CYBERCATCH HOLDINGS, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED APRIL 30, 2026 AND 2025

(Expressed in Canadian dollars unless otherwise stated)

INTRODUCTION

The following amended and restated management discussion and analysis ("MD&A") for CyberCatch Holdings, Inc. (the "Company" or "CyberCatch") should be read in conjunction with the amended and restated condensed interim consolidated financial statements and accompanying notes for the nine months ended April 30, 2026 and 2025, and the audited consolidated financial statements and accompanying notes for the years ended July 31, 2025 and 2024. The condensed interim consolidated financial statements for the nine months ended April 30, 2026 and 2025 have been prepared in accordance with International Accounting Standards 34 and IFRS Accounting Standards. Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

COMPANY OVERVIEW

The Company was incorporated under the Business Corporations Act (British Columbia) on April 6, 2021. The Company's head office is located at 4445 Eastgate Mall, Suite 200, San Diego, California and its registered office is located at 1500-1055 West Georgia Street, Vancouver, B.C.

The consolidated financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due. During the nine months ended April 30, 2026, the Company incurred a net loss of $6,052,560 (2025 - $866,377). As at April 30, 2026, the Company had working capital deficiency of $1,559,177 (July 31, 2025 – deficiency of $786,786) and an accumulated deficit of $33,192,444 (July 31, 2025 - $27,139,884). The Company is marketing and selling its SaaS solutions with a focus on increasing customers and revenues. The Company has incurred losses since inception and in the research and development phase, and expects to incur further losses in the development of its business. The continued operations of the Company are dependent on its ability to generate future cash flows from sales or obtain additional financing. There can be no assurances that the Company will continue to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows. If the Company is unable to obtain adequate financing, the Company may be required to curtail operations. These circumstances comprise a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The consolidated financial statements do not reflect any adjustments to the carrying values of assets and liabilities, the reported expenses, and the balance sheet classifications used that may be necessary if the Company is unable to continue as a going concern.

The Company is making progress to grow sales and revenues and anticipates increase in revenue in future periods based on growth in its sales pipeline from several large sales opportunities originated by reseller partners in the U.S., and supported by digital marketing initiatives. The following are recent Company highlights:

- Launched no-application cyber insurance policy benefit for any organization that implements the Company's cyber risk mitigation solution, in partnership with a large insurance brokerage and top A XV rated insurance company.
- Signed agreement with strategic reseller partners that have multi-year contracts and long-term relationships with U.S government agencies to drive large sales of Company's cyber risk mitigation solutions.
- Signed strategic partnership agreement with Speridian Technologies, LLC ("Speridian") whereby Speridian will resell the Company's solutions to its current client base and prospective clients, bundled with their expertise, with a specific focus in critical sectors such as banking and financial services, healthcare, manufacturing and public sectors.

ABOUT THE COMPANY

CyberCatch and its subsidiaries provide an artificial intelligence (AI)-enabled Software as a Service (“**SaaS”**) platform solution for continuous compliance, security and cyber risk mitigation (“Platform Solution”) and has obtained a patent from the United States Patent and Trademark Office (“**USPTO**”). CyberCatch specializes in serving small and medium-sized businesses (“**SMBs**”) and small and medium enterprises (**"SMEs"**) in the United States and Canada. The cloud-native platform solution first helps an SMB/SME implement a baseline of cybersecurity controls in accordance with a regulation, standard or framework, then automatically and continuously tests the controls to identify control deficiencies and non-compliance with cybersecurity requirements, so the SMB/SME can take prompt action to remediate the control deficiency, regain compliance with cybersecurity requirements and avoid creating a security weakness that an attacker can exploit to commit a data theft or ransomware attack.

CyberCatch’s founder is Sai Huda, the former founder, Chairman and CEO of Compliance Coach Inc., a compliance risk management SaaS company and focused in the financial services sector that was acquired by Fidelity National Information Services Inc. (“**FIS**”), a Fortune 500 and NYSE-traded company and member of the S&P 500 Index.

