



**infiniti ai inc.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2025**

## **infinittii ai inc.**

### MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025

---

#### **General**

This Management's Discussion and Analysis ("MD&A") of infinittii ai inc. ("infinittii ai" or the "Company") is dated November 28, 2025, and provides a review of the Company's financial results, from the viewpoint of management, for the period ended September 30, 2025 ("F2026-Q1") as compared to the year ended June 30, 2024 ("F2025") and the three-month period ended September 30, 2024 ("F2025-Q1").

The following information should be read in conjunction with the Company's audited consolidated financial statements with accompanying notes as at and for the year ended June 30, 2025 and 2024, and the Company's condensed consolidated interim financial statements for the period ended September 30, 2025, which were prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar figures are expressed in Canadian dollars unless otherwise stated. These documents and additional information on the Company are available on the SEDAR+ website at [www.sedarplus.ca](http://www.sedarplus.ca).

#### **Cautionary Statement Regarding Forward-Looking Statements**

Certain statements contained in this document constitute "forward-looking statements". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate" and "believe" are intended to identify forward-looking statements. Such statements reflect the Company's "forecast", "estimate", "expectation" and similar expressions as they relate to the Company's current views with respect to future events and are subject to certain risks, uncertainties and assumptions.

The forward-looking statements contained in this MD&A are made as of the date hereof and represent the Company's views as of the date of this document. While the Company believes that the expectations reflected in the forward-looking statements and information contained herein are reasonable, no assurance can be given that these expectations, or the assumptions underlying these expectations, will prove to be correct. The Company acknowledges that subsequent events and developments may cause the views expressed herein to change, however, the Company has no intention and undertakes no obligation to update, revise or correct such forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities law. Therefore, there can be no assurance that forward-looking statements contained herein will prove to be accurate as actual results and future events could differ materially from those expected or estimated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

#### **Description of Business**

infinittii ai inc. was incorporated under the *Business Corporations Act* (British Columbia) on January 17, 2014. The Company has evolved into a machine learning software leader and provider of Artificial Intelligence (AI) driven predictive analytics for various industries including Smart City infrastructure applications that rely on time-series and other data.

The Company's flagship product, flowworks, provides environmental monitoring to many of the largest water infrastructure utilities in the U.S. and Canada. infinittii ai services its customers through direct sales and via a trusted partner network that includes engineering and IT services companies like AECOM, Core & Main Inc., Kerr Wood Leidal Associates Ltd., SCG Flowmetrix Technical Services Inc. ("SCG Flowmetrix") and TREKK Design Group, LLC ("TREKK").

For operations managers, directors and consulting engineers through to data analysts and modelers responsible for protecting critical infrastructure, infinittii ai supports reliable AI-driven engineering decisions that sustain human life and commerce. Sold and supported under the umbrella of the infinittii dataworks platform, infinittii ai's Software as a Service products portfolio is focused on predictive machine learning ("ML") and streaming analytics applications for time-series data.

Operations managers, directors and consultants can gain additional insight and control through intuitive dashboards and mobile access, empowering them to monitor, model, and optimize system performance anywhere, at any time. While data analysts and modelers have access to powerful graphing, data calculation and transformation tools that offer the ability to script new machine learning algorithms or deploy them from existing open-source libraries.

With infinittii ai entire utility teams gain transformative command and control with software that learns more the longer it is deployed.

infinittii ai is a public company that is listed on the Canadian Securities Exchange (under the symbol: iai), the Frankfurt Stock Exchange (under the symbol: Y31) and the OTCQB (under the symbol: CDTAF). The head office and principal address of the Company is located at Suite 1540, 1075 West Georgia Street, Vancouver, British Columbia, V6E 3C9.

## **infinitii ai inc.**

MANAGEMENT'S DISCUSSION & ANALYSIS  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025

---

The Company's condensed consolidated interim financial statements include the financial statements of the following subsidiaries:

<b>Company</b>	<b>Place of Incorporation</b>	<b>Effective Interest</b>
Extend to Social Media Inc. ("ETS") infinitii ai corporation	British Columbia Washington, USA	100% 100%
Carl Data Solutions PL ("Carl PL")	Poland	100%
i4C Innovation Inc. ("i4C") infinitii ai solutions inc. ("IAS")	British Columbia British Columbia	100% 100%

### **Going Concern**

The Company has all the elements in place to successfully take on the AI-driven predictive analytics software space as required for a wide variety of municipal and industrial infrastructure customers.

