metaguest.AI Incorporated is a technology company that connects guests staying in Hotels and Short-Term Rental ("STR") properties with in-room and on-location commerce. The Company's Enterprise Division and the BNSL-Enterprise Technology Platform ("Hotel Platform") focus on providing these solutions to larger Multi-Unit hotel chain operators. BNSL-Enterprise provides Multi-Unit Hotel operators a variety of licensing options including white label, private branding or hybrid combinations to maximize per-stay revenue at each and every location.

BNSL-Enterprise Licensing options include a minimum monthly license fee and per transaction fees. BNSL-Enterprise API's provide real-time integration into hotel branded apps and their associated rewards programs to hotels, including Marriott Bonvoy, Hilton Honors, Wyndham Rewards, World of Hyatt, Choice Privileges, IHG Rewards, Radisson Rewards, and provide guests with a seamless transaction experience while ensuring the associated rewards are received. To further enhance the guest experience, BNSL-Enterprise can allow guests to use their reward and/or point balances to purchase or rent items at a hotel property. BNSL-Enterprise dramatically reduces or eliminates the need for hotels to make significant investments in technology to facilitate in-room and on-location commerce. These required investments by hotels have limited the participation of upper midscale and midscale hotels in the in-room and on-location commerce revenue opportunity. BNSL-

Enterprise decouples from existing fragmented hotel billing and management systems and provides a unified technology solution across all hotel locations in any territory around the world.

Metaguest's STR property program ("STR Platform") connects guests with items offered for sale or rent by STR owners and managers (Hosts) and local experiences that guests can purchase through the platform. Metaguest links Hosts and Guests and enables Hosts to increase their income from STR and offer their Guests an enhanced experience which differentiates them from other STR offerings. The Metaguest platform has a unique person-to-person built-in communication system linking a Host and guest together to answer questions about products and services and to facilitate completing a purchase or rental transaction. A variation of the STR platform is also available to hotel operators to enable them to offer a 'Virtual Concierge' service to their guests thus improving their operational efficiency and improving service levels to their guests as in-room services are expanded.

Metaguest obtains revenue by charging a commission on transactions that flow across the STR Platform and the Hotel Platform (the "Platforms"). The Hotel Platform provides the following services: 1) Concierge Enterprise; 2) Concierge Local Content; 3) Experiences; and 4) Payment Services. The Company charges a flat rate per hotel room for the Concierge Enterprise and Concierge Local Contents services and receives a commission of the gross transaction value of the Experiences and Payments Services.

Business History

The Company was incorporated pursuant to the *Business Corporations Act* (Alberta) on February 4, 2021. The Company changed its name from BnSellit Technology Inc. to Metaguest.AI Incorporated on October 17, 2023. The Company's head office is located at 122 Judge Road Unit 2, Toronto, ON, M8Z 5B7, and its registered office is located at 210 – 2020 4th Street SW, Calgary, AB T2S 1W3. The Company has one wholly-owned subsidiary, BnSellit Technology (US) Inc. which was incorporated pursuant to the General Company Law of the State of Delaware on May 20, 2021. The registered office of BnSellit Technology (US) Incorporated is located at 2140 S Dupont Hwy, Camden, Delaware, USA 19934. No shares of BnSellit Technology (US) Incorporated are listed or trade on any stock exchange.

Since the Company was incorporated, it has purchased the IP in the Metaguest and BnBuyit app Platform from a related company (RT7 Incorporated), obtained a listing on the CSE (CSE:METG (formerly BNSL)), concentrated on Platform updates and enhancements, built a distribution network, signed agreements with partners to increase the reach of the Platform to potential Hosts and bolstered the internal team.

It officially launched the STR Platform in the US in October 2021 at a series of trade fairs in Florida, Texas and Louisiana where the platform was warmly received and generated thousands of applications. To the end of 2021, the Company concentrated on uploading Hosts to the platform with an initial focus on STR owners and managers with multiple properties in traditional holiday destination in the United States. In 2022, the focus shifted to the Hotel Platform, to expand customer contacts and revenue points.