While at FIS, Mr. Huda served as the General Manager of Risk, Information Security and Compliance Solutions and under Mr. Huda’s leadership, FIS attained a number one ranking on the RiskTech100. Mr. Huda is the author of the book, Next Level Cybersecurity and helped author Canada's National Cyber Security Standard, CAN/DGC 104. Many SMBs/SMEs have a digital aspect to their business, including websites and other internet-facing applications, and are therefore vulnerable to cyberattacks. CyberCatch’s Platform Solution enables an SMB or SME to implement cybersecurity controls efficiently and effectively and in accordance with NIST 800-171, CMMC, NIST CSF 2.0, Zero Trust Principles, CAN/DGC 104 or other cybersecurity requirements.

The AI-enabled Platform Solution comprises of the following modules:

- ***CyberBenchmark*** enables an SMB to perform a cybersecurity assessment, including the implementation and documentation for required controls. CyberBenchmark provides a workflow engine, an AI-enabled cybersecurity advisor and dashboard to show the organization’s progress in real-time including providing charts and other forms of compliance verification. It also calculates a Cyber Hygiene Score and other compliance related scores.

- ***CyberVirtualCISO*** provides an SMB with virtual access, including consulting a team of industry-leading cybersecurity experts, during the cybersecurity assessment.

- ***CyberThreatTV*** provides online security awareness training to SMB employees focused on detecting red flags of phishing, social engineering, ransomware, among other threats.

- ***CyberXRay*** scans an SMB’s internet-facing information technology assets, such as websites, web servers or web applications, to detect vulnerabilities. CyberXRay detects vulnerabilities that hackers have been known to exploit and alerts the SMB to patch or remediate.

- ***CyberPhisher*** tests a key control, the human element, by assessing an SMB employee’s ability to recognize phishing attacks, including other social engineering techniques, by sending simulated phishing emails and alerts to the SMB for remedial action.

- ***CyberCheck24/7*** involves a lightweight agent, which is non-intrusive and automated, for controls testing. The agent runs on an SMB’s internal network to test and identify control deficiencies by providing alerts on a dashboard. The SMB can take remedial action to remove the security weaknesses that an attacker could potentially exploit.

The Platform Solution’s automated three-dimensional testing of controls is unique and provides a robust and dynamic assessment of the status of implemented cybersecurity controls and compliance with cybersecurity requirements. The Platform Solution calculates a Cyber Breach Score, a unique and dynamic measure of cyber risk for an SMB / SME.

Patent

The USPTO approved and issued a patent to CyberCatch on February 24, 2022 (the "**Patent**"). Patent No. US 11,297,094 "*Automated and Continuous Cybersecurity Assessment with Measurement and Scoring*" was published by the USPTO on April 5, 2022, with the Patent covering approval of 28 claims relating to automation of cybersecurity controls assessment, calculation of Cyber Hygiene Score, automation of cybersecurity controls testing comprised of outside-in, inside-out and social-engineering tests and calculation of Cyber Breach Score that indicates effectiveness of implemented cybersecurity controls.

Research

CyberCatch has developed its proprietary cloud-native AI-enabled cybersecurity Platform Solution internally and currently uses generative AI and plans to continue additional research and development to expand artificial intelligence capabilities to use agentic AI to deliver additional value for its SMB/SME customers.

Competitive Conditions

CyberCatch does not have any direct competitors for its unique, patented, cloud-native SaaS platform for SMBs and SMEs, other than cybersecurity consulting companies that offer cybersecurity consulting assessment or penetration test engagements, which are typically based on billable hourly contracts.

CyberCatch believes that its AI-enabled SaaS platform solution will be less costly in comparison and provides automated continuous testing of controls and timely detection of security holes for prompt risk mitigation, which it believes is preferable to once a year penetration tests performed by a consultant. CyberCatch is in the process of further educating the market on operational advantages associated with CyberCatch's products.