With its proven Smart City wastewater flow monitoring products and AI-enabled Machine Learning software applications offering real-time predictive analytics, the Company is in a good position for consistent revenue growth. Professional services engagements with new and existing customers create additional revenues while contributing to intellectual property that is part of a growing number of solution-specific software applications.

The Company's condensed consolidated interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as recorded in the condensed consolidated interim financial statements. The Company's condensed consolidated interim financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. As at September 30, 2025, the Company had not achieved profitable operations, had accumulated a deficit of \$32,155,699 since inception and expects to incur further operating losses in the development of its business.

The Company's ability to continue as a going concern is dependent upon the ability to expand its business development initiatives, continue to build market awareness for its software products and professional services, secure more customers in its market segment, increase the value of ongoing recurring revenue contracts with existing customers and obtain the necessary financing to carry out this strategy while meeting its corporate overhead needs and discharge its liabilities as they come due. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. These conditions indicate a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

### **Recent Events & Overall Performance**

#### ***Completed Private Placements and Share Issuances***

During the three-month period ended September 30, 2025, there was no share activity.

#### ***Convertible Notes***

During the period ended September 30, 2025, there was no convertible note activity.

Subsequent to the period ended September 30, 2025, the Company issued convertible notes with an aggregate value of \$610,000, a maturity date of October 17, 2028, an interest rate of 10% per annum compounded semi-annually, and are convertible into units at a price of \$0.05 per unit. Each unit is comprised of one common share of the Company plus one warrant entitling the holder to purchase one common share of the Company for \$0.10 for 36 months from issuance. The Company may prepay in whole or in part at any time, without penalty. As at September 30, 2025, \$350,000 had been received towards this issuance.

#### ***Share-based payments***

Subsequent to the period ended September 30, 2025, the Company granted 1,003,822 DSUs to its Directors. The DSUs vested immediately and were valued at \$0.04 per DSU.

**infinitii ai inc.**MANAGEMENT'S DISCUSSION & ANALYSIS  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025**Organization Structure Changes**

During and subsequent to the period ended September 30, 2025, the Company did not complete any changes to its organizational structure.

**Selected Annual Information**

The following sets out selected consolidated financial information of the Company for the period indicated, which has been derived from the Company's audited consolidated financial statements. Users of this information should read the following in conjunction with the audited consolidated financial statements and the previously filed annual statements.

	<b>June 30, 2025</b>	<b>June 30, 2024</b>	<b>June 30, 2023</b>
Total revenue	\$ 2,688,425	\$ 2,406,442	\$ 2,052,475
Total expenses	3,437,827	3,424,988	4,589,662
Loss for the year	(778,625)	(1,013,546)	(2,619,541)
Basic and diluted loss per share	(0.01)	(0.01)	(0.02)
Total assets	840,878	952,661	1,071,422
Non-current financial liabilities	867,509	417,059	78,608

Annual results for the Company show steadily increasing sales year-over-year while lowering expenses to an efficient level. This has resulted in annual decreases in losses for over 3 years. Non-current financial liabilities have increased as the Company has financed its deficit over time.

**Summary of Quarterly Results**

Key financial information for the quarters spanning the two most recent twelve-month periods is summarized as follows, reported in Canadian dollars:

	<b>September 30, 2025</b>	<b>June 30, 2025</b>	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Revenue	\$ 626,828	\$ 625,302	\$ 678,231	\$ 666,212
Expenses	870,835	932,037	813,570	877,608
Loss for the period	(244,007)	(306,735)	(135,339)	(211,396)
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)	(0.00)
Assets	926,556	840,878	866,749	901,221
Liabilities	2,333,780	2,016,607	2,162,183	2,058,466
Shareholders' Deficiency	(1,407,224)	(1,175,729)	(1,295,434)	(1,157,245)

