

MANAGEMENT'S DISCUSSION AND ANALYSIS OF SAASQUATCH FOR THE TWELVE MONTH PERIOD ENDED JULY 31, 2024

The following Management's Discussion and Analysis ("**MD&A**") for Saasquatch Capital Corp. (formerly Saasquatch Commerce Inc.) ("**Saasquatch**" or the "**Company**") provides a review of the results of operations, financial condition, and cash flows of the Company for the twelve month period ended July 31, 2024. This document should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements, and the accompanying notes, as of and for the twelve month periods ended July 31, 2024 and 2023. The financial statements, including the notes thereto, and the financial information presented in this MD&A have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). All amounts are stated in Canadian currency unless otherwise indicated. Whenever used in this MD&A, the term "**Common Shares**" means Class A common shares in the capital of the Company.

The content of this MD&A has been approved by the board of directors of the Company (the "**Board**" or "**Board of Directors**") on September 30, 2024.

FORWARD LOOKING STATEMENTS AND DISCLAIMER

Certain information set out in this MD&A constitutes forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "hope", "plan", "continue", "estimate", "expect", "may", "will", "intend", "could", "might", "should", "scheduled", "believe" and similar expressions.

Forward-looking statements are based upon the opinions, expectations and estimates of management and, in some cases, information received from or disseminated by third parties, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or outcomes to differ materially from those anticipated or implied by such forward-looking statements. These factors include such things as the Company's current stage of development, the lack of a track record with respect to the generation of revenues from performance-based arrangements with users, its reliance on third parties and third party technology, the existence of competition, the availability of external financing, the inherent risks associated with research and development activities and commercialization of emerging technologies (such as lack of market acceptance), timing of execution of various elements of the Company's business plan, the availability of human resources, the emergence of competing business models, new laws (domestic or foreign), lack of acceptance by users, management's estimates of project requirements being incorrect, information received from third parties with respect to anticipated transaction volumes being incorrect, a lack of advertising sources for integration into the Company's platform, management's understanding of the competitive and regulatory environment being incorrect and the other risk factors noted below under the heading "Business Risks and Uncertainties". **Accordingly, readers should not place undue reliance upon the forward-looking information contained herein and the forward-looking statements contained in this MD&A should not be considered or interpreted as guarantees of future outcomes or results.**

The Company does not assume responsibility for the accuracy and completeness of the forward-looking statements set out in this MD&A and, subject to applicable securities laws, does not undertake any obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances. Saasquatch's forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statement.

INTRODUCTION AND OVERVIEW

Jasper PIM is a leading Product Information Management (“PIM”) solution that empowers eCommerce retailers, wholesalers, or distributors to centralize, organize, and merchandise their products from a single central repository. By leveraging Jasper PIM, merchants can enhance their eCommerce storefronts or marketplaces, reach new consumer markets, and increase their online sales.

Jasper PIM also offers powerful utilities that streamline product data management operations, saving merchants significant time and money. With Jasper PIM, eCommerce merchants can schedule promotional pricing, enrich product data with complex imagery, videos, and marketing content, manage complex attribution, and set up product relationships between multiple products to upsell or cross-sell their goods and services – all from a single dashboard. The PIM also supports the batch management of product information, including multiple languages, currencies, and inventory locations, and affords merchants the ability to manage multiple storefronts or marketplaces quickly and accurately.

Saasquatch’s primary revenue model was subscription-based, with customers signing up for a month-to-month or annual term and agreeing to pay Saasquatch a fee for utilizing the PIM platform. In addition to subscription revenue, Saasquatch generated revenue from professional services that assist merchants with the setup, management, and optimization of their PIM. Saasquatch’s shares traded on the TSX Venture Exchange in Canada under the symbol “JPIM” until September 13, 2024, when the Company’s shares were transferred to the NEX and the trading symbol changed to JPIM.H.

PRODUCT AND SERVICES

Jasper PIM is a powerful SaaS solution that enables eCommerce retailers, wholesalers, or distributors to streamline their product data management operations. With Jasper PIM, customers can save significant amounts of time and money by centralizing, organizing, and enriching their product information from a single source of truth.

Saasquatch’s platform provided a seamless integration between the PIM and the customers’ existing eCommerce storefronts and marketplaces, such as Shopify or Amazon, allowing them to reach new consumer markets and increase online sales. Customers can also manage multiple storefronts or marketplaces quickly and accurately through Jasper PIM’s batch management of product information, which supports multiple languages, currencies, and inventory locations.