CyberCatch believes that recent cybersecurity mandates and standards such as NIST CSF 2.0, NIST 800-171, CMMC and Zero Trust in the United States and CAN/DGC 104 in Canada has created demand for its products and expects that its product offerings will gain significant market share in the future, relative to the sale of traditional cybersecurity offerings.

CyberCatch's patented cloud-native three-dimensional automated cybersecurity controls testing platform specifically designed for SMBs to maintain continuous compliance and security, coupled with the strategic partnerships signed, will position CyberCatch to take advantage of these opportunities.

CyberCatch has signed up customers in critical segments (e.g. defense, manufacturing, healthcare, educational, public, financial services and information technology) for its AI-enabled SaaS solution where compliance with cybersecurity mandates and standards are becoming effective and has validated its product-market fit with these customers, and expects acceleration of growth as even more cybersecurity mandates are set forth in additional critical segments, and as several strategic sales distribution partnerships are launched to accelerate sales.

CyberCatch has also been accepted to NVIDIA's Inception Program, a group of startups and early stage technology companies that NVIDIA helps provide hardware, software and applications to accelerate development of new AI solutions. This membership will help CyberCatch accelerate development of next-gen agentic AI solutions and rapidly take advantage of new market opportunities and grow sales and revenues.

CyberCatch has also signed reseller agreements with technology companies with long term relationships with U.S. government agencies for these companies to resell CyberCatch's solutions for use by hundreds of their suppliers, as a strategy to accelerate and grow sales.

Recent Transactions

In February 2026, the Company completed the acquisition of Atriarch Inc. ("Atriarch"), a company with a multi-authority attributes-based encryption with revocation technology intellectual property. Pursuant to a share exchange agreement dated January 30, 2026, the Company acquired all issued and outstanding shares of Atriarch in exchange for 1,250,000 common shares of the Company.

In April 2026, the Company entered into a strategic partnership with Speridian Technologies, LLC ("Speridian") whereby Speridian will resell the Company's solutions to its current client base and prospective clients, bundled with their expertise, with a specific focus in critical sectors such as banking and financial services, healthcare, manufacturing and public sectors.

In April 2026, the Company entered into a binding Letter of Intent with Datavault AI Inc. ("Datavault AI") under which Datavault AI and the Company will enter into a definitive agreement for Datavault AI to acquire 100% of the Company in an all-stock transaction structured as a court-approved plan of arrangement under the Business Corporations Act (British Columbia). Under the LOI and subject to a definitive agreement, Datavault AI will acquire 100% of the Company's issued and outstanding common shares in exchange for approximately 49.9 million newly issued shares of Datavault AI common stock at $5.11 per common share of the Company. All issued and outstanding CyberCatch securities convertible into or exercisable for CyberCatch common shares will be exchanged for Datavault AI Shares on a cashless exercise basis at a deemed value of USD $2.00 per Datavault AI Share.

SELECTED FINANCIAL DATA – SUMMARY OF QUARTERLY RESULTS

The following selected financial information is derived from the unaudited interim financial statements prepared in accordance with IFRS Accounting Standards.

	Apr 30, 2026 $	**Jan 31, 2026 $**	**Oct 31, 2025 $**	**July 31, 2025 $**
Revenues	64,669	70,934	50,734	45,249
Cost of sales	(20,342)	(43,579)	(36,472)	(33,942)
Expenses	(2,278,563)	(1,355,599)	(2,504,423)	(4,236,257)
Net loss	(2,234,233)	(1,328,187)	(2,490,140)	(4,739,037)
Comprehensive loss	(2,225,915)	(1,317,799)	(2,512,063)	(4,785,245)
Basic and diluted loss per share	(0.08)	(0.05)	(0.10)	(0.31)
Working capital deficiency	(1,559,177)	(982,717)	(433,664)	(786,786)
Total assets	2,240,506	778,467	1,319,217	1,048,979

