



Hypercharge Networks Corp.

Management Discussion and Analysis
For the three months ended June 30, 2025
(EXPRESSED IN CANADIAN DOLLARS)

Introduction

The following Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of Hypercharge Networks Corp. (the "Company" or "Hypercharge") has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company for the three months ended June 30, 2025. This MD&A has been prepared in compliance with the requirements of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements for the three months ended June 30, 2025, (the "Interim Financial Statements"), the Company's audited consolidated financial statements for the year ended March 31, 2025 (the "Financial Statements"), the related notes thereto, and the Company's annual information form ("2025 AIF"), available on the System for Electronic Document Analysis and Retrieval ("SEDAR+") at www.sedarplus.ca. This MD&A is dated as of August 28, 2025, unless otherwise indicated.

Unless otherwise indicated and as hereinafter provided, all financial information contained in this MD&A, the Financial Statements and the 2025 AIF have been prepared in accordance with IFRS Accounting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). Unless otherwise noted in this MD&A, all monetary amounts are expressed in Canadian dollars, and "we", "us" and "our" refer to the "Company" or "Hypercharge" including each of its subsidiaries.

Certain statements in this MD&A constitute forward-looking statements or forward-looking information within the meaning of applicable securities laws. The "*Caution Regarding Forward-looking Statements*" section in this MD&A should be carefully reviewed and readers should not place undue reliance on any such forward-looking statements.

The Company exists under the *Business Corporations Act* (British Columbia). Its head office and registered office is located at 1075 West 1st Street, Suite 208, North Vancouver, British Columbia, Canada V7P 3T4.

Caution Regarding Forward-Looking Statements

This MD&A contains forward-looking statements about the Company's objectives, plans, goals, aspirations, strategies, financial condition, results of operations, cash flows, performance, prospects, opportunities, and legal and regulatory matters. Specific forward-looking statements in this MD&A include, but are not limited to, statements with respect to the Company's anticipated future results, events, plans, strategic initiatives, future liquidity, and planned capital investments, including the steps involved to realize on such opportunities and the timeline in which such opportunities may be realized.

Forward-looking statements are typically identified by words such as "expect", "anticipate", "believe", "foresee", "could", "estimate", "goal", "intend", "plan", "seek", "strive", "will", "may", "maintain", "achieve", "grow", "should" and similar expressions, as they relate to the Company and its management. Forward-looking statements reflect the Company's current estimates, beliefs and assumptions, which are based on management's perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. The Company's expectation of operating and financial performance is based on certain

assumptions including but not limited to assumptions about operational growth, anticipated cost savings, operating efficiencies, anticipated benefits from strategic initiatives, future liquidity, and planned capital investments. The Company's estimates, beliefs and assumptions are inherently subject to significant business, economic, competitive, and other uncertainties and contingencies regarding future events and as such, are subject to change. There is no assurance that such estimates, beliefs and assumptions will prove to be correct.

The forward-looking statements made herein are subject to a variety of risk factors and uncertainties, many of which are beyond the Company's control, which could cause actual events or results to differ materially and adversely from those reflected in the forward-looking statements. Readers are cautioned that forward-looking statements are not guarantees of future performance. Specific reference is made to the most recent annual information form on file with the Canadian provincial securities' regulatory authorities (and available on SEDAR+) for a more detailed discussion of some of the factors underlying forward-looking statements and the risks that may affect the Company's ability to achieve the expectations set forth in the forward-looking statements contained in this MD&A.

The Company's actual results, programs, and financial position could differ materially from those expressed in or implied by the forward-looking statements made herein, and accordingly, no assurance can be given that the events anticipated by the forward-looking statements will transpire or occur, or that, if any of them do so, what benefits the Company will derive therefrom. The forward-looking statements made herein are made as of the date of this MD&A unless otherwise stated and are expressly qualified by this cautionary statement. The Company does not undertake any obligation to publicly update or revise any forward-looking statements except as expressly required by applicable securities laws.

Business Overview and Overall Performance

Overview

Hypercharge is a leading provider of electric vehicle (“EV”) charging solutions in Canada and the United States. The Company's mission is to accelerate the adoption of EVs and facilitate the transition towards a carbon-neutral economy by offering comprehensive networked charging solutions.

The Company began revenue-generating operations in April 2022.

Hypercharge operates across three primary customer segments:

- **Residential:** multi-unit residential buildings (“MURBs”) and single-family dwellings.
- **Commercial/Public:** workplaces, retail, automotive dealerships, hospitality, parking lot operators, municipalities, universities, healthcare facilities, government services, and transit.
- **Fleet:** last-mile delivery, transportation, service providers, and other commercial trucks.

The Company generates one time and recurring revenue through multiple streams including, without limitation, the sale of EV charging stations, subscription-based software services for EV site and charging station management, transaction fees on charging sessions, energy management hardware and software, professional services consulting, comprehensive service and warranty packages and

carbon credit management services.

Business Highlights

During the three months ended June 30, 2025, Hypercharge continued to build on its growth momentum with another quarter of year-over-year revenue expansion. The Company generated total revenues of \$3,404,582, an increase of \$2,506,333 (279%) compared to June 30, 2024, and sales backlog (see “Non-IFRS and other financial measures”) was \$5,214,376, down \$2,532,296 (33%) from the same period in 2024, as the Company delivered several large orders from the sales backlog.

As at June 30, 2025, the Hypercharge mobile applications serve over 30,000 registered users, an increase of more than 87% compared to over 16,000 registered users as at June 30, 2024. This increase in registered users signals strong usage trends across Hypercharge’s mobile platform for both drivers and site operators.

Industry Conditions and Outlook

Throughout 2025, the EV charging industry experienced both momentum and headwinds. While long-term demand fundamentals remain strong, macroeconomic pressures – including higher interest rates, reduced or delayed infrastructure funding, and slower-than-expected EV adoption in some markets – have led to elongated sales cycles and increased competition. Despite these conditions, the Company continues to grow by focusing on capital-efficient market segments including multi-unit residential buildings, commercial/public charging, and fleets.

Management remains disciplined in balancing growth, margin performance, and cost management. The Company is also advancing new monetization programs, such as carbon credits, professional services, and energy management, which are expected to contribute incrementally over time.

As a public issuer listed on the TSX Venture Exchange (TSXV: HC), OTCQB (OTC: HCNWF), and Frankfurt Stock Exchange (FSE: PB7), Hypercharge remains focused on maintaining access to capital while exercising discipline in capital allocation. The April 2025 non-brokered private placement was well supported and strategically placed, providing the Company with the resources to advance key growth initiatives. Management remains focused on driving long-term shareholder value through efficient capital deployment and operational excellence.