The Company also launched the MarketPlace kit after extensive research among Hosts and travel experts. The MarketPlace kit includes a selection of the most widely purchased items and offers Hosts a quick and easy way of setting up their own store, Hosts can offer just the MarketPlace kit items or supplement them with their own, locally purchased, items.

The Company also expanded the platform functionality, adding in the ability for guests to make an offer on items the guest may wish to purchase. Other innovations included launching the Concierge service which allows Hosts to link their online store to multiple local experiences and allows guests to purchase tickets for the experience through the app. This allows new Hosts to generate income immediately before they have uploaded items for sale or rent. The Concierge service is tied into to multiple APIs from experience providers allowing the guest to see all activities available to them in the local area. Future enhancements will be coming for this service over the next few months. The STR Platform and the Hotel Platform (the "Platforms") have also been updated to work in multiple languages.

Additionally, the Enterprise division markets specifically to hotel operators, allowing them to sign up to the Hotel Platform and utilize the suite of services to expand offerings to their guests in a cost-effective manner and improve guests' quality of stay in their hotel. Utilizing the Hotel Platform (either own-branded, white labeled or Metaguest branded) allows hotels to offer guests a full range of minibar and other products, without the expensive requirements to continually restock every room and keep high levels of inventory. Guests can simply browse the available merchandise, order what they would like and have it delivered to them. The Hotel Platform also allows hotels to streamline and make more efficient the traditional room service ordering process, while the 'Virtual Concierge' allows guests to view local attractions and experiences, read reviews and make bookings all from their devices - smartphone, tablet or laptop.

The Company signed up its first hotel clients during Q1-2022, offering both the Concierge service and using the Hotel Platform to offer guests additional opportunities to purchase goods and services. The hotels are able to add their own experiences to the Concierge menu as well as offer local experiences through the Platform. Currently over 180 Hotel's with over 17,000 rooms are using the Platform.

During the quarter, the Company changed its name to Metaguest.AI Incorporated which better mirrors the alignment of the Company's technology and business approach with the present and future requirements of the hospitality sector. The fusion of Generative AI for content and information with our exclusive Transactional AI technology results in an unparalleled product, greatly enhancing the guest experience and driving increased sales throughout the entire spectrum of hospitality segments.

For the nine months ended September 30, 2023, the Company's sales increased to $201,934. Of the sales, $15,717 was for future monthly subscription services resulting in net sales of $186,217 (nine months ended September 30, 2022 - $5,565). Prior to the nine months ended September 30, 2023, the Company had minimal operating income due to the free trial it offered to the first Hotels. The Company started generating income during the quarter as Hosts and Hotels continue to be onboarded and set up their online marketplace. The Company continues to market the Platforms to key target markets and is executing its targeted marketing plan aimed at key US states and hotel clients. The Company saw an increase in activity across the Platform during the quarter as hotels were onboarded to the Platform and management is seeing this translate to an increase in revenues throughout the year.

Outlook

Metaguest earns income from the Hotel sector and, as a result, demand for Metaguest's services is generally linked to the overall trends in the Hotel sector. Additionally, Metaguest operates primarily in the US market and growth in 2023 is expected to outpace previous years as the economy rebounds from COVID.

Other trends that are expected to continue and that will feed growth in the Hotel sector as a whole include the continued ability for individuals to work remotely from the office, thus allowing workers to work from anywhere and enable the ability to mix vacation and work time. More than 60% of employers expect to use a hybrid approach that will give workers flexibility around when and why they work form the office.

Based on the trends seen in the marketplace and discussions with hotel operators, Management continues to expect the Enterprise division to drive growth over the next three quarters, while the number of Hosts using the STR Platform will continue to grow organically. Domestic travel is still expected to drive much of the revenue: HomeToGo reports a 23% increase in searches for stays within the USA among American travellers.

The Company plans to focus on marketing the Platforms to Hosts and hotels and is not expecting to make additional large technology changes for the remainder of the year. The Company will continue to sign up hotel operators to the Enterprise division and to increase the number of Hosts and rooms on the Platforms.

The Company intends to finance its future requirements through a combination of operating income, debt and equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms. These uncertainties may cast significant doubt on the Company's ability to continue as a going concern. The Company will need to raise sufficient working capital to maintain operations.