	Apr 30, 2025 $	**Jan 31, 2025 $**	**Oct 31, 2024 $**	**July 31, 2024 $**
Revenues	127,432	105,112	125,778	133,847
Cost of sales	(38,021)	(82,166)	(86,234)	(85,598)
General and administrative expenses	(245,406)	(376,670)	(407,847)	(723,764)
Net loss	(155,704)	(342,438)	(368,235)	(672,202)
Comprehensive loss	(112,405)	(427,089)	(392,137)	(646,985)
Basic and diluted loss per share	(0.01)	(0.04)	(0.06)	(0.12)
Working capital deficiency	(1,035,557)	(1,694,315)	(3,388,764)	(3,111,679)
Total assets	1,051,211	858,736	439,521	514,188

Nine Months Ended April 30, 2026 compared to Nine Months Ended April 30, 2025

During the nine months ended April 30, 2026 ("2026-YTD"), the Company attained revenues of $186,377 primarily from SaaS recurring revenue contracts from customers compared to $358,322 revenues for the nine months ended April 30, 2026 ("2025-YTD"). For 2026-YTD, the Company had some small and medium size business customers not renewing one-year subscriptions from prior year due to budget constraints due to impact from tariffs and economic conditions and some customers deferring renewals until later in the year, resulting in reduction of recognized revenues. The average revenue per contract was $13.99 per day for 2026-YTD, compared to for 2025-YTD an average revenue per contract of $13.76 per day. Cost of sales was $100,393 for 2026-YTD compared to $206,421 for 2025-YTD. This amount consists of amortization of capitalized software development costs. These development costs have been amortized over a three-year period, and during the 2026-YTD, the Company incurred additional software development costs of $312,570 (2025-YTD - $Nil) which will also be amortized over a three-year period.

During 2026-YTD, the Company incurred a net loss of $6,052,560 and a comprehensive loss of $6,055,777 compared to a net loss of $866,377 and a comprehensive loss of $931,631 for 2025-YTD. During 2026-YTD, the Company incurred general and administrative expenses of $6,138,585 (2025-YTD - $1,029,923), which included share-based compensation of $4,526,776 (2025-YTD - $Nil). Without the non-cash share-based compensation, operating expenses remained relatively consistent year-over-year. The Company increased consulting fees by engaging part-time consultants whenever possible.

Three Months Ended April 30, 2026 compared to Three Months Ended April 30, 2025

During the three months ended April 30, 2026 ("2026-Quarter"), the Company attained revenues of $64,669 primarily from SaaS recurring revenue contracts from customers compared to $127,432 revenues for the three months ended April 30, 2025 ("2025-Quarter"). The decrease in sales is due to the decrease in number of contracts and the decline in average revenue per contract as discussed above. Cost of sales was $20,342 for 2026-Quarter compared to $38,021 for 2025-Quarter. This amount consists of amortization of capitalized software development costs, as discussed above. During the 2026-Quarter, the Company incurred additional software development costs of $138,885 (2025-Quarter - $Nil).

During 2026-Quarter, the Company incurred a net loss of $2,234,233 and a comprehensive loss of $2,225,915 compared to a net loss of $155,704 and a comprehensive loss of $112,405 for 2025-Quarter. During 2026-Quarter, the Company incurred general and administrative expenses of $2,278,563 (2025-Quarter - $245,406), which included share-based compensation of $1,759,483 (2025-Quarter - $Nil). Without the non-cash share-based compensation, operating expenses remained relatively consistent year-over-year.

CASH FLOWS, LIQUIDITY AND CAPITAL RESOURCES

Net cash used in operating activities for the nine months ended April 30, 2026 was $1,422,829 compared to net cash used in operating activities of $874,394 for the nine months ended April 30, 2026. The increase in outflows was primarily due to working capital fluctuations and timing differences in revenue collection.