Strategic Growth Strategies

Our strategic focus is anchored in three competitive advantages: delivering a standout customer experience, driving continuous product and platform innovation, and scaling through a capital-efficient model built for infrastructure growth. These strengths guide our execution across three growth pillars:

1. **Network Expansion** – As an established player in the EV charging sector, we are rapidly expanding our footprint across North America through a robust channel partner ecosystem and a high-performing direct sales team. This approach is unlocking new verticals, accelerating deployments, and fueling a growing backlog of orders that supports long-term recurring revenue.

2. **Technology & Innovation** – Our proprietary EV charging platform continues to evolve with high-margin software and services that deliver measurable value to multi-unit residential, commercial, and fleet customers. Key offerings include Quantev™ for site analytics and control, the Hypercharge mobile app for drivers, and seamless integrations with third-party systems such as building automation, fleet management, and loyalty platforms powered by Eevion™. Our roadmap also includes advanced energy management solutions that reduce costs and optimize power usage.
3. **Seamless Execution** – We have built an integrated delivery model that combines in-house expertise with a trusted partner network to streamline every phase of deployment, from site design and installation to ongoing maintenance and lifecycle support. This structure enables speed, consistency, and scalability across projects while supporting rapid growth across Canada and beyond.

By executing against these pillars, Hypercharge is positioned to drive sustained growth, expand our market presence, and deliver long-term value to both our customers and shareholders.

Customer Growth

Hypercharge engages customers through a direct sales team and a robust, growing partner network of 78 organizations – known as Hypercharge Preferred Partners – across North America. Hypercharge Preferred Partners facilitate entry into new markets and provide advice and expertise on EV charging implementations across industries, including property development and property management, real estate investment trusts, auto dealer groups, hospitality and hotels, parking lot management, fleets, municipalities, and utilities.

As of June 30, 2025, the Company delivered an additional 670 charging ports, including 12 DC fast charging ports, and the number of registered users on the Hypercharge mobile app increased over 30,000. This growth highlights continued momentum across multi-unit residential, commercial, and fleet segments, supported by rising demand for accessible charging infrastructure. The increase in mobile app users reflects deeper driver engagement and positions the platform as a key channel for charger usage, driver support, and future software-driven offerings.

Building on the Company's continued momentum of expanding its North American charging network, the Company has grown its customer base to 479, sold over 5,900 charging ports in total, and delivered over 4,900 networked charging ports to more than 469 charging sites since commencing operations in June 2021. This expansion has been instrumental in establishing Hypercharge as a leading player in the EV charging industry.

As of June 30, 2025, Hypercharge operated in eight provinces and one territory in Canada and has made sales into the United States delivering charging stations into thirteen states, including to the key markets of California, New York, and Texas.

Technology Innovation

During the three months ended June 30, 2025, Hypercharge advanced its technology platform with the launch of Hypercharge Halo™, a new Level 2 charging station designed for multi-family, commercial, and workplace applications.

Unveiled on May 14, 2025, at the EV & Charging Expo in Toronto, Hypercharge Halo combines durable construction with flexible charger activation options, offering adjustable power output up to 48 amps, universal compatibility with J1772 and NACS formats, and a signature LED indicator that provides immediate charging status visibility.

Built with IP65 and IK08 durability ratings, Hypercharge Halo is engineered for both indoor and outdoor use, and features modular components for easier servicing and extended lifecycle management.

The Company also enhanced its mobile applications and cloud-based management platform, delivering improved site-level diagnostics, remote monitoring, and user experience features. These upgrades contributed to significant growth in app engagement, with over 30,000 registered users as of June 30, 2025 – more than doubling year-over-year.

Carbon Credits and Professional Services

To better serve customers and increase overall revenue, in the three months ended December 31, 2023, Hypercharge launched a new carbon credit management program enabling customers and Hypercharge to earn low carbon fuel credits. Hypercharge manages all administrative tasks to ensure a seamless experience for customers as the program aggregates energy usage across all enrolled sites to maximize credit accumulation and secure better prices per credit. This initiative is anticipated to offer a profitable revenue stream for Hypercharge through the management and sale of accumulated carbon credits.

During the three months ended June 30, 2025, Hypercharge expanded its operations to further support the delivery of EV Ready Plans, a program designed to help multi-family and commercial property owners prepare their buildings for scalable EV charging infrastructure. EV Ready Plans provide comprehensive assessments, load analysis, and phased implementation strategies, enabling property owners to deploy charging infrastructure efficiently while aligning with current and future demand. Growing adoption of EV Ready Plans during the quarter reflects increasing demand from property owners seeking cost-effective, future-proof charging solutions.

Creating Competitive Advantage through Customer Experience

Hypercharge is a leading provider of turnkey EV charging solutions, distinguished by its comprehensive platform designed to deliver exceptional charging experiences for residential, commercial, and fleet customers. Leveraging significant repeat business and robust relationships with existing clients, Hypercharge is strategically positioned to capitalize on expanding market opportunities. By actively pursuing both public and private sector partnerships, the Company ensures sustainable revenue growth and increased market reach. At the core of Hypercharge's success is an unwavering dedication to excellence, consistently elevating the customer experience across every touchpoint.

Milestones

During the three months ended June 30, 2025, the Company achieved the following milestones:

- **Charging Ports:** Surpassed 5,900 charging ports sold across Canada and the United States, an increase of over 59% compared to June 30, 2024.
- **Revenue Growth:** The Company achieved recognized revenue of \$3,404,582 for the three months ended June 30, 2025. This represents an increase of \$2,506,333 (279%) compared to the three months ended June 30, 2024, driven by strong market demand and higher delivery of customer orders during the quarter.
- **Gross Profit Growth:** The Company reported quarterly gross profit of \$841,392 for the three months ended June 30, 2025, an increase of \$605,591 (257%) compared to the three months ended June 30, 2024. The improvement was primarily driven by increased sales volume of EV charging equipment, greater contribution from other revenues, and higher service revenue.
- **Loss Reduction:** The Company's net and comprehensive loss for the three months ended June 30, 2025, totaled \$(402,877), reflecting an improvement of \$1,207,607 (75%) compared to the three months ended June 30, 2024. The reduction in loss reflects disciplined expense management, and the adoption of technologies to streamline operations and lower costs.
- **Registered Users:** Added over 14,000 new users since June 30, 2024, bringing the Hypercharge mobile app to more than 30,000 registered users as of June 30, 2025, a 88% increase year-over-year.
- **New Charging Technology:** Launched Hypercharge Halo™, a new Level 2 EV charging station designed for multi-family, commercial, and workplace applications, featuring adjustable output up to 48 amps, universal compatibility with J1772 and NACS connectors, and IP65/IK08 durability ratings.
- **Oakridge Park Delivery:** Delivered 500 Level 2 charging stations to Oakridge Park in Vancouver, BC, one of Canada's largest redevelopment projects. The deployment includes a mix of wall-mounted and overhead charging stations, supporting more than 3,000 new residences, 700,000 square feet of office space, and extensive retail and community amenities.
- **Auctus Property Fund Partnership:** Announced a multi-year EV charging project in collaboration with Auctus Property Fund LP, part of the Deveraux Group of Companies, to deploy 444 Level 2 charging stations across 16 rental communities in Western Canada by Fall 2027.
- **Industry Leadership:** Served as a Gold Sponsor of the EV & Charging Expo 2025 in Toronto, ON, showcasing Hypercharge Halo™ and reinforcing the Company's role as a leading North American EV charging solutions provider and network operator.

- **Financing:** In April 2025, completed in, a non-brokered private placement, raising aggregate gross proceeds of \$1,892,084, significantly strengthening the Company's balance sheet and enabling investment in operational growth and sales capabilities.

The Company remains focused on driving long-term shareholder value through continued revenue growth, improved gross margins, and disciplined cost management. With over \$12 million in trailing twelve-month revenue and a growing base of recurring and service-related income, Hypercharge is strategically aligning its operations to enhance operating leverage and reduce cash burn over time. Management will continue to prioritize capital efficiency, revenue quality, and margin expansion to support a sustainable path toward profitability.

Recent Corporate Developments

On August 25, 2025, the Company net settled 34,453 vested performance share units of the Company ("PSUs") which had previously vested by issuing 17,664 Common Shares.

On August 8, 2025, the Company net settled 50,000 restricted share units of the Company ("RSUs"), which had previously vested, by issuing 23,250 Common Shares.

On May 16, 2025, the Company net settled 458,337 restricted share units of the Company ("RSUs"), which had previously vested, by issuing 278,000 Common Shares.

On April 25, 2025, the Company net settled 416,827 RSUs, which had previously vested, by issuing 295,656 Common Shares.

On January 31, 2025, the Company net settled 486,667 RSUs of the Company, which had previously vested, by issuing 226,300 Common Shares.

On December 17, 2024, the Company net settled 27,287 performance share units of the Company ("PSUs"), which had previously vested, by issuing 27,287 Common Shares.

On December 6, 2024, the Company net settled 85,000 RSUs which had previously vested by issuing 58,934 Common Shares and net settled 112,830 PSUs that had previously vested by issuing 66,482 Common Shares.

On December 11, 2024, the Company net settled an additional 75,000 RSUs of the Company which had previously vested by issuing 61,578 Common Shares.

On November 16, 2024, the Company net settled 13,125 RSUs of the Company, which had previously vested, by issuing 10,722 Common Shares.

On October 23, 2024, the Company net settled 60,000 RSUs, which had previously vested, by issuing 48,682 Common Shares.

On August 16, 2024, the Company net settled 11,570 RSUs, which had previously vested, by issuing

10,722 Common Shares.

On July 24, 2024, the Company issued 75,000 Common shares upon the vesting of 75,000 previously issued RSUs.

On July 17, 2024, the Company net settled 125,000 PSUs, which had previously vested, by issuing 75,000 Common Shares.

On July 17, 2024, the Company net settled 208,125 RSUs, which had previously vested, by issuing 167,527 Common Shares.

2025 Financing

On April 23, 2025, the Company closed a non-brokered private placement of 29,109,988 units of the Company (each a "Unit") for aggregate gross proceeds of \$1,892,084. Each Unit consisted of one (1) Common Share and one (1) Common Share purchase warrant (a "Warrant"). Each Warrant entitles the holder to acquire an additional Common Share at a price of \$0.12/share for a period of three years from the date of issuance. If during the period beginning four months and one day after the closing date, the Company's shares trade on the TSX Venture Exchange at or above a daily volume weighted average trading price of \$0.20 per Common Share for ten (10) consecutive trading days, the Company will be entitled to give notice that the Warrants will expire thirty (30) days from the date of providing such notice. The Common Shares and Warrants comprising the Units are subject to a four month and one day hold period expired on August 24, 2025.

Use of Proceeds

The \$1,892,084 proceeds will be used to cover \$58,530 in finder's fees, \$53,000 in investments in sales & services, \$1,091,554 in working capital, resulting in \$689,000 in unused funds.

Performance

The Company's overall performance is associated with certain industry factors including, but not limited to, economics of EV ownership, EV adoption rates, and demand for EV charging station networks and infrastructure. As of June 30, 2025, the Company believed that these market trends are favourable for its business and operations. During the fiscal year, the EV charging industry faced several macroeconomic and sector-specific challenges including slower-than-expected EV adoption in some North American markets, delays in government incentive disbursements, and increasing competitive pricing pressure on hardware. While these factors have affected short-term purchasing behavior, we believe our focus on MURBs, diversified revenue streams, and capital efficiency positions us well for sustained growth despite market headwinds.

The Company's performance and results of operations depend on several factors that carry inherent uncertainty and risk. For additional information regarding risk factors that could cause the Company's results to differ materially from management's expectations see the "Risks and Uncertainties" section of the 2025 AIF. The key measures used to evaluate the performance of the business, and the

execution of the Company's strategy are set forth below:

Revenue. The Company provides EV charging solutions through the supply of EV charging equipment, through a managed charging network of EV charging stations and a cloud-based software platform:

- EV charging equipment revenue is generated from selling EV charging stations to various customers and includes a range of Level 2 alternating current (“AC”) and Level 3 “direct current” (DC) fast charging EV charging equipment. Revenue from EV charging equipment is recognized once delivered.
- Subscription revenue is generated through the Company’s cloud-based software-as-a-service software platform (“SaaS”). These revenues are recognized on a straight-line basis during the Company's ongoing obligation to deliver such services.
- Service revenue is generated from professional services including installations and charging station activations and EV charging related fees from drivers using charging sites owned and operated by the Company, net of payment processing fees. These revenues are recognized once services have been completed. Service revenues also include extended maintenance service plans, which are typically multi-year subscriptions and are recognized as revenue on a straight-line basis, as well as the Company's carbon credit management program, where revenues recognized from this program are recognized when the regulatory incentives are transferred to the Company.