Customers have indicated that they spend a significant portion of their time managing their product or service information. Jasper PIM offers utilities that enable them to schedule promotional pricing, manage complex attribution, and set up product relationships to cross-sell or upsell their goods and services. The PIM also allows customers to enrich their product data with complex imagery, videos, and marketing content, creating a compelling online shopping experience.

Jasper PIM’s deep integration with customers’ back-office systems, such as inventory management, customer relationship management, or accounting platforms, further enhances their operational efficiency. Saasquatch’s primary revenue model was subscription-based, with customers agreeing to pay monthly or annually for utilization of the PIM platform. In addition to the subscription-based revenue model, Saasquatch offered professional services to assist customers with the setup, management, and optimization of their PIM.

HOW DOES IT WORK?



PRODUCT IMPORT

Enter or import product data into the PIM. This can be done manually, or automatically via:

- Spreadsheets
- ERP or CRM
- Accounting platform
- Existing eCommerce shopping cart



ENHANCE

Login to Jasper PIM from any web browser. Enrich product data with additional information, such as:

- Images & videos
- Documents
- Price books
- Specifications
- Marketing data



MERCHANDISE

Organize and merchandise your products using batch content management tools.

Set promotional pricing and define automated publication rules.



AUTOMATE

Jasper PIM automatically syndicates all product content to popular eCommerce storefronts, marketplaces, or other connected channels, whenever new products are added or changed.

Saasquatch offered three distinct product plans to suit the varying needs of their customers.

The Growth plan is designed for businesses looking to scale their product information management. Priced at US \$999 per month, this plan includes features such as data import/export, data validation, user roles and permissions, batch data management, basic digital asset management, multi-language support, smart categorization, localization, scheduled pricing and integrations with popular eCommerce platform.

For those seeking more advanced features, the Pro plan is priced at US \$1,999 per month and includes everything in the Growth plan, plus features such as advanced attribute management, Shopify markets support, projects and workflows, more advanced digital asset management (DAM) capability and access to an API/webhook system.

For larger enterprises with more complex needs, Saasquatch offered an Enterprise plan. This plan is designed for businesses with over 100,000 SKUs or unique needs that require custom solutions. The Enterprise plan includes all the features of the Pro plan, plus our most advanced digital asset management, generic entities, single sign on (SSO), access to a staging (i.e. test) environment, custom data feeds, and priority customer support.

PARTNERSHIPS

Saasquatch established valuable partnerships with leading eCommerce agencies, system integrators, and digital service providers that offer complementary listing capabilities to specialty marketplaces such as Amazon and Walmart. Saasquatch's largest distribution opportunities were through its integrations with eCommerce platforms like Shopify, Square, and BigCommerce.

Saasquatch's primary revenue stream came from its subscription-based model, which offered customers flexible month-to-month, annual, or multi-year contract terms. Customers agreed to pay Saasquatch a monthly or annual fee for access to the PIM platform, which served as a single source of truth for centralized product information management. Additionally, Saasquatch generated revenue through its professional services, which were designed to assist customers with PIM setup, best-practices training, and solution planning.

Saasquatch also partnered with various Integration Platform as a Service (iPaaS) providers to enable connectivity between the Saasquatch and many other important business systems.

SALES AND MARKETING ACTIVITIES

Saasquatch employed a variety of sales and marketing strategies to reach potential customers and develop its sales pipeline. This included a mix of direct selling, digital marketing, and channel partnerships.

Direct selling involved a team of sales professionals who work to identify and engage with potential customers through various means, such as email outreach, and in-person meetings. This approach allowed Saasquatch to develop direct relationships with its customers and provide personalized support throughout the sales process.

In addition to direct selling, Saasquatch leveraged digital marketing tactics to reach a broader audience and generate leads. This included online software listings, pay-per-click (PPC) advertising, and social media marketing. These tactics helped Saasquatch increase brand awareness and drive traffic to its website, where potential customers can learn more about the product and initiate contact with the sales team.

Finally, Saasquatch partnered with channel partners, such as eCommerce agencies, system integrators, and other digital service providers, to extend its reach and expand its sales pipeline. These partnerships allowed Saasquatch to tap into the networks and expertise of these partners to reach new customers and offer additional value-added services to existing customers.