The Company recorded an operating loss of $6,052,560 in 2026-YTD (2025-YTD – $866,377). Adjustments for non-cash items included depreciation of $112,783 (2025-YTD – $219,013) and share-based compensation expense of $4,526,776 (2025-YTD – $Nil). Cash was also impacted by changes in working capital: decrease in accounts receivable of $921 (2025-YTD – increase of $65,788), decrease of prepaid expenses $123,221 (2025-YTD – $8,269), decrease in deferred revenue of $52,719 (2025-YTD - $107,805) and a decrease in accounts payable and accrued liabilities of $81,251 (2025-YTD – $50,559).

Net cash used in investing activities during 2025-YTD totaled $312,570 (2025-YTD – $Nil), related to capitalized software development costs.

Net cash provided by financing activities for the nine months ended April 30, 2026, was $1,309,426, compared to $1,627,018 in the 2025-YTD. Cash inflows during 2025-YTD included $750,000 from the issuance of common shares, net of share issue costs (2025-YTD – $1,088,742), $149,625 from the exercise of stock options (2025-YTD – $Nil), $51,245 from the exercise of share purchase warrants (2025-YTD – $723,396), and $360,789 in notes payable received (2025-YTD - $171,361 repayments). These inflows were partially offset by $2,233 in repayments of shareholder loans (2025-YTD – $13,759).

TRANSACTIONS WITH RELATED PARTIES

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as persons performing similar functions.

Compensation to related parties for the nine months ended April 30, 2026 is summarized as follows:

Related party	Payment method	April 30, 2026 $
Sai Huda, CEO	Salaries and wages	178,117
Andy Kim, VP, CISO	Salaries and wages	177,053
Brian Rho, VP, CTO	Salaries and wages	175,458
Dong Shim, CFO	Accounting and consulting fees	38,500

During the nine months ended April 30, 2026, the Company's Chief Executive Officer and founder, Sai Huda, paid for various expenses on behalf of the Company. The balance due to Mr. Huda for expense reimbursement at April 30, 2026 was $Nil (July 31, 2025 - $2,233). Amounts are unsecured, non-interest bearing and due on demand.

As at April 30, 2026 and July 31, 2025, the balance due to a former Chief Financial Officer was $26,250.

As at April 30, 2026, the balance due to the Chief Financial Officer was $26,019 (July 31, 2025 - $Nil).

In January 2024, the Company's employees, including certain officers, agreed to defer payment of their compensation until the Company obtained additional financing. As of April 30, 2026, a total of $956,328 (July 31, 2025 - $1,019,511) in unpaid salaries and wages has been accrued. The Company has also accrued the related payroll taxes of $39,847 (July 31, 2025 - $67,262) and worker's compensation insurance of $6,335 (July 31, 2025 - $6,437).

During the nine months ended April 30, 2026, the Company received $386,400 (US$280,000) and repaid notes payable of $25,611 (US$18,500) owing to the Company's Chief Executive Officer (Note 7). These notes are unsecured, non-interest bearing and due on demand. As at April 30, 2026, the related notes payable balance was $381,472.

During the nine months ended April 30, 2026, the Company granted 650,000 stock options to officers of the Company. The Company recognized $298,511 (2025 - $Nil) in share-based compensation related to these options.

SHARE CONSOLIDATION AND ISSUANCE

On July 26, 2024, the Company announced consolidation of its common shares in the capital of the Company on the basis of 10 pre-consolidated shares for every one consolidated share, effective July 30, 2024, while the transfer agent, Computershare effected the share consolidation on August 9, 2024, at which point the post-consolidated shares outstanding as at August 9, 2024 was 5,692,168.

On January 17, 2025, the Company issued 4,900,000 common shares to partially settle notes payable of $1,039,320 (US $720,000) owing to the Company's Chief Executive Officer. The shares were measured at their fair value at the date of issuance of $2,156,000, resulting in a loss of $1,116,680, which was recorded as a deduction from equity through reserves.

On January 20, 2025, the Company completed a non-brokered private placement for gross proceeds of $1,088,742, consisting of 7,258,280 units at a price of $0.15 per unit. Each unit comprised one common share and one common share purchase warrant. Each warrant entitle the holder to acquire one additional one common share at an exercise price of $0.25 for a period of two years from the date of issuance. In connection with the financing, the Company paid share issuance costs totaling $8,588.