Sales Backlog. The Company’s sales backlog is comprised of the value of signed sales contracts and current and non-current deferred revenues. In accordance with IFRS 15, the Company recognizes revenue from sales contracts with customers upon delivery of charging ports, at which point the Company’s performance obligation is satisfied. The current and non-current deferred revenues include customer deposits, prepaid software subscriptions, extended warranty plans and other services, and are recognized as revenue on a straight-line basis during the Company's ongoing obligation to deliver such services. For further information regarding sales backlog, please see the “Non-IFRS and other Financial Measures” section of this MD&A.

Gross Profit. Gross profit is equal to revenue less cost of sales. Cost of sales are related to the cost of inventories sold during the relevant period, including but not limited to: EV charging equipment and ancillary products related to their operation, costs incurred related to EV charging station installations performed by licensed third-party electrical contractors, direct costs related to its SaaS operations, and other cost of sales. Other cost of sales includes costs associated with EV charging at the location where the EV chargers are installed, extended warranties, and other services.

General and Administrative Expenses. General and administrative expenses consist of wages and benefits, consulting and professional fees, share-based payments, office and administration, which include occupancy costs related to the Company's leased offices and warehouse, and depreciation and amortization.

Sales and Marketing Expenses. Sales and marketing expenses are direct costs related to selling efforts and include wages, commission and benefits, advertising and promotional expenses, and

shipping costs.

Research and Development Expenses. Research and development expenses include wages and benefits, consulting and professional fees related to the development of Eevion, formerly known as PAC, the Company's proprietary software, development and maintenance of its charging network and other software, and product design and development.

Results from Operations. Results from operations consist of the Company's gross profit less general and administrative expenses, selling expenses, and research and development expenses.

Results of Operations

As at June 30, 2025, the Company had not achieved profitable operations and has an accumulated deficit of \$25,484,336 since inception (March 31, 2025 - \$26,603,620). The Company has not paid any cash dividends on its Common Shares, nor does it have any present intention of paying cash dividends on its Common Shares as it anticipates that all available funds for the foreseeable future will be invested to finance its business activities.

Set out below is a comparison of the results of operations for the three months ended June 30, 2025, and for the three months ended June 30, 2024:

	Three months ended June 30, 2025	Three months ended June 30, 2024	Change
Revenue	\$ 3,404,582	\$ 898,249	\$ 2,506,333
Cost of sales	(2,563,190)	(662,448)	(1,900,742)
Gross profit	841,392	235,801	605,591
Operating expenses	(1,258,202)	(1,873,917)	615,715
Other income (expenses)	(7,856)	27,977	(35,833)
Net loss	(424,666)	(1,610,139)	1,185,473
Other comprehensive income	21,789	(345)	22,134
Comprehensive loss	\$ (402,877)	\$ (1,610,484)	\$ 1,207,607

The decrease in net loss of \$1,185,473 (74%) during the three months ended June 30, 2025, compared to the same period in the prior year was primarily the result of the following:

- Total revenues of \$3,404,582 increased by \$2,506,333 (279%) compared to revenues of \$898,249 from the prior year comparative period. In addition to recognized revenue, the sales backlog decreased by \$2,532,296 (33%) as the pace of deliveries during the quarter was greater than the growth in new sales backlog. For further information regarding sales backlog, please see the "Non-IFRS and other Financial Measures" section of this MD&A.
- EV charging equipment revenue of \$3,094,344 increased by \$791,366 (291%) over the comparative period, attributable to product mix across a range of customer types. In total, 670 EV charging ports were delivered during the three months ended June 30, 2025,

representing an increase of 238 (55%) EV charging ports delivered over the comparative period.

- Subscription and service revenue of \$310,238 increased by \$203,355 (190%) over the comparative period, and is driven by growth in SaaS subscriptions, higher EV charging utilization, increased station activations, and expanded extended warranty service plans. The overall increase in recurring and usage-based revenue reflects the continued expansion of the Company’s EV charging network.
- The Company recorded cost of sales of \$2,563,190 compared to \$662,448 during the comparative period. The increase in cost of sales is directly related to the 279% increase in total revenues over the comparative period.
- Gross profit increased by \$605,591 (257%) due primarily to increased sales volume of EV charging equipment, increased contribution from other revenues, and higher new SaaS subscriptions and recurring SaaS revenues.
- Gross profit percentage decreased slightly from 26% to 25% over the comparative period, reflecting the Company’s product mix. For further information regarding gross profit percentage, please see the “Non-IFRS and other Financial Measures” section of this MD&A.
- Operating expenses of \$1,258,202 decreased by \$615,715 (33%) over the comparative period. Operating expenses are comprised of general and administrative expenses, sales and marketing expenses, and research and development. The decrease in operating expenses in the three months ended June 30, 2025, relative to the comparative period is primarily a result of lower general and administrative expenses which decreased by \$536,325 (45%).
- General and administrative expenses decreased by \$536,325 (45%) over the comparative period, driven by a reduction in consulting and professional fees related to certain non-recurring expenses as well as a decrease in share-based payments expense, a non-cash item.
- Sales and marketing expenses increased by \$69,084 (15%) over the comparative quarter, primarily due to higher commissions associated with the delivery of several large-scale deployments completed during the period.
- Research and development costs decreased slightly by \$10,306 (5%) as the Company took a more strategic approach towards operations relative to the prior year comparative period.

Other expenses (income), net

	Three months ended June 30, 2025		Three months ended June 30, 2024		Change
Foreign exchange loss	\$ 11,194	\$	636	\$	10,558

Interest income, net		(2,744)		(28,301)		25,557
Other income		(594)		(312)		(282)
Other expenses						
(income), net	\$	7,856	\$	(27,977)	\$	35,833

The Company's other expense amounted to \$7,856 during the three months ended June 30, 2025, compared to other income of \$27,977 during the same period in the prior year. The decrease is primarily due to the Company earning less interest income from cash on hand in the current period relative to the comparative period.

Summary of Quarterly Results

The Company's functional currency, including all of its Canadian subsidiaries, is the Canadian dollar. Hypercharge Networks Inc. has the United States dollar as its functional currency. The Financial Statements are presented in Canadian dollars, unless otherwise noted.