For the nine months ended September 30, 2023

For the nine months ended September 30, 2023, the Company's sales increased to $201,934. Of the sales, $15,717 was for future monthly subscription services resulting in net sales of $186,217 (nine months ended September 30, 2022 - $5,565). Given the increased number of hotels signing up for the Company's services, the Company anticipates increased sales in the coming quarters. Sales increased each month from: $6,425 January 2023, $6,535 February 2023, $14,451 March 2023, $16,130 April, $26,509 May, $30,306 June 2023, $28,076 in July, $32,913 in August and $40,589 in September. Metaguest defines Annualized Recurring Revenue (ARR), a non-IFRS metric, as the annualized recurring sales expected, based on trailing monthly sales, for its Metaguest.AI services which rose to$487,063 as at September 30, 2023 up from $363,672 as at September 30, 2023 and $173,412 as at March 31, 2023. Cost of sales was $9,185 for the period (nine months ended September 30, 2022 - $5,652).

Salaries, wages and benefits for the nine months ended September 30, 2023 were $369,505 (nine months ended September 30, 2022 - $393,471). As the Company's operations further expand, the Company anticipates increased salary costs.

Subcontractors for the nine months ended September 30, 2023 were $175,973 (nine months ended September 30, 2022 - $175,478). As the Company's operations expand, the Company anticipates increased subcontractor costs.

Professional fees including legal and audit fees for the nine months ended September 30, 2023 were $76,845 (nine months ended September 30, 2022 - $97,347). The Company anticipates lower professional fees in the coming quarters as investor relations fees were due to a Capital Markets Consulting and Marketing Agreement with Hybrid Financial Ltd.

Share based compensation expenses for the nine months ended September 30, 2023 were $407,917 (nine months ended September 30, 2022 - $119,578). Share based compensation should remain consistent in the coming quarters.

Office and administration costs for the nine months ended September 30, 2023 were $67,002 (nine months ended September 30, 2022 - $62,920). As the Company's operations further expand, the Company anticipates increased office and administration costs.

Interest and accretion for the nine months ended September 30, 2023 were $64,545 (nine months ended September 30, 2022 - $15,496). The Company had issued $558,000 in convertible debentures which had a 10% interest charge. During the nine months ended September 30, 2023, $388,000 of the Convertible Debentures were settled with Units consisting of one common share and one half share purchase warrant.

Depreciation expenses for the nine months ended September 30, 2023 were $273,733 (nine months ended September 30, 2022 - $77,014) and depreciation expenses should remain consistent in the coming quarters. Included in depreciation is the amortization of the Company's intellectual property, equipment and right of use assets.

Total expenses for the nine months ended September 30, 2023 were $1,465,387 (nine months ended September 30, 2022 - $1,251,840). Net loss for the nine months ended September 30, 2023 was $1,309,822 or $0.02 per common share (nine months ended September 30, 2022 - $1,251,927 or $0.03 per common share).

For the three months ended September 30, 2023

For the three months ended September 30, 2023, the Company's sales increased to $101,578. Of the sales, $10,213 was for future monthly subscription services resulting in net sales of $91,365 (three months ended September 30, 2022 - $2,347). Given the increased number of hotels signing up for the Company's services, the Company anticipates increased revenue in the coming quarters. Revenues increased each month: $28,076 in July, $32,913 in August and $40,589 in September. Cost of sales was $4,883 for the period (three months ended September 30, 2022 - $2,642).

Salaries, wages and benefits for the three months ended September 30, 2023 were $136,039 (three months ended September 30, 2022 - $112,274). As the Company's operations further expand, the Company anticipates increased salary costs.

Subcontractors for the three months ended September 30, 2023 were $69,265 (three months ended September 30, 2022 - $102,575). As the Company's operations expand, the Company anticipates increased subcontractor costs.

Professional fees including legal and audit fees for the three months ended September 30, 2023 were $24,476 (three months ended September 30, 2022 - $38,799). The Company anticipates lower professional fees in the coming quarters as investor relations fees were due to a Capital Markets Consulting and Marketing Agreement with Hybrid Financial Ltd.

Share based compensation expenses for the three months ended September 30, 2023 were $138,852 (three months ended September 30, 2022 - $119,578). Share based compensation should remain consistent in the coming quarters.