On June 16, 2025, the Company issued 104,167 common shares to settle notes payable of $100,000 (US$71,468) owing to certain lenders. The shares were measured at their fair value at the date of issuance of $404,168, resulting in a loss of $304,168, which was recorded in the statement of loss and comprehensive loss.

On June 16, 2025, the Company issued 71,875 common shares to settle unpaid consulting fees of $69,000. The shares were measured at their fair value at the date of issuance of $278,875, resulting in a loss of $209,875, which was recorded in the statement of loss and comprehensive loss.

As at July 31, 2025, all warrants issued under the January 20, 2025 private placement had been exercised, resulting in the issuance of 7,258,280 common shares and gross proceeds of $1,814,570.

On September 3, 2025, 6,428 warrants with the exercise price of $5.00 were exercised, resulting in the issuance of 6,428 common shares and gross proceeds of $32,140.

On September 19, 2025, 71,250 stock options with the exercise price of $2.10 were exercised, resulting in the issuance of 71,250 common shares and gross proceeds of $149,625.

On October 3, 2025, the Company completed a non-brokered private placement for gross proceeds of $750,000, consisting of 150,000 units at a price of $5.00 per unit. Each unit comprised one common share and one-half of one common share purchase warrant. Each warrant entitles the holder to acquire one additional one common share at an exercise price of $6.50 for a period of two years from the date of issuance, subject to an acceleration clause if the common share price reaches $7.50 for 10 consecutive trading days. The shares are subject to a four-month-and-one day hold period.

On October 8, 2025, 3,821 warrants with the exercise price of $5.00 were exercised, resulting in the issuance of 3,821 common shares and gross proceeds of $19,105.

On February 5, 2026, the Company issued 1,250,000 common shares valued at $1,550,000 pursuant to the acquisition of Atriarch Inc.

OUTSTANDING SECURITIES

As at April 30, 2026, there were 26,766,269 of common shares.

As of June 26, 2026, there were 26,766,269 common shares, 75,000 warrants, and 4,269,900 stock options issued and outstanding.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

ADOPTION OF NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS

Future accounting pronouncements

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements. This standard aims to improve the consistency and clarity of financial statement presentation and disclosures by providing updated guidance on the structure and content of financial statements. Key changes include enhanced requirements for the presentation of financial performance, financial position, and cash flows, as well as additional disclosures to improve transparency and comparability. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. The Company is currently assessing the impact that the adoption of IFRS 18 will have on its condensed interim consolidated financial statements.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Categories of Financial Instruments and Fair Value Measurements

As of April 30, 2026 and July 31, 2025, the Company's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, amounts due to shareholder, and notes payable, all of which are carried at amortized cost.

In management's opinion, the Company's carrying values of cash, accounts receivable, accounts payable and accrued liabilities, amounts due to shareholder, and notes payable approximate their fair values due to the immediate or short-term maturity of these instruments.

The Company classifies the fair value of these financial instruments according to the following hierarchy based on the number of observable inputs used to value the instrument:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (derived from prices). The Company does not have any financial instruments classified under Level 2.

Level 3 – Unobservable inputs measure fair value to of relevant observable inputs that not readily available. Unobservable inputs are developed using the best information that is reasonable available including the Company's own data. The Company does not have any financial instruments classified under Level 3.

Management of Financial Risks

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures.

The type of risk exposure and the way in which such exposure is managed is provided as follows:

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 accounts receivable. The Company manages its credit risk relating to cash through the use of a major financial institution which has a high credit quality as determined by rating agencies. The Company mainly deals with customers with high reputations and continues to monitor customers' credit history. As at April 30, 2026, the Company assessed credit risk as high on its accounts receivables.