		June 30, 2025		March 31. 2025		December 31, 2024		September 30 2024
Revenue	\$	3,404,582	\$	2,799,603	\$	4,978,951	\$	1,378,443
Total comprehensive loss		(402,877)		(1,214,729)		(356,526)		(1,129,514)
Loss per share, basic and diluted		(0.00)		(0.02)		(0.01)		(0.02)
Total assets		5,394,720		6,241,919		5,430,877		4,409,106
Total liabilities		4,269,964		5,620,381		4,596,977		3,325,148

		June 30, 2024		March 31 2024		December 31 2023		September 30 2023
Revenue	\$	898,249	\$	1,067,478	\$	581,822	\$	921,783
Total comprehensive loss		(1,610,484)		(1,591,381)		(2,425,372)		(1,798,692)
Loss per share, basic and diluted		(0.02)		(0.02)		(0.04)		(0.03)
Total assets		5,418,379		6,000,677		7,384,703		9,148,612
Total liabilities		3,321,857		2,495,572		2,249,723		2,483,738

Quarter-over-quarter changes in the above periods include the following amounts, reported in Canadian dollars, the Company's functional currency, and in accordance with IFRS:

- **Revenue.** During the three months ended June 30, 2025, the Company recognized revenue of \$3,404,582. The Company delivered 670 charging ports, representing a 20% decrease in charging ports delivered as compared to the three months ended March 31, 2025. The Company decreased its sales backlog (see "Non-IFRS and other financial measures") in the quarter to \$5,214,376, as existing large orders were delivered, with the remaining orders expected to be delivered within over the next 12-18 months.
- **Total Net Loss and Comprehensive Loss.** The Company's quarterly total comprehensive losses, net of non-cash expenses, have decreased following the Company's expenditures related to its initial public offering. Key in-period amounts include the following:

- During the three months ended June 30, 2025, the Company's total operating expenses, net of non-cash expenses, decreased by \$480,454 (28%) from the three months ended March 31, 2025. Relative to the three months ended March 31, 2025, the decrease in operating expenses is a result of \$355,402 (35%) lower general and administrative expenses, a decrease of \$199,294 (33%) in sales and marketing expenses, offset by an increase of \$74,242 (62%) in research and development expenses. The decrease in general and administrative expenses is primarily attributable to lower professional fees and governance-related costs that were higher in the prior quarter. Decreased sales and marketing expenses primarily reflect lower commission-related payments compared to the prior quarter. Increased research and development expenses were driven by higher employee compensation resulting from additional hires.
- During the three months ended March 31, 2025, the Company's total operating expenses, net of non-cash expenses, increased by \$418,020 (34%) from the three months ended December 31, 2024. The increase was a result of an increase of \$281,770 (84%) in sales and marketing expenses, an increase of \$256,694 (39%) in general and administrative expenses, net of non-cash expenses, offset by a decrease of \$110,444 (46%) in research and development expenses. Relative to the three months ended December 31, 2024, the increase in sales and marketing expenses is primarily attributable to higher commissions associated with the delivery of several large-scale deployments completed during the period. The increase in general and administrative expenses is primarily attributable to \$353,819 (441%) in increased compensation offset by a decrease of \$96,285 (28%) in consulting and professional fees, offset by a decrease of \$72,518 in share-based payments, and \$840 (0%) in office and administrative expenses. Decreased research and development expenses were driven by lower period employee compensation related to both product development and the development of the Company's proprietary software.
- During the three months ended December 31, 2024, the Company's total operating expenses, net of non-cash expenses, decreased by \$167,397 (12%) from the three months ended September 30, 2024. Relative to the three months ended September 30, 2024, the decrease in operating expenses is a result of \$195,994 (23%) lower general and administrative expenses, net of non-cash expenses, a decrease of \$27,167 (8%) in sales and marketing expenses, and an increase of \$55,464 (30%) in research and development expenses. The decrease in general and administrative expenses is primarily attributable to \$130,451 (28%) in lower consulting and professional fees, and \$52,565 (39%) in lower wages and benefits. Decreased sales and marketing expenses relate to optimization of sales processes and improved selling systems.
- During the three months ended September 30, 2024, the Company's total operating expenses, net of non-cash expenses decreased by \$199,081 (13%) from the three months ended June 30, 2024. Relative to the three months

ended June 30, 2024, the decrease in operating expenses is a result of \$54,820 (6%) lower general and administrative expenses, net of non-cash expenses, a decrease of \$19,568 (10%) research and development expenses, and a decrease of \$124,393 (26%) sales and marketing expenses. The decrease in general and administrative expenses is primarily attributable to \$115,689 (47%) lower wages and benefits. Decreased sales and marketing expenses are primarily related to \$78,231 (86%) lower consulting and professional fees.

- During the three months ended June 30, 2024, the Company's total operating expenses losses, net of non-cash expenses decreased by \$235,055 (13%) from the three months ended March 31, 2024. The decrease is a result of \$210,611 (16%) lower general and administrative expenses, net of non-cash expenses, a decrease of \$125,694 (109%) research and development expenses, offset by an increase of \$101,250 (22%) sales and marketing expenses. The decrease in general and administrative expenses is primarily attributable to \$149,357 (38%) lower wages and benefits, and \$99,683 (21%) lower consulting and professional fees, offset by \$38,429 (15%) higher office and administration expenses. Decreased research and development expenses include \$135,512 (47%) lower wages and benefits offset by an increase of \$9,818 (23%) from net consulting and professional fees and product design fees. Increased sales and marketing expenses include \$57,785 (18%) higher wages and consulting and professional fees related primarily to selling commissions and hiring sales employees in strategic markets as part of the Company's growth objectives and \$50,997 (158%) higher advertising and promotional expenses.
- During the three months ended March 31, 2024, the Company's total operating expenses decreased by \$720,957 (27%) from the three months ended December 31, 2023. The decrease is a result of \$630,906 (34%) lower general and administrative expenses, a decrease of \$192,454 (34%) sales and marketing expenses, offset by an increase of \$102,403 (45%) research and development expenses. The decrease in general and administrative expenses is primarily attributable to \$912,751 (97%) lower share-based payments, offset by \$122,585 (91%) higher office and administrative expenses and \$309,352 (351%) in wages and benefits. Increased research and development expenses include \$143,990 (102%) higher employee compensation related to both product development and the development of the Company's proprietary software. Increased sales and marketing expenses include higher employee compensation related primarily to selling commissions and hiring sales employees in strategic markets as part of the Company's growth objectives. In the period, the Company proactively initiated measures to reduce certain recurring operating expenses by 20%, which are expected to yield positive results in the upcoming fiscal year.
- During the three months ended December 31, 2023, the Company's total