SUBSEQUENT EVENTS

On August 2, 2024, the Company changed its name from Jasper Commerce Inc. to Saasquatch Capital Corp. and the Company's wholly owned subsidiary changed its name from Jasper Interactive Studios Inc. to Saasquatch Interactive Studios Inc.

On August 2, 2024, Saasquatch and debt holders agreed to defer all interest payments until after all principal has been returned to the debt holders. In August 2024, Saasquatch and the debt holders agreed to repay \$397,046 in outstanding principal on \$900,000 convertible debentures maturing Feb 2028 and \$44,177 in outstanding principal on \$106,814 convertible debentures maturing Dec 2026.

On August 15, 2024, Saasquatch and BDC agreed to settle all outstanding BDC loans for \$105,000.

On September 13, 2024, the TSX Venture Exchange announced that the Company's listing transferred to the NEX and the trading symbol for the Company changed from JPIM to JPIM.H. Trading in the shares of the Company remain suspended.

OVERVIEW

Saasquatch's ability to continue as a going concern was dependent upon its ability to obtain additional financing to support and grow its operations. The Company's board was unable to secure additional financing on economically reasonable terms and determined that it was in the best interest of the Company's stakeholders to sell its assets and discharge its liabilities.

On June 17, 2024, the TSX Venture Exchange announced that trading in the shares of the Company was suspended for failure to maintain exchange requirements.

On June 30, 2024, Saasquatch sold its PIM business and related assets to Digital Commerce Payment Inc. ("DCP"), a private company that is arm's length to Saasquatch. Pursuant to the transaction, the Company sold its assets for total consideration of up to \$1,500,000 (subject to certain customary purchase price adjustments), consisting of an upfront payment of up to \$850,000 and a revenue earn out over a three-year period equal to 25% of gross revenue (not including sales taxes) earned by DCP in respect of the business undertaken by it in respect of the assets acquired. With completion of the transaction, the Company does not have any active business operations or assets other than its contingent rights to receive the earn-out payments set out above, if any. A finder's fee is payable by the Company to an arm's length party equal to 3.5% of transaction proceeds up to \$1,000,000 and 5% on proceeds above \$1,000,000.

With the closing of the asset sale transaction, Saasquatch intends to distribute the net proceeds to the Company's creditors. The proceeds from the transaction will not be sufficient to discharge all of the liabilities of Saasquatch on a consolidated basis. As such, the transaction will not provide any economic return for Saasquatch's shareholders.

Saasquatch may focus its efforts on identifying and evaluating suitable assets or businesses to acquire or merge with, with a view to maximizing value for shareholders. The Company may have to raise additional capital to fund such initiatives. There can be no assurance that such capital will be available on reasonable terms, or at all, nor that the Company will be successful in pursuing any transactions.

On June 18, 2024, a former employee commenced proceedings against Saasquatch by way of filing a Statement of Claim. The claim against Saasquatch seeks \$82,750 in damages for loss of salary, loss of benefits and aggravated damages. Saasquatch is contesting the action and believes the case is without merit. A reliable estimate of the amount of any payment required by the Company cannot be made at this time and therefore the Company has not recorded a provision for this amount.

On July 26, 2024, Saasquatch changed its financial year from July 31 to October 31. As a result, the Company's annual financial statements for the 2024 fiscal year will end on October 31, 2024 and will contain five quarters.

SELECTED FINANCIAL INFORMATION

The following table sets out selected financial and share information of the Company for the periods then ended.

KEY FINANCIAL METRICS (unaudited)(\$)	12 months ended Jul 31, 2024	12 months ended Jul 31, 2023	12 months ended Jul 31, 2022
Revenue			
SaaS PIM subscriptions	933,615	1,281,255	1,221,167
Professional services	27,845	158,569	457,922
	961,460	1,439,824	1,679,089
Expenses			
General and administrative	671,265	1,656,561	2,455,461
Research and development	207,267	940,219	1,010,519
Selling and marketing	444,753	1,075,276	1,342,048
Hosting	190,343	375,029	324,680
Customer support	149,534	615,348	1,003,447
Stock-based compensation	5,122	111,837	441,000
Depreciation	32,575	48,943	21,855
Foreign exchange loss (gain)	(3,057)	6,058	9,410
Finance costs	205,892	63,579	2,956,708
	1,903,694	4,892,850	9,565,128
Other income			
Gain on sale of assets	1,360,111	-	-
Gain on settlement of liabilities	129,150	-	-
	1,489,261	-	-
Net income (loss) before tax	547,027	(3,453,026)	(7,886,039)
Income tax	-	78,126	-
Net income (loss)	547,027	(3,374,900)	(7,886,039)
Weighted Average number of Shares Outstanding	58,079,619	58,079,619	41,172,599
Loss per share (weighted)	0.01	(0.06)	(0.19)