	<b>September 30, 2024</b>	<b>June 30, 2024</b>	<b>March 31, 2024</b>	<b>December 31, 2023</b>
Revenue	\$ 718,680	\$ 623,410	\$ 675,484	\$ 573,404
Expenses	814,612	847,302	864,412	927,435
Loss for the period	(95,932)	(223,892)	(188,928)	(349,031)
Basic and Diluted Loss per share	(0.00)	(0.00)	(0.00)	(0.00)
Assets	1,090,916	952,661	1,000,899	907,853
Liabilities	2,072,725	2,228,335	2,052,745	1,781,400
Shareholders' Deficiency	(981,809)	(1,275,674)	(1,051,846)	(873,547)

## **infinitii ai inc.**

MANAGEMENT'S DISCUSSION & ANALYSIS  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025

---

### **Discussion of Operations**

#### ***Overview***

In the first quarter of the period ended September 30, 2025, the Company generated revenues of \$626,828, on par with the \$625,302 revenues from the fourth quarter of the fiscal year ended on June 30, 2025, and with 100% customer retention from the end of the last fiscal year to the end of F2025-Q1. The higher total in the first quarter of the previous year of \$718,680 included revenue from one-time special projects as well as deferred revenue.

Expenses of \$870,835 for the period ended September 30, 2025, were lower than the \$932,037 in the fourth quarter of the fiscal year ended June 30, 2025, but higher than the first quarter of the previous year's operating expenditures of \$814,612. The Company's loss for the three-month period ended September 30, 2025, was \$244,007, lower than the fourth quarter of the fiscal year ended June 30, 2025, of \$306,735 but higher than the first quarter of the previous year's loss of \$95,932.

#### ***Moving Forward Oversubscribed Financing***

Near the end of the first quarter, on September 28, the Company announced plans to raise up to \$550,000 in a private placement and on October 17, it announced an oversubscribed convertible debenture offering for \$610,000. The financing was led by ThreeD Capital Inc. ("**ThreeD**") alongside other long-time shareholders, the Company's CEO and a new investor.

#### ***Moving Forward Three-vector Revenue Expansion***

Recognizing the need to accelerate revenues, management is implementing a three-vector growth strategy built on fundamental market dynamics – the evolution of customer needs, the inevitable progression of technology adoption, and the competitive pressures facing today's engineering equipment providers. Each vector represents a significant opportunity on its own, but together they create a powerful framework for sustainable, accelerated revenue growth in the rapidly expanding market for AI-driven infrastructure analytics.

**Vector 1 – Expand market reach through new customer segments:** Large cities are increasingly recognizing the need for a unified solution that supports both engineering and operations groups. Through consultation with key customers, infinitii ai developed dashboarding and mobile applications integrated with its flowworks platform to address the requirements of both operators and engineering teams. These innovations offer potential to significantly expand usage for current customers while opening new opportunities across municipal organizations that require integrated tools.

**Vector 2 – Upsell customers with advanced analytics:** The Company's customer base is transitioning from the Early Adopter to the Early Majority stage – a pivotal growth phase in market evolution that is driving strong demand for advanced analytics and machine learning capabilities. This shift creates substantial upselling opportunities across existing accounts. Historically, this Early Majority stage delivers significant increases in customer revenue.

**Vector 3 – Propel expansion through global industry players:** Customer RFP requirements increasingly call for deeper insights and actionable intelligence beyond basic commodity functionality. As the water and industrial infrastructure market matures in its adoption of analytics and machine learning, this evolution is putting pressure on established equipment providers of sensors, pumps and related hardware to enhance their value propositions. infinitii ai is well positioned to meet this market need and leverage the distribution networks of major global players to achieve scalable growth.

#### ***Revenue***

For the period ended September 30, 2025, the Company generated \$626,828 in revenues as compared to \$718,680 for the same period in 2024, a 13% decrease due to the conclusion of one-time revenue from special projects as well as deferred revenue.

#### ***Total Comprehensive Loss***

Total comprehensive loss for the period increased by 119% from \$105,919 in the period ended September 30, 2024, to \$231,495 in the period ended September 30, 2025, mostly due to the previously noted conclusion of one-time revenue from special projects as well as deferred revenue.

## **infinitii ai inc.**

MANAGEMENT'S DISCUSSION & ANALYSIS  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025

---

### ***Expenses***

Expenses for the period ended September 30, 2025, of \$870,835 were slightly higher than the comparable period's operating expenditures of \$814,612. Other expenses were quite similar from period to period with small decreases in accretion, investor relations, office and miscellaneous, professional fees and travel expenses with increases in bad debts expense, computer hosting, filing and transfer agent expenses, foreign exchange losses, interest and penalties and marketing. Taken together, salaries and wages and consulting of \$502,971 in the period ended September 30, 2025, were slightly lower than the \$509,650 in the period ended September 30, 2024, as the reliance on outside consultants for industry business development consulting decreased and some staff costs decreased slightly.