operating expenses increased by \$517,097 (24%) from the three months ended September 30, 2023. The increase is a result of \$392,322 (27%) general and administrative expenses, an increase of \$95,140 (20%) sales and marketing expenses and an increase of \$29,635 (15%) research and development expenses. The increase in general and administrative expenses is non-cash related and driven by an increase of \$657,095 (234%) share-based payments, offset by a decrease of \$135,321 (18%) consulting and professional fees and decrease of \$117,588 (57%) wages and benefits. Increased research and development expenses include higher employee compensation related to the development and launch of Eevion and other product design and development costs related to the launch of Hypercharge Home. Increased sales and marketing expenses include higher employee compensation related primarily to hiring sales employees in the United States as part of the Company's growth objectives.

- During the three months ended September 30, 2023, the Company's total operating expenses decreased by \$302,914 (12%) from the three months ended June 30, 2023, as a result of a decrease of \$400,420 (22%) general and administrative expenses, offset by an increase of \$81,842 (71%) research and development expenses and an increase of \$15,664 (3%) sales and marketing expenses. Increased research and development expenses include higher employee compensation related to the development of Eevion and other product design and development costs. Increased sales and marketing expenses include higher employee compensation related primarily to hiring sales employees in the United States as part of the Company's growth objectives.
- Total Assets. Quarter-over-quarter changes in the Company's total assets are a result of the Company's financing transactions in each of the quarters ended June 30, 2025 and March 31, 2025. As the Company is in early-stage operations with overall negative cash flows from its operations, the previous periods show a decrease in total assets from the utilization of the proceeds from prior financings completed.
- Total Liabilities. As at June 30, 2025, the Company's total liabilities decreased \$1,350,417 (24%) compared to the previous quarter primarily as a result of the recognition of deferred revenue as revenue during the current period as well as the payment of accounts payable and accrued liabilities utilizing the proceeds of the financing completed during the period. As at March 31, 2025, the Company's total liabilities increased \$1,023,404 (22%) compared to the previous quarter. Significant changes in total liabilities are as a result of an increase in deferred revenue of \$1,492,367 (120%), offset by a decrease in accounts payable and accrued liabilities of \$407,077 (13%) and a decrease in lease liabilities of \$72,089 (59%). As at December 31, 2024, the Company's total liabilities increased \$1,271,829 (38%) from September 30, 2024. Significant changes in total liabilities are comprised of a \$1,193,923 (59%) increase in accounts payable and accrued liabilities and a \$118,548 (11%) increase in deferred revenue, offset by a decrease in lease liabilities of \$40,642 (25%). As at September 30, 2024, the Company's total liabilities of \$3,325,148 remained materially unchanged from June 30, 2024,

as the change in total liabilities is mainly comprised of a \$322,927 (19%) increase in accounts payable and accrued liabilities offset by a decrease in deferred revenue of \$269,831 (19%). As at June 30, 2024, the Company's total liabilities increased to \$3,321,857 (up 33% from March 31, 2024). The increase in total liabilities is mainly comprised of a \$753,464 (172%) increase in deferred revenue. Accounts payable and accrued liabilities increased to \$123,251 (up 8% from March 31, 2024) in connection with increased sales activity, payroll liabilities and other accrued liabilities. As at March 31, 2024, the Company's total liabilities increased to \$2,495,572 (11%) from December 31, 2023. The increase in total liabilities is mainly comprised of \$353,470 (29%) increase in accounts payable and accrued liabilities, offset by a \$72,396 (22%) decrease in lease liabilities. The accounts payable and accrued liabilities include trade payables in connection with increased sales activity, year-end payroll liabilities and other accrued liabilities. As at December 31, 2023, the Company's total liabilities decreased to \$2,249,723 (9%) from September 30, 2023. The \$234,015 decrease in total liabilities is comprised of a \$232,965 (16%) decrease in trade payables, a \$69,698 (18%) decrease in lease liabilities offset by a \$68,378 (11%) increase in deferred revenue from a growing sales backlog. As at September 30, 2023, the Company's total liabilities increased to \$2,483,738 (11%) from June 30, 2023. The \$244,701 increase in total liabilities is comprised of a \$199,601 (16%) increase in trade payables to sustain the Company's increasing revenues and a \$113,135 (23%) increase in deferred revenue from a growing sales backlog, offset by a \$68,035 (15%) decrease in lease liabilities. As at June 30, 2023, the Company's total liabilities increased to \$2,239,037 (18%) from March 31, 2023.

Liquidity and Capital Resources

The Company's working capital was \$1,174,674 as at June 30, 2025, compared to \$626,328 as at March 31, 2025. The Company had cash and cash equivalents of \$1,093,533 as at June 30, 2025, compared to cash and cash equivalents of \$862,499 as at March 31, 2025.

Cash used in operating activities for the three months ended June 30, 2025, was \$598,089 compared to cash provided by operating activities of \$15,951 during the three months ended June 30, 2024. Cash used in operating activities for the three months ended June 30, 2025 was the result of a net loss of \$424,666 and working capital adjustments for prepaid expenses and other current assets of \$69,373, accounts payable and accrued liabilities of \$663,615, and deferred revenue of \$937,697, offset by non-cash adjustments for share-based payments of \$90,090, depreciation and amortization of \$48,490, and non-cash interest of \$918, along with working capital adjustments for accounts receivable of \$264,326 and inventory of \$1,093,438. Cash provided by operating activities for the three months ended June 30, 2024 was the result of non-cash adjustments for share-based payments of \$210,082, depreciation and amortization of \$74,325 and non-cash interest of \$82 along with working capital adjustments for accounts receivable of \$166,530, inventory of \$50,643, prepaid expenses and other current assets of \$256,640, accounts payable and accrued liabilities of \$114,355 and deferred revenue of \$753,433 offset by net loss of \$1,610,139.

Cash used in investing activities for the three months ended June 30, 2025, was nil, compared to \$18,222 during the three months ended June 30, 2024. Cash flows used in investing activities during the three months ended June 30, 2024, was comprised of purchases of equipment of \$56,247 offset

by payments received from a sublease of office space of \$38,025.