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 market is hindered. The Company has obligations to meets its administrative overheads and to settle amounts payable. The Company has minimal revenues and relies on financing from the related parties and outsiders. The Company will need additional funding through equity or debt financing, or a combination thereof, to fund the Company's ongoing operation needs. Liquidity risk is assessed as high.

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 does not hedge its exposure to fluctuations in foreign exchange rates. As of April 30, 2026, the Company is exposed to foreign exchange risk to the extent of its United States operations conducted predominantly in U.S. dollars. Based on the Company's net Canadian currency exposure as at April 30, 2026, and assuming all other variables remain constant, a 10% weakening or strengthening of the Canadian dollar against the US dollar would result in an increase/decrease of approximately $80,000 in comprehensive income/loss for the period.

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.

As of April 30, 2026 and July 31, 2025, the Company did not have any financial assets or liabilities owing bearing interest at variable rates. The Company is not exposed to interest rate risk.

SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities.

The estimates and associated assumptions are based on anticipations and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods. There have been no significant judgments made by management in the application of IFRS Accounting Standards that have a significant effect on these condensed interim consolidated financial statements.

Significant estimates made by management include the following:

Recognition and valuation of deferred tax assets

The recognition of deferred tax assets is based upon whether it is probable that sufficient taxable profits will be available in the future or whether taxable temporary differences will reverse such that deferred tax assets can be utilized.

Recognition therefore involves a degree of estimation and judgement regarding the future financial performance or the timing of the reversed deferred tax liabilities of the particular legal entity in which the deferred tax assets have been recognized.

Useful lives of equipment and software development costs

Amortization of capital and intangible assets is dependent upon estimates of useful lives based on management's judgment. Additional determination must be made by management whether the identified intangible assets have an indefinite life or if not, management determines its lifespan. In management's view, the equipment has a useful life of 5 years and the software development costs has a useful life of 3 years.

Share-based payments

The determination of the fair value related to share-based payments are subject to estimate. 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 option, volatility and dividend yield and making assumptions about them. Where a share-based payment includes performance conditions that impact the vesting of the award, management applies estimates to the likelihood the performance obligation will be met and the percentage of forfeitures.

Expected credit losses

The Company assess the collectability of its accounts receivable, and measure expected credit losses on an amount equal to the losses expected 12 months from the reporting date by estimating changes in circumstances and credit risk.

Significant judgements made by management include the following:

Revenue recognition

The Company recognizes revenue on its SaaS subscriptions, consulting services and PEN testing. Cash received in advance for annual subscriptions are recorded as deferred revenue based on the proportion of time remaining under the license as at the reporting date. Management applies judgement in determining the timing and recognition of revenue streams and when assessing its collectability.

Impairment of non-financial assets

Determining whether any charge to impairment against the Company's capital assets and finite lived intangible assets require management to first make judgements on whether there are any internal or external indicators of impairment present. This judgement is based off of observations such as whether there are any indications that an asset's value has declined in the year, changes in the technological, market, economic, or legal environment ins which the entity operates, changes in market or interest rates, possible obsolescence or physical damage, or changes in use of the asset. Indicators of impairment are assessed on an annual basis or as events and conditions change.

Going concern

Management has applied judgments in the assessment of the Company's ability to continue as a going concern when preparing its financial statements. Management prepares the financial statements on a going concern basis unless Management either intends to liquidate the entity or has no realistic alternative but to do so.

In assessing whether the going concern assumption is appropriate, Management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management considered a wide range of factors relating to current and expected profitability, debt repayment schedules and potential sources of replacement financing.

As a result of the assessment, Management concluded that, while material uncertainties exist, the going concern basis of accounting is appropriate based on its profit and cash flow forecasts and access to replacement financing for the future twelve months.

Research and development costs

Evaluating whether or not research and development costs incurred by the Company meet the criteria for capitalization as an intangible asset requires judgement. Management determined that as of April 30, 2026 and July 31, 2025, that the initial expenditures for software development would have future economic benefit because the software will be provided to customers as SaaS under three-year contracts. Additional costs that enhance, improve, add, and/or modify the software are capitalized and all other costs are expensed as incurred.