Management continues to monitor expenses closely to ensure that the Company can capitalize on updating current software products and develop new solution-specific real-time Machine Learning predictive analytics applications.

### ***Operating Expenses and Other Items***

Operating expenses and other items with significant variances and balances include:

#### ***Computer Hosting Costs***

Computer hosting costs for the period ended September 30, 2025, were \$106,334 (2024 - \$79,806). Computer hosting costs are primarily needed for the provision of services provided by infinitii ai corporation and remained consistent with a slight increase from year to year as a result of increased sales.

#### ***Consulting Fees***

Consulting fees for the period ended September 30, 2025, were \$224,128 (2024 - \$185,959). Consulting fees are primarily used for management and external sales and business development consultants. This expense has increased from the previous year due to completed consulting contracts in the recent quarter.

#### ***Interest and penalties***

Interest for the period ended September 30, 2025, was \$14,822 (2024 - \$11,183), increasing this year over last year due to filing penalties for overdue foreign income statements. Interest is charged on convertible notes and loans payable and decreased as a result of convertible notes that had become interest bearing due to reaching maturity subsequently being repaid and more convertible notes being issued.

#### ***Office and Miscellaneous***

Office and miscellaneous costs for the period ended September 30, 2025, were \$41,027 (2024 - \$43,794). The costs decreased mostly due to a decrease in office rent for Q1 of the current fiscal year.

#### ***Professional Fees***

Professional fees for the period ended September 30, 2025, were \$42,280 (2024 - \$64,514). Professional fees decreased from last year due to charges from past period tax filing work that was completed in the prior year and were not repeated.

#### ***Share-based Payments***

Share-based payments for the period ended September 30, 2025, were \$nil (2024 - \$nil) as the Company did not grant any stock options or DSUs in either period.

## **infinitii ai inc.**

### MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025

---

#### *Salaries and Wages*

Salaries and wages for the period ended September 30, 2025, were \$278,843 (2024 - \$323,691). The lower level of salaries and wages is primarily a result of eliminating unneeded staffing costs and one staffer on temporary leave.

#### *Travel*

Travel expenses for the period ended September 30, 2025, were \$43,391 (2024 - \$51,794). Travel decreased slightly from the previous year but is essentially unchanged. The activity of executives attending in-person sales meetings and tradeshows within North America and visiting the Company's head office in Vancouver from their residences across Canada has been comparable to the previous year.

### **Operating Activities and Plans**

#### ***Company Structure***

The Company has complementary operations based in Vancouver (Canada), Seattle (USA) and Gdansk (Poland).

- 1) Software application development, hardware research and development and the management team are led out of offices at the Company's Vancouver, British Columbia headquarters at 1075 West Georgia Street.
- 2) The Company also maintains an address in Seattle, Washington in support of its U.S. customers.
- 3) Data science developers with the data science expertise required by the Company are located in Gdansk, Poland.

### **Liquidity and Capital Resources**

Cash on hand increased by \$11,298 from \$141,295 at June 30, 2025 to \$152,593 on September 30, 2025. During the period ended September 30, 2025, the Company's operating activities required cash of \$313,145 (2024 - \$302,873), a decrease of \$10,272 from the period ended September 30, 2024. The Company had a working capital deficiency of \$504,031 as at September 30, 2025 (June 30, 2025 - \$309,368).

#### ***Financing Activities***

During the period ended September 30, 2025, the Company had cash inflows of \$321,074 from financing activities (2024 - \$382,265) related to proceeds of \$350,000 (2024 - \$nil) in convertible note subscriptions received in advance, \$nil (2024 - \$974,997) from convertible notes issued, less \$nil (2024 - \$579,997) in convertible note repayments and \$28,926 (2024 - \$12,735) in payments toward loans.

Loans payable and convertible notes together increased by \$36,549 from a total of \$1,308,886 on June 30, 2025 to \$1,345,435 on September 30, 2025, due to accretion and interest on the convertible notes and loans of \$65,475 less payments of \$28,926 towards loans payable.