Cash provided by financing activities was \$806,207 during the three months ended June 30, 2025, compared to cash used in financing activities of \$55,122 during the three months ended June 30, 2024. Cash provided by financing activities of \$806,207 during the three months ended June 30, 2025 was the result of net proceeds of \$839,045 associated with a financing completed during the period offset by repayments of the Company's lease liabilities of \$32,838. Cash used in financing activities of \$55,122 was the result of payments in connection with the Company's lease liability for its office space.

The Company has not achieved profitable operations and therefore must continue to rely on external financing to generate capital to maintain its capacity to meet working capital requirements. The Company has relied on the issuance of Common Shares to finance its operating activities since inception, which the Company intends to continue to rely upon to finance its planned operations. However, there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. Management believes the Company will be able to raise additional funds to meet anticipated administrative expenses and pursue future business opportunities.

The Company is not subject to any externally imposed capital requirements.

The Company's liquidity ratio indicates that current assets are sufficient to meet its current liabilities. Notwithstanding external financing options, efforts to collect outstanding accounts receivable as well as collect deposits on sales orders are keys to increasing the Company's liquidity.

Commitments

As at June 30, 2025, the Company has committed to lease payments of \$8,846 per month for the lease of a building expiring in August 2025.

Related Party Transactions

Key management personnel include those persons who have authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Board and corporate officers, including the CEO, and CFO. The Company measures related party transactions at the exchange amount which represents the consideration agreed upon between the Company and the related party.

In addition to cash compensation, the Company also permits participation in the Plan. The compensation paid to key management personnel is as follows:

	Three months ended	
	June 30, 2025	June 30, 2024
Wages and benefits	\$	\$
David Bibby (CEO)	96,077	129,601
Alex McAulay (CFO)	12,184	-
Navraj Dosanjh (Former CFO)	-	78,286

	108,261	207,887
Share-based payments		
David Bibby (CEO, Director)	41,559	65,267
Alex McAulay (CFO)	2,963	-
Liam Firus (Director)	2,600	32,346
Trent Kitsch (Director)	3,436	25,233
Keith Inman (Director)	2,196	5,196
Navraj Dosanjh (Former CFO)	-	17,203
Vitaly Golomb (Former Director)	-	12,134
	52,754	157,379
	\$ 161,015	\$ 365,266

As at June 30, 2025, there was a balance of \$156,796 (March 31, 2025 - \$156,796) owing to David Bibby, director and CEO for wages and benefits which is included in accounts payable and accrued liabilities.

As at June 30, 2025, there was a balance of \$30,000 (March 31, 2025 - \$30,000) owing to Trent Kitsch a director for board fees which is included in accounts payable and accrued liabilities.

As at June 30, 2025, there was a balance of \$28,667 (March 31, 2025 - \$28,667) owing to Liam Firus a director for board fees which is included in accounts payable and accrued liabilities.

As at June 30, 2025, there was a balance of \$21,444 (March 31, 2025 - \$21,444) owing to Keith Inman a director for board fees which is included in accounts payable and accrued liabilities.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Critical Accounting Estimates

The preparation of the Financial Statements in conformity with IFRS requires the Company to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues, and expenses and the accompanying disclosures. Based on historic experience and current conditions, management makes assumptions that are believed to be reasonable under the circumstances. These estimates and assumptions are also affected by management's application of accounting policies. Critical accounting estimates are those that affect the Financial Statements materially and involve a significant level of judgment by management. Different assumptions would result in different estimates, and actual results may differ from results based on these estimates. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

Areas requiring a significant degree of estimation and judgment in the Financial Statements include the going concern assumption, and valuation of the Company's accounts receivable and inventory.

New Accounting Pronouncements

The following accounting standard and amendments have been issued by the IASB that are not yet effective as of the date of the Company's Financial Statements. The Company intends to adopt such standards upon the mandatory effective date.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 introduces three sets of new requirements to give investors more transparent and comparable information about companies' financial performance for better investment decisions.

1. Three defined categories for income and expenses – operating, investing and financing – to improve the structure of the income statement, and require all companies to provide new defined subtotals, including operating profit.
2. Requirement for companies to disclose explanations of management-defined performance measures (MPMs) that are related to the income statement.
3. Enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes.

This new standard is effective for reporting periods beginning on or after January 1, 2027. The Company will be evaluating the impact of the above amendments on its consolidated financial statements.

Financial Instruments and Risk Management

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash and cash equivalents and accounts receivable. Credit risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. As at June 30, 2025, there were four customers with an amount outstanding exceeding 10% of the Company's trade accounts receivable that totaled 47% in aggregate (Customer A – 14%; Customer B – 11%; Customer C – 11%, Customer D – 10%). As at March 31, 2025, there were two customers with amounts outstanding that exceed 10% of the Company's trade accounts receivable that totaled 57% in aggregate (Customer A – 44%; Customer B – 13%). The Company assessed credit risk as low.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's liquidity and operating results may be adversely affected if its access to the

capital markets is hindered. The Company does not have sufficient cash to meet its current liabilities at June 30, 2025. In order to address the deficiency, the Company will continue to explore external financing.

Foreign exchange risk

Foreign exchange risk is the risk that the Company's financial instruments will fluctuate in value as a result of movements in foreign exchange rates. The Company is not exposed to significant foreign exchange risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

Risks and Uncertainties

The Company is subject to a number of risks and uncertainties that may significantly impact its financial condition and future financial performance. Prospective investors should carefully consider the risks described below, together with all the other information included in this MD&A, before making an investment decision.

No History of Profitable Operations

The Company has not achieved profitable operations or paid any cash dividends, and it is unlikely to produce profitable earnings or pay dividends in the immediate or foreseeable future.

Availability of Financing

The Company is an early-stage company and is primarily dependent on externally provided financing to continue as a going concern. Additional funds will be required to enable the Company to pursue its strategic initiatives, and the Company may be unable to obtain sufficient financing or financing on satisfactory terms, if at all. Furthermore, there is no assurance that the Company will be profitable. Management intends to finance operating costs over the next twelve months with its cash on hand, and/or additional financing. These conditions indicate the existence of a material uncertainty that casts significant doubt about the Company's ability to continue as a going concern.