INVESTOR RELATIONS ACTIVITIES

The Company currently does not have long-term investor relations contracts.

CORPORATE GOVERNANCE

As at April 30, 2026 the following directors were appointed to the Company:

Directors:

Sai Huda, Chairman and Chief Executive Officer
Scott Tait (Audit Committee; Independent)
Steve Kohler (Audit Committee; Independent)
Shawn Balaghi (Audit Committee; Independent)

RISK FACTORS

An investment in the Common Shares involves a high degree of risk and should be considered highly speculative due to the nature of the Company's business and its present stage of development.

An investment in the Company's securities is suitable only for those knowledgeable and sophisticated investors who are willing to risk loss of their entire investment.

Prospective investors should consult with their professional advisors to assess an investment in the Company's securities. In evaluating the Company and its business, investors should carefully consider, in addition to the other information contained in this MD&A and its related prospectus, the risk factors as outlined in the Company's annual MD&A for the year ended July 31, 2025. These risk factors remained unchanged.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements (collectively, "forward-looking statements") in this MD&A and the documents incorporated by reference into the Company's prospectus about the Company's current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or any other future events or developments constitute forward-looking statements and/or forward-looking statements within the meaning of applicable securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that are applicable to an issuer.

Forward-looking statements can, but may not always, be identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "would", "should", "believe", "objective", "ongoing", "imply", "assumes", "goal", "likely" and similar references to future periods or the negatives of these words and expressions and by the fact that these statements do not relate strictly to historical or current matters.

These forward-looking statements are based on management's current expectations and are subject to a number of risks, uncertainties, and assumptions, including market and economic conditions, business prospects or opportunities, future-plans and strategies, projections and anticipated events and trends that affect the Company and its industry. Although the Company and management believe that the expectations reflected in such forward-looking statements are reasonable and are based on reasonable assumptions and estimates as of the date hereof, there can be no assurance that these assumptions or estimates are accurate or that any of these expectations will prove accurate. Forward- looking statements are inherently subject to significant business, economic and competitive risks, uncertainties and contingencies that could cause actual events to differ materially from those expressed or implied in such statements.

Forward-looking statements in this MD&A, and the documents incorporated by reference herein include, but are not limited to, statements about the following:

- the objectives and business plans of the Company;
- the listing on a stock exchange;
- the composition of the Board and management of the Company;
- the performance of the Company's business, plans and operations;
- the intention to grow the business, operations and product offerings of the Company;
- the accuracy of the Company's estimates of the potential market for its products;
- the Company's ability to successfully market its products to potential customers;
- the ability of management to rely on prior experience in the future;
- the competitive conditions of the industry;
- applicable laws, regulations and any amendments thereof, including those relating to future tax treatment;
- the competitive and business strategies of the Company; and
- the general economic, financial market, regulatory and political conditions in which the Company operates.

Forward-looking statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. The material factors and assumptions used to develop the forward-looking statements contained in this MD&A and its related prospectus include the Company's ability to obtain listing approval from the Exchange and key personnel and qualified employees continuing their employment with the Company. Assumptions underlying the Company's working capital requirements are based on management's experience with other companies in the sector. Forward-looking statements pertaining to the Company's need for and ability to raise capital in the future are based on the projected costs of operating the Company and management's experience with raising funds in current market circumstances. Forward- looking statements regarding treatment by governmental authorities assumes no material change in regulations, policies, or the application of the same by such authorities.

Forward-looking statements involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements.

Accordingly, readers should not place undue reliance on any such forward-looking statements. Further, any forward-looking statement speaks only as of the date on which such statement is made. New factors emerge from time to time, and it is not possible for the Company's management to predict all of such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. The Company does not undertake any obligation to update any forward-looking statements to reflect information, events, results, circumstances or otherwise after the date hereof or to reflect the occurrence of unanticipated events, except as required by law including securities laws.