#### ***Investing Activities***

The Company did not have any investing activities for the periods ended September 30, 2025, or 2024.

### **Capital Structure**

As of the date of this MD&A, the Company has 139,540,003 common shares, 12,838,220 warrants, 17,620,000 stock options and 7,679,000 deferred share units outstanding. The Company also has convertible debentures outstanding which are convertible in full into 72,632,848 common shares.

Overall, shareholder deficiency increased by \$231,495 from \$1,175,729 at June 30, 2025 to \$1,407,224 at September 30, 2025.

## **infinitii ai inc.**

MANAGEMENT'S DISCUSSION & ANALYSIS  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025

---

### **Financial Instruments and Risk Management**

#### ***Fair value of financial instruments***

The Company measures the fair value of its financial instruments according to a fair value hierarchy based on the significance of observable inputs used to value the instrument as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 – Unobservable inputs for the asset or liability.

The Company's financial instruments consisting of accounts and other receivables, accounts payable and accrued liabilities, loans payable, and convertible notes are classified at amortized cost. The carrying values of accounts and other receivables and accounts payable and accrued liabilities approximate their fair values because of their relatively short maturity dates or durations. The carrying values of loans payable and convertible notes also approximate their fair values since they are discounted using market rates.

Cash is classified as being at FVTPL. The fair value of cash as recorded in the consolidated statements of financial position is measured in accordance with Level 1 of the fair value hierarchy.

#### ***Financial and capital risk management***

The Company examines the various financial instruments and risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include market risk, currency risk, interest rate risk, credit risk, and liquidity risk. These risks are reviewed and monitored by the Board of Directors.

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Discussions of risks associated with financial assets and liabilities are detailed below:

#### ***Market Risk***

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the fair value or future cash flows of a financial instrument. Market risk is comprised of currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. As at September 30, 2025 and 2024, the Company was not subject to material other price risk.

#### ***Currency risk***

As at September 30, 2025 and 2024, the Canadian dollar equivalent carrying values of the balances of financial assets and liabilities denominated in foreign currencies are as follows:

September 30,	US Dollars		Polish Zloty	
	2025	2024	2025	2024
Financial Assets				
Cash	\$ 10,667	\$ 293,951	\$ 23,882	\$ 39,807
Trade receivables	572,573	521,039	-	-
Financial Liabilities				
Accounts payable and accrued liabilities	\$ 26,693	\$ 3,657	\$ 46,290	\$ 55,287

The Company is exposed to currency risk on its cash, accounts and other receivables and accounts payable and accrued liabilities that are denominated in US dollars and Polish Zloty. A 10% change in the foreign exchange rate would result in a change in profit or loss of \$55,700 (2024 - \$81,100) and \$2,200 (2024 - \$1,500), respectively. The Company's subsidiary, infinitii ai corporation, operates in the United States which, from the perspective of the Company, creates currency risk associated with those operations. For the period ended September 30, 2025, infinitii ai corporation has revenue of \$566,761 (2024 - \$673,680) (Canadian dollar equivalent). A 10% change in the foreign exchange rate would result in a \$57,000 (2024 - \$67,000) (Canadian dollar equivalent) change in profit or loss. The Company's approach to management of currency risk has not changed materially from that of the year ended June 30, 2025.

## **infiniti ai inc.**

### MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025

---

#### *Interest Rate Risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk mainly arises from changes in the interest rates on cash, loans payable and convertible notes. Cash generates interest based on market interest rates. As at September 30, 2025 and 2024, the Company was subject to interest rate risk with respect to its loans payable, some of which bear interest at a fixed rate, some at a variable rate and others are non-interest bearing. The Company's convertible notes bear interest at a fixed rate. The Company's approach to management of interest rate risk has not changed materially from that of the year ended June 30, 2025.

#### *Credit Risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's maximum exposure to credit risk at the reporting date is the carrying value of cash and accounts and other receivables. The Company mitigates this risk by holding cash at a major Canadian chartered bank in chequing accounts, at a Washington State, USA bank and at a Polish bank.

The Company is exposed to credit risk on its trade receivables. As at September 30, 2025, the Company's credit risk for accounts and other receivables is concentrated as 31% of its trade receivables is owing from two customers (June 30, 2025 – 25% from two customers), with three customers (June 30, 2025 – two) each owing more than 10%.