KEY FINANCIAL METRICS (unaudited)(\$)	3 months ended Jul 31, 2024	3 months ended Jul 31, 2023	3 months ended Jul 31, 2022
Revenue			
SaaS PIM subscriptions	157,269	332,892	335,317
Professional services	6,361	20,202	37,481
	163,630	353,094	372,798
Expenses			
General and administrative	164,936	99,285	709,958
Research and development	31,232	187,174	360,765
Selling and marketing	54,262	218,538	344,731
Hosting	30,330	65,323	86,428
Customer support	12,734	74,120	314,820
Stock-based compensation	7,538	5,121	148,297
Depreciation	1,160	11,514	2,700
Foreign exchange loss (gain)	178	8,695	4,867
Finance costs	55,456	40,980	3,210,371
	358,272	710,750	5,182,937
Other income			
Gain on sale of assets	1,360,111	-	-
Gain on settlement of liabilities	129,150	-	-
	1,489,261	-	-
Net income (loss) before tax	1,294,619	(357,656)	(4,810,139)

As at	Jul 31, 2024	Jul 31, 2023	Jul 31, 2022
Total assets	1,269,017	440,701	3,250,220
Total current liabilities	641,225	812,819	1,013,432
Total non-current liabilities	1,086,450	657,345	229,014

RESULTS OF OPERATIONS

Revenues

Saasquatch's primary revenue model was subscription based, whereby customers sign up for a month-to-month or annual term, agreeing to pay Saasquatch monthly (or annually) for ongoing usage of the PIM platform.

The secondary revenue model was from carefully curated strategic professional services, offered by qualified Saasquatch staff to assist Saasquatch customers with the setup of the product, training on best-practices, and solution planning with the intent of integrating the PIM with other business systems.

Subscription and services revenue declined 27% for the twelve months ended July 2024 and 53% for the three months ended July 2024 compared to 2023. Saasquatch sold its operating assets on June 30, 2024, and therefore there were no sales in July 2024. Prior to the sale, the Company lacked sufficient resources to invest in marketing efforts to replace expired contracts and grow sales.

General and administrative

General and administrative costs consist primarily of the salaries of the CEO, CFO, COO/CTO and administrative support, office costs, and various professional and advisory services. General and administrative costs decreased by 59% for the twelve months ended July 2024 compared to 2023, primarily due to a reduction in salaries as part of management's focus on reducing costs. General and administrative costs increased by 66% for the three months ended July 2024 compared to 2023, primarily due to an increase in consulting fees in 2024 related to the Company's efforts to sell its operating assets as well as non-recurring credits in 2023 related to SRED claims and investor relations refunds. With the sale of the Company's assets, Saasquatch expects that general and administrative costs will mainly consist of small fees for the Company's director and for preparing the Company's quarterly filings.

Research and development

Research and development costs consist of employee salaries and fees from contractors. Development costs decreased by 78% for the twelve months ended July 2024 and 83% for the three months ended July 2024 compared to 2023, primarily due to a reduction in salaries as part of management's focus on reducing costs. With the sale of the Company's assets, Saasquatch expects no future development costs.

Selling and marketing

Saasquatch reduced spending on selling and marketing expenses as a part of its strategic plan to reduce expenses. Selling and marketing expenses decreased by 59% for the twelve months ended July 2024 and 75% for the three months ended July 2024 compared to 2023. With the sale of the company's assets, Saasquatch expects no future selling and marketing costs.

Hosting

Saasquatch transitioned to a new hosting provider for its customers in an effort to reduce costs. Hosting costs decreased by 49% for the twelve months ended July 2024 and 54% for the three months ended July 2024 compared to 2023. With the sale of the Company's assets, Saasquatch expects no future hosting costs.

Customer support

Saasquatch reduced spending on customer support as a part of its strategic plan to reduce expenses. Customer support costs decreased by 76% for the twelve months ended July 2024 and 83% for the three months ended July 2024 compared to 2023. With the sale of the Company's assets, Saasquatch expects no future customer support costs.