Availability of Rebates, Tax Credits, and Other Financial Incentives

Certain municipalities, provinces, states and federal governments provide incentives to end users and purchasers of EVs and EV infrastructure in the form of rebates, tax credits and other financial incentives, including under the Canadian government's Zero Emission Vehicle Infrastructure Program, Ontario's Electric Vehicle ChargeON Program and British Columbia's CleanBC Go Electric Charger Program administered by BC Hydro. These governmental rebates, tax credits and other financial incentives significantly lower the effective price of EVs and EV infrastructure to customers. Uncertainty about the introduction of, reduction in, or elimination of such incentives, or delays or interruptions in the

implementation of favorable federal, provincial, state or municipal laws could substantially increase the cost of the Company's systems to some of its customers, resulting in significant reductions in demand for the Company's products from customers, which would negatively impact its sales. Such incentives take time to be disbursed and to affect actual expenditure decisions. Final grant approval timelines can vary greatly between agencies and projects which creates revenue flow risk to the Company. These incentives may also expire on specified dates, end when the allocated funding is no longer available, or be reduced or terminated as a matter of regulatory or legislative policy. Any reduction in rebates, tax credits or other financial incentives could reduce the demand for EVs and for charging infrastructure, including infrastructure the Company offers.

Economic Conditions

The Company's performance is subject to worldwide economic conditions and global events, including political, economic, social and environmental risks that may impact the Company's operations or its customers' operations. Such conditions and events may adversely affect customer spending on capital expenditures. Deterioration in general economic conditions, including but not limited to any rise in unemployment rates, inflation and increases in interest rates, have adversely affected the Company in the past and may adversely affect customer spending, customer debt levels, and EV adoption rates in the future. The aforementioned economic conditions have adversely affected the Company in the past and may affect the Company's financial performance going forward.

Weakening economic conditions may also adversely affect third parties, including suppliers and partners, with whom the Company has entered into strategic relationships and upon whom the Company depends in order to operate and grow its business. Uncertain and adverse economic conditions may also lead to increased write-offs of the Company's trade receivables which could adversely affect the business.

Retention of Employees and Directors

The Company's ability to achieve significant growth of future revenue will largely depend upon the effectiveness of the Company's sales and marketing efforts, both in Canada and the United States. The majority of the sales and marketing efforts are accomplished by Company personnel, and the Company believes the strength of its sales and marketing team is critical to success. The Company has invested and intends to continue to invest meaningfully in expanding its sales force, and consequently, anticipates that headcount will continue to increase as a result of these investments.

The Company's success depends, in part, on the ability to continue to attract and retain highly skilled personnel. The ability to identify, hire, develop, motivate and retain qualified personnel will directly affect its ability to maintain and grow the business, and such efforts will require significant time, expense and attention. The Company's ability to continue to attract and retain highly skilled personnel, specifically employees with technical and engineering skills and employees with high levels of experience in designing and developing software and internet-related services, will be critical to the future success of the Company as demand and competition for such talent is high. The Company is also dependent on its direct sales force to obtain new customers and increase sales to existing customers. There is significant competition for sales personnel with the skills and technical knowledge that the Company requires. The ability to achieve significant revenue growth will depend, in part, on

the successful recruiting, training, and retention of a sufficient number of sales personnel to support the Company's planned growth. While the Company has in the past issued, and intends to continue to issue, options, RSUs, PSUs or other equity awards as key components of overall compensation, employee attraction and retention efforts, the Company is required under IFRS to recognize shared-based compensation expense in operating results for employee share-based compensation under the Company's equity grant programs which may increase the pressure to limit share-based compensation.

Outstanding Share Data

The Company's share capital consists of an unlimited number of Common Shares without par value. As at June 30, 2025, the Company has 100,970,593 Common Shares issued and outstanding, 2,550,000 performance warrants, 5,504,176 options, 32,388,862 warrants, 762,857 RSUs and 2,340,284 PSUs issued and outstanding. As at the date of this MD&A, the Company has 101,011,507 Common Shares issued and outstanding, 2,550,000 performance warrants, 5,504,176 options, 32,388,862 warrants, 762,857 RSUs and 2,340,284 PSUs issued and outstanding.

Non-IFRS and other financial measures

This MD&A refers to certain specified financial measures, including non-IFRS financial measures and supplementary financial measures. Management uses these financial measures for purposes of comparison to prior periods and development of future projections and earnings growth prospects. This information is also used by management to measure the profitability of ongoing operations and in analyzing our business performance and trends. These specified financial measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement our financial information reported under IFRS by providing further understanding of our results of operations from management's perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS.

The Company uses "gross profit percentage", a non-IFRS measure and "Sales backlog", a supplementary financial measure. Management also uses non-IFRS financial measures to prepare annual operating budgets. We strongly encourage investors to review our consolidated financial statements and publicly filed reports in their entirety and not to rely on any single financial measure.

The Company uses these non-IFRS financial measure in addition to, and in conjunction with, results presented in accordance with IFRS. These non-IFRS financial measures provide an additional way of viewing of the Company's operations that, when viewed with our IFRS results and, the accompanying reconciliations to the most directly comparable IFRS financial measures may provide a more complete understanding of factors and trends that affect the Company. In this MD&A, we discuss the specified financial measure, including the reasons that we believe that these measures provide useful information regarding our financial condition, results of operations, cash flows and financial position, as applicable, and, to the extent material, the additional purposes, if any, for which these measures are used. Reconciliations of non-IFRS financial measures to the most directly comparable IFRS financial measures are contained in this MD&A.

“Gross profit percentage” is defined as gross profit as a percentage of revenue. Gross profit percentage is a non-IFRS financial measure in which the Company’s gross profit is the most directly comparable measure published in the Company’s consolidated financial statements. Management believes that Gross profit percentage is a useful measure to assess the Company’s performance to demonstrate the yield from the Company’s performance during the period prior to consideration of general operating costs. Management cautions investors that Gross profit percentage should not replace gross profit or profit or loss as indicators of performance, or cash flows from operating, investing, and financing activities as a measure of the Company’s liquidity and cash flows.

“Sales backlog” is defined as value of signed sales contracts and current and non-current deferred revenues. Management believes that Sales backlog is a useful measure to assess the impact of customer commitments on the Company’s future revenues to be recognized upon meeting the requirements of IFRS 15 at a later date.

Disclosure Controls and Procedures

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer’s Annual and Interim Filings) (“NI 52-109”), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the condensed consolidated interim financial statements for the three months ended June 30, 2025 and this accompanying MD&A (together, the “Interim Filings”).

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Annual Filings on SEDAR+ at www.sedarplus.ca.

Other MD&A Requirements

Additional information relating to our Company may be found on SEDAR+ at www.sedarplus.ca.