The aging of accounts and other receivables is as follows:

	<b>September 30, 2025</b>	<b>June 30, 2025</b>
0 – 30 days	\$ 340,806	\$ 324,481
31 – 90 days	95,051	161,886
Over 90 days	377,594	225,381
Accounts and other receivables before allowance for credit losses	813,451	711,748
Less allowance for credit losses	(70,968)	(32,998)
Accounts and other receivables	\$ 742,483	\$ 678,750

The Company applies the simplified approach to providing for expected credit losses, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables are assessed primarily based on days past due and adjusted for current credit information. The Company has assessed expected credit losses based on 20% of its trade accounts receivable aged past 90 days and has estimated expected credit losses as at September 30, 2025 of \$70,968 (June 30, 2025 - \$32,998).

The Company's approach to management of credit risk has not changed materially from that of the year ended June 30, 2025.

#### *Liquidity Risk*

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. If necessary, the Company may raise funds through the issuance of debt, equity, or sale of non-core assets. The Company ensures that there is sufficient capital to meet its obligations by continuously monitoring and reviewing actual and forecasted cash flows and matching the maturity profile of financial assets to development, capital, and operating needs. The Company's accounts payable and accrued liabilities are due within 30 to 60 days. The Company has a working capital deficiency as at September 30, 2025, and will need to raise further financing to meet its financial obligations. The Company's approach to management of liquidity risk has not changed materially from that of the year ended June 30, 2025.

**infinitii ai inc.**MANAGEMENT'S DISCUSSION & ANALYSIS  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025

The timing of payments required for accounts payable and debt in the next five years, by fiscal year, is as follows:

Fiscal year ended June 30	2026	2027	2028	2029	2030
Accounts payable and accrued liabilities	\$ 610,855	\$ -	\$ -	\$ -	\$ -
Loans	60,382	49,232	-	-	-
Convertible notes	381,000	195,489	659,332	-	-
	\$ 1,052,237	\$ 244,721	\$ 659,332	\$ -	\$ -

**Off-Balance Sheet Arrangements**

The Company has no off-balance sheet arrangements.

**Related Party Transactions**

Related parties include key management personnel, who are those persons having the authority and responsibility for planning, directing, and controlling activities of the entity, directly or indirectly. The key management personnel of the Company are the members of the Company's executive management team and Board of Directors.

During the period ended September 30, 2025, the Company paid or accrued, to key management personnel and their related companies:

	Consulting Fees	Share-based payments	Total
Jean Charles Phaneuf, CEO	\$ 45,000	\$ -	\$ 45,000
Cale Thomas, CFO	30,000	-	30,000
Greg Johnston, President	40,000	-	40,000
Total	\$ 115,000	\$ -	\$ 115,000

(1) comprised of fees paid to 9299-5257 Quebec Inc., a company wholly owned by Jean Charles Phaneuf.

(2) comprised of fees paid to BDirect Online Communications Inc., a company wholly owned by Greg Johnston.

During the period ended September 30, 2024, the Company paid or accrued, to key management personnel and their related companies:

	Consulting Fees	Share-based payments	Total
Jean Charles Phaneuf, CEO <sup>(1)</sup>	\$ 45,000	\$ -	\$ 45,000
Cale Thomas, CFO	30,000	-	30,000
Greg Johnston, President <sup>(2)</sup>	40,000	-	40,000
Total	\$ 115,000	\$ -	\$ 115,000

(1) comprised of fees paid to 9299-5257 Quebec Inc., a company wholly owned by Jean Charles Phaneuf.

(2) comprised of fees paid to BDirect Online Communications Inc., a company wholly owned by Greg Johnston.

Included in accounts payable and accrued liabilities as at September 30, 2025 is \$242,645 (June 30, 2025 - \$218,199) due to officers and directors and their related organizations.

On June 9, 2014, ETS signed a referral services agreement with RA whereby RA agreed to use ETS as its exclusive referral marketing application and include the concept in all relevant business development pitches to customers. A company controlled by the Company's President owns 10% of RA. Social referral software revenue of \$15,000 (2024 - \$15,000) was recorded in profit or loss from RA for the period ended September 30, 2025. As at September 30, 2025, \$21,000 (June 30, 2025 - \$21,000) was receivable from RA.