Stock based compensation

On July 31, 2024, the remaining unvested value of the Company's stock options is \$12,864 which will be recognized through May 2026.

Depreciation

Saasquatch does not expect significant capital costs in future periods.

Finance costs

Finance costs consist primarily of interest paid on loaned funds offset by interest earned on invested funds. Finance costs increased by 224% for the twelve months ended July 2024 and 36% for the three months ended July 2024 compared to 2023, consistent with an increase in outstanding loans and debentures. Saasquatch intends to settle all outstanding liability amounts using the proceeds from its asset sale, including future earn out amounts.

SUMMARY OF QUARTERLY RESULTS

The following table sets out selected financial information of the Company for the quarters indicated.

(000's, except per share amounts)	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Revenue								
SaaS PIM subscriptions	309	325	315	333	274	251	251	157
Professional services	71	38	29	20	12	7	3	7
Other	-	-	-	-	-	-	-	-
	380	363	344	353	286	258	254	164
Expenses								
General and administrative	545	661	352	99	240	221	45	165
Research and development	337	233	183	187	66	56	53	31
Selling and marketing	351	325	181	219	139	180	71	54
Hosting	105	108	97	65	61	56	43	30
Customer support	267	176	99	74	61	63	13	13
Stock-based compensation	81	3	22	5	26	(37)	9	8
Depreciation	14	12	11	12	11	11	10	1
Foreign currency	(2)	2	(3)	9	(3)	-	(1)	-
Finance costs	(5)	2	25	41	43	50	57	56
	1,693	1,522	965	711	645	600	301	358
Other income								
Gain on sale of assets	-	-	-	-	-	-	-	(1,360)
Gain on settlement of liabilities	-	-	-	-	-	-	-	(129)
	-	-	-	-	-	-	-	(1,489)
Net loss before income tax	(1,313)	(1,159)	(623)	(358)	(359)	(342)	(46)	1,295
Loss per share (weighted)	(0.02)	(0.02)	(0.01)	(0.01)	(0.01)	(0.01)	(0.00)	0.02

A lower revenue trend reflects customer decisions to rationalize technology spending in the high interest-rate environment and a lack of Saasquatch resources to invest in sales and marketing efforts. Saasquatch responded with management changes and by focusing on customer satisfaction and retention. Expenses fell as Saasquatch continued to pursue efficiencies and the lowest cost options for servicing existing customer needs. Saasquatch sold its operating assets on June 30, 2024, and therefore there were no sales and no expenses related to the PIM business in July 2024.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity risk is the risk that Saasquatch will not be able to meet its financial obligations as they fall due. The reported financial position of the Company presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. On July 31, 2024, Saasquatch has accumulated a deficit of

\$18,332,528 since the Company commenced operations in 2010. As at July 31, 2024, Saasquatch had cash of \$668,475, current liabilities of \$641,225, and working capital surplus of \$205,468.

Cash flows from operating activities primarily consist of the Company's loss before adjusting for certain non-cash items such as depreciation, stock-based compensation and finance costs, and changes in working capital. Net cash outflows from operating activities for the first twelve months of 2024 totaled \$629,641, compared to \$2,921,755 in 2023. The decrease was due to a reduction in expenditures consistent with the Saasquatch's strategic plan.

Cash inflows from financing activities for the first twelve months of 2024 totaled \$335,031, including \$300,000 in net proceeds from a series of promissory notes, \$115,500 from issuance of debentures less a \$5,500 setup fee, and offset mainly by interest payments and by \$53,223 in loan repayments.

On June 30, 2024, Saasquatch sold its PIM business and related assets to Digital Commerce Payment Inc. ("DCP"), a private company that is arm's length to Saasquatch. Pursuant to the transaction, the Company sold its assets for total consideration of up to \$1,500,000 (subject to certain customary purchase price adjustments), consisting of an upfront payment of up to \$850,000 and a revenue earnout of \$650,000 over a three-year period equal to 25% of gross revenue (not including sales taxes) earned by DCP in respect of the business undertaken by it in respect of the assets acquired. With completion of the transaction, the Company does not have any active business operations or assets other than its contingent rights to receive the earn-out payments set out above, if any. A finder's fee is payable by the Company to an arm's length party equal to 3.5% of transaction proceeds up to \$1,000,000 and 5% on proceeds above \$1,000,000. A fee of \$29,750 was paid on receipt of the \$850,000 upfront payment.