Office and administration costs for the three months ended September 30, 2023 were $13,737 (three months ended September 30, 2022 - $35,450). As the Company's operations further expand, the Company anticipates increased office and administration costs.

Interest and accretion for the three months ended September 30, 2023 were $13,974 (three months ended September 30, 2022 - $10,381). The Company had issued $558,000 in convertible debentures which had a 10% interest charge. During the three months ended June 30, 2023, $388,000 of the Convertible Debentures were settled with Units consisting of one common share and one half share purchase warrant.

Depreciation expenses for the three months ended September 30, 2023 were $91,244 (three months ended September 30, 2022 - $25,672) and depreciation expenses should remain consistent in the coming quarters. Included in depreciation is the amortization of the Company's intellectual property, equipment and right of use assets.

Total expenses for the three months ended September 30, 2023 were $499,894 (three months ended September 30, 2022 - $517,141). Net loss for the three months ended September 30, 2023 was $413,412 or $0.01 per common share (three months ended September 30, 2022 - $517,436 or $0.01 per common share).

QUARTERLY RESULTS

	Q3-2023	**Q2-2023**	**Q1-2023**	**Q4-2022**
Revenue	$91,365	$67,411	$27,411	$9,631
Loss	$413,412	$456,829	$439,581	$542,776
Loss per share	$0.01	$0.01	$0.01	$0.01

	Q3-2022	**Q2-2022**	**Q1-2022**	**Q4-2021**
Revenue	($295)	($646)	$854	$216
Loss	$517,436	$403,366	$331,125	$325,654
Loss per share	$0.01	$0.01	$0.01	$0.01

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 2023, the Company had negative working capital of $402,420, including cash of $40,526.

During the nine months ended September 30, 2023, the Company issued an $65,000 in Convertible Debentures, $376,738 in $0.06 units ("Unit") with each Unit consisting of one common share and one half of one warrant exercisable at $0.10 for 18 months, converted $388,000 of the Convertible Debentures into Units and converted $91,324 of accounts payable into Units. The Company has a bridge loan of $210,000 due as of September 30, 2023 and is working with the lender on an extension/payment plan.

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilitiesin the normal course of business for the foreseeable future. The continuation of the Company as a going concern is dependent on its ability to obtain necessary financing for its commitments.

There is no guarantee that management will be successful in securing future financings due to current market conditions.

Future Cash Requirements

The Company's future capital requirements will depend on many factors, including, among others, its ability to earn cash flow from operations. If the Company is to continue its current operations and pursue future business opportunities, additional funding will be required. If additional funds are raised through the issuance of securities, the percentage ownership of current shareholders will be reduced and such securities may have rights, preferences, or privileges senior to those of the holders of the Company's common stock. No assurance can be given that additional financing will be available, or that it can be obtained on terms acceptable to the Company and its shareholders. If adequate funds are not available, the Company may not be able to meet its contractual requirements.

CONTINGENCY

The Company received a statement of claim from a former capital markets service provider (the "Claimant"), stating that the Company did not provide a notice of termination of its marketing agreement (the "Agreement"). In July 2022, the Company and the Claimant amended the Agreement whereby the Claimant covenanted that it shall continue to perform its services as set forth in the Agreement until the expiration of the initial period (being October 5, 2022). The Company believes the allegations made in the statement of claim are entirely without merit and the action will be vigorously defended by the Company.

SUBSEQUENT EVENTS

On November 16, 2023, the Company issued 346,667 units at a deemed issue price of $0.30 per unit for gross proceeds of $104,000. Each unit consisted of one Class A common share and one half of one Class A common share purchase warrant, exercisable at $0.50 expiring on May 15, 2025.

FINANCIAL INSTRUMENTS

Recognition

Financial assets and financial liabilities are recognized on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Classification

Financial assets are classified as subsequently measured at amortized cost or fair value through profit or loss on the basis of both the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The classification of subsequently measured at amortized cost is used when the objective of the business model is to hold assets and collect contractual cash flows, and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Cash is subsequently measured at amortized cost.

Financial liabilities are classified as subsequently measured at amortized cost, unless they meet the criteria for measurement at fair value or other prescribed measurement. The accounts payable and accrued liabilities are subsequently measured at amortized cost.