*Kerr Wood Leidal Associates Ltd. ("KWL")*

KWL, a consulting engineering company, founded and created infinitii ai corporation and is related through a director of the Company. During the period ended September 30, 2025, the Company earned data services revenue from KWL of \$42,640 (2024 - \$39,440) and incurred expenses from KWL of \$2,117 (2024 - \$914), which are recorded in office and miscellaneous expenses. Included in accounts receivable as at September 30, 2025 is a balance receivable from KWL of \$41,450 (June 30, 2025 - \$64,136).

## **infinitii ai inc.**

MANAGEMENT'S DISCUSSION & ANALYSIS  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025

---

### **Proposed Transactions**

There are no proposed transactions for the period ended September 30, 2025 outside of those identified in this document.

### **Critical Accounting Estimates**

The effect of a change in an accounting estimate is recognized prospectively by including it in profit or loss in the period of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

#### *Share-based payments*

The Company measures the value of share-based payments with employees by reference to the fair value of the equity instruments at the date at which they are granted. Share-based payments with non-employees are recorded at the fair value of the service provided, where this is readily determinable. In other instances, they are recorded at the fair value of the equity instruments issued. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share-based award, volatility and dividend yield and making assumptions about them.

### **New accounting standards, amendments and interpretations issued**

No new standards were adopted during the period ended September 30, 2025.

### **New Standards not yet Adopted**

#### ***IFRS 18 - Presentation and Disclosure in Financial Statements***

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure in the Financial Statements. IFRS 18 will replace IAS 1 Presentation of Financial Statements but carries forward many of the requirements from IAS 1. The standard introduces new defined subtotals to be presented in the Company's statement of loss and comprehensive loss, disclosure of any management-defined performance measures related to the statement of loss and comprehensive loss and requirements for grouping of information. IFRS 18 is effective for annual periods beginning on or after January 1, 2027, with earlier adoption permitted, and will apply retrospectively. The Company is currently in the process of assessing the impact of IFRS 18 (and applicable amendments to other standards) on the consolidated financial statements and notes to the consolidated financial statements.

#### ***IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments***

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments. The amendments clarify that a financial liability is derecognized on the settlement date and introduce an accounting policy choice to derecognize a financial liability settled using an electronic payment system before the settlement date. Other clarifications include guidance on the classification of financial assets with ESG-linked features, non-recourse loans and contractually linked instruments.

The amendments are effective for annual periods beginning on or after January 1, 2026. Early adoption is permitted, with an option to early adopt only the amendments to the classification of financial assets (for contingent features). The Company is currently in the process of assessing the impact of the amendments on the consolidated financial statements and notes to the consolidated financial statements.

### **Risk Factors**

The following are major risk factors management has identified which relate to the Company's business activities. Such risk factors could materially affect the Company's future financial results and could cause events to differ materially from those described in forward-looking statements relating to the Company. Though the following are major risk factors identified by management, they do not comprise a definitive list of all risk factors related to the Company's business and operations. Other specific risk factors are discussed elsewhere in this MD&A.

## **infinitii ai inc.**

### MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025

---

#### *Capitalization and Commercial Viability*

The Company will require additional funds to continue operations. The Company has limited financial resources, and there is no assurance that additional funding will be available to the Company to carry out the completion of all proposed activities. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the curtailment of operations, liquidation of assets, seeking of additional capital on less favourable terms and/or other remedial measures.

#### *History of Operating Losses*

The Company has an accumulated deficit since its incorporation through September 30, 2025, of \$32,155,699. The deficit may increase in the near term as the Company continues its product development and establishes additional sales channels for its new products.

#### *General Economic Conditions*

The Company currently operates in Canada, the United States and Poland and, like all global businesses, it has been subject to the impact of the current global credit and financial crisis on consumers in its areas of operations and the discretionary spending available to them. General economic conditions have resulted in reduced consumer and government spending and have impacted the Company's profitability. Should these conditions continue to prevail, there will be further pressure on the Company's profitability.

#### *Key Employees*

The success of the Company, like all marketing and software companies, is largely dependent on the performance of its key employees and directors. The failure to retain key employees and directors and to attract and retain additional key employees with necessary skills could have a material adverse impact upon the Company's growth and profitability. Competition for highly skilled management, technical and other employees is intense. There can be no assurance that the Company will be successful in attracting and retaining such personnel and the departure of any of the members of the Company's executive team or key directors could have a material adverse effect on the Company's business, results of operations and financial condition.

#### *New Market Risk*

The Company is operating in a large market but is providing previously unavailable services. The Company faces uncertainty as to the degree of new and continuing market acceptance of its products. The performance of the Company also depends on the performance of engineering services firms, water infrastructure hardware vendors and other agencies that the Company partners with along with their end customers.

#### *Customer Risks*

The Company is dependent on proper pricing of products and services, the ability to provide insights to customers based on their collected data, reporting of successful results of referral campaigns and timely collection of customer accounts. The Company is also dependent on its ability to ensure that their customers operate within the terms of its service agreements.

#### *Intellectual Property Risk*

The Company has taken steps to protect its proprietary technology. The Company relies on a combination of trademark, trade secrets, laws and other intellectual property protection methods to protect its proprietary technology. These steps may not completely protect the Company's proprietary technology, nor give it a competitive edge. Others may independently develop substantially equivalent technology or gain access to our trade secrets. If the Company is unable to protect its intellectual property, the business over time could be materially affected. The Company will pursue all avenues available to it, if necessary, to enforce its patents, and to protect its trademarks and other intellectual property rights owned by the Company.

## **infiniti ai inc.**

### MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025

---

#### *Reliance on Information Systems and Technology*

The Company's business relies upon information technology systems to service customers at the point of sale. Its information technology systems may be vulnerable to unauthorized access, computer viruses, system failures, other malicious acts or acts of nature. Should a significant disruption to its information technology occur, the Company's earnings could be adversely affected through loss of revenue and the costs to rectify the disruption. The Company is in an industry with many competitors that lay claim to intellectual property. The Company may receive notice from a third party asserting the Company has infringed on their intellectual property rights. As a result of such claims the Company's earnings could be adversely affected by costly litigation, product injunctions or consumption of management attention. The Company may also be required to expend significant capital and resources to protect against the threat of security, encryption and authentication technology breaches or to alleviate problems caused by such breaches.

#### *Reliance on Third Party Licenses*

The Company relies on certain software that it licenses from third parties, including a software program that is integrated with internally developed software and used in the Company's products to perform key functions. There can be no assurance that these third-party licenses will continue to be available to the Company on commercially reasonable terms. The loss of, or inability to maintain, any of these licenses, could result in delays or reductions in product and service deployment until equivalent software can be developed, identified, licensed and integrated, which could materially adversely affect the Company's business, results of operations and financial condition.

#### *Risk Associated with International Operations*

Management of the Company believes that its continued growth and profitability will require expansion of its sales further in the United States and into other foreign markets. This expansion will require significant management attention and financial resources and could adversely affect the Company's operating margins. In order to increase international sales in subsequent periods, the Company may establish additional foreign operations, incur substantial infrastructure costs, hire additional personnel and recruit international resellers. To the extent that the Company is unable to expand international sales in a timely and cost-effective manner, the Company's business, results of operations and financial condition could be materially adversely affected. In addition, even with the possible recruitment of additional personnel and international partners, there can be no assurance that the Company will be successful in maintaining or increasing international market demand for the Company's applications and services. The risk associated with currency fluctuations are comprised mainly of the Company's United States denominated sales, component purchases and other expenses. In the future, it is expected that a portion of revenues may be realized in other foreign currencies as a result of international sales. Fluctuations in the exchange rate between the Canadian dollar and other currencies, particularly the United States dollar, may have a material adverse effect on the Company's results of operations, financial condition and any business prospects. The Company may use hedges to mitigate the risk of foreign currency exposure.

#### *Expansion*

The success of the Company's continued expansion will depend upon many factors, including the ability of the Company to maintain acceptable attrition rates and control of operating costs. There can be no assurance that the Company will be able to grow or achieve its continued expansion. Such risks, if they materialize, could have a material adverse effect on the Company's business, financial condition, liquidity and results of operations.

#### *Available Workforce*

The Company's continued success will depend on the performance and continued service of the Company's employees. The Company relies on the ability to attract new software engineers and developers, research and development staff, production personnel and key sales and marketing employees. The Company will continue to develop its employees and search for key new hires, however there is no assurance that the Company will be able to retain existing personnel or attract, hire and retain additional qualified personnel.