Measurement

Financial assets and financial liabilities classified as subsequently measured at amortized cost are initially measured at fair value plus or minus transaction costs that are directly attributable to the acquisition of the financial asset or issue of the financial liability. Subsequently, the financial assetsand liabilities are measured at amortized cost using the effective interest rate method.

Impairment

Financial assets classified as subsequently measured at amortized cost reflect the Company’s assessment of expected credit losses. Expectations reflect historical credit losses, adjusted for forward looking factors. The expected credit loss provision is based on expectations for the next twelve months unless there has been a significant increase in the customer’s credit risk, resulting in the provision being based on expectations for the remaining lifetime of the asset.

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, net of cash and cash equivalents. The Company is not subject to any externally imposed capital requirements.

Off-Balance Sheet Arrangements & Proposed Transactions

The Company has no off-balance sheet arrangements or proposed transactions.

Transactions between Related Parties

During the period, the Company paid wages and related benefits to individuals related to a director of the Company in the amount of $75,000 (nine months ended September 30, 2022 - $37,500).

During 2022, a Director and an Officer of the company subscribed for $32,000 (2022 - $Nil) in the Convertible Debentures (note 9). Interest of $973 (nine months ended September 30, 2022 - $Nil) was paid on the Convertible Debentures. On April 21, 2023, the Company settled the $32,000 in Convertible Debentures with the issuance of units at a price of $0.06 per unit.

During the period, the Company incurred fees of $33,000 (2022 - $Nil) from companies controlled by directors of the Company for legal and marketing services.

On April 21, 2023, the Company settled $91,324 of payables owed to directors, officers or companies controlled by a director or officer of the Corporation with the issuance of units at a price of $0.06 per unit.

The Company considers key management to be the CEO, CFO, CTO and COO. Key management compensation recognized in wages and related benefits and subcontractors as follows:

Nine months ended September 30	**2023**	**2022**
Salaries, consulting and benefits	$ 65,000	$ 148,520
Share based compensation	154,902	38,596
	$ 219,902	$ 187,116

Included in accounts receivable is $2,000 (December 31, 2022 - $15,000) owed from a member of key management.

OUTSTANDING SHARE DATA

The following share capital data is as of:

	November 27 2023	September 30 2023	Dec 31 2022
Class A common shares	61,429,934	61,083,267	46,813,565
Stock options ($0.375 options expiring July/Aug 2027)	3,410,000	3,410,000	3,610,000
Warrants ($0.10 warrants expiring October 2024 & December 2024)	7,134,844	7,134,844	Nil
Warrants ($0.50 warrants expiring May 2025)	173,333	-	-

Additional Disclosure for Venture Issuers Without Significant Revenue

(a) capitalized or expensed exploration and development costs - none
(b) expensed research and development costs - none
(c) deferred development costs - none
(d) general and administration expenses – other than detailed above in the results of operations, office and administration costs which totaled $67,002 (2022 - $62,920) for the nine months ended September 30, 2023 include marketing & promotion of $18,990 (2022 - $21,964), subscription fees of $20,613 (2022 - $11,538), freight & delivery of $3,090 (2022 - $4,411), insurance of $5,852 (2022 - $5,250), office supplies of $4,852 (2022 - $6,743), rent of $6,137 (2022 - $6,424), technology costs of $3,378 (2022 - $2,363) and bank charges of $4,090 (2022 - $4,227).

Critical Accounting Estimates

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Key areas with estimate uncertainties are as follows:

Indicators of impairment of IP – Management is required to assess, at each reporting date, whether there are any indicators that the asset may be impaired. Management is required to consider information from both external and internal sources.

Key areas with judgments in applying accounting policies are as follows:

Going concern – Management is required to make a judgment on whether the Company will be able to continue as a going concern.

Consolidation

Assets, liabilities, income and expenses of the subsidiary are included in the consolidated financial statements from the date that the Company gains control until the date that the Company ceases tocontrol the subsidiary. All intercompany balances and transactions have been eliminated on consolidation.

ADDITIONAL INFORMATION

Additional information pertaining to the Company is available on the SEDAR website and at www.metaguest.ai.