With the closing of the asset sale transaction, Saasquatch intends to distribute the net proceeds to the Company's creditors. The proceeds from the transaction will not be sufficient to discharge all of the liabilities of Saasquatch on a consolidated basis. As such, the transaction will not provide any economic return for Saasquatch's shareholders.

Saasquatch's ability to continue operations remains dependent upon its ability to: 1) raise additional funds; 2) realize earn out proceeds from its asset sale (or a combination of the foregoing).

DEBT OBLIGATIONS

On December 21, 2023 six notes issued to a shareholder were combined into one loan of \$300,000 due December 21, 2026 bearing interest at 8% payable semi-annually in arrears commencing with June 21, 2024. On August 2, 2024, Saasquatch and the lender agreed to defer all interest payments until after all principal has been returned to the lender. During the twelve months ended July 31, 2024, Saasquatch and the lender agreed to repay \$12,033. The note is a secured obligation of the Company and has a floating charge over the Company's assets, ranking behind the convertible debentures in seniority.

On December 21, 2023 Saasquatch closed a non-brokered private placement of convertible debenture units for aggregate gross proceeds of \$115,500. Each convertible debenture unit is comprised of: (i) \$1,000 principal amount of 15% secured convertible debenture that matures on December 21, 2026; and (ii) 19,000 common share purchase warrants. Interest is payable quarterly in cash. In connection with the private placement, Saasquatch paid a setup fee of \$5,500. On August 2, 2024, Saasquatch and debt holders agreed to defer all interest payments until after all principal has been returned to the debt holders. During the 12 months ended July 31, 2024, Saasquatch and the debt holders agreed to repay \$8,686 in outstanding principal. In August 2024, Saasquatch and the debt holders agreed to repay a further \$44,177 in outstanding principal.

In February and April 2023, Saasquatch closed a non-brokered private placement of convertible debenture units for aggregate gross proceeds of \$900,000. Each convertible debenture is convertible at the holder's option into fully-paid common shares at any time prior to the maturity date at a conversion price of \$0.10 per common share. On August 2, 2024, Saasquatch and debt holders agreed to defer all interest payments until after all principal has been returned to the debt holders. In August 2024, Saasquatch and the debt holders agreed to repay \$397,046 in outstanding principal.

The convertible debentures are secured obligations of the Company and have a floating charge over the Company's assets.

The following table sets out the next five years of payments of Saasquatch's debt obligations, at carrying values:

Measured To Oct 31,	2024	2025	2026	2027	2028
Accounts payable	\$ 567,435	-	-	-	-
Loans payable	33,880	\$ 47,920	\$ 30,365	\$ 347,967	-
Convertible debentures	-	-	-	\$ 88,503	\$ 611,606
Total	\$ 601,315	\$ 47,920	\$ 30,365	\$ 436,470	\$ 611,606

With the closing of the asset sale transaction, Saasquatch intends to distribute the net proceeds to the Company's creditors and discharge all liabilities. The proceeds from the transaction will not be sufficient to discharge all of the liabilities of Saasquatch on a consolidated basis. Saasquatch intends to negotiate the settlement of liabilities with creditors and may rely on a restructuring or insolvency process.

OFF-BALANCE SHEET ARRANGEMENTS

Saasquatch did not have any off-balance sheet arrangements on July 31, 2024. The Company neither had any commitments for capital expenditures on July 31, 2024 nor any financing sources arranged, but not yet used.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

On July 31, 2024, the Company held various forms of financial instruments as follows:

Financial assets/liabilities	Designation	Measurement	Carrying Value (\$)	Fair Value (\$)
			Jul 31, 2024	Jul 31, 2024
Cash and cash equivalents	FVTPL	Fair value	668,475	668,475
Accounts receivable	Loans and receivables	Amortized cost	13,956	13,956
Earnout receivable	FVTPL	Fair value	539,861	539,861
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost	567,435	567,435
Loans payable (BDC loans, CEBA loan, promissory notes)	Other financial liabilities	Amortized cost	460,132	355,378
Convertible debentures	Other financial liabilities	Amortized cost	700,108	715,054

The nature of these financial instruments and the Company's operations exposes Saasquatch to a number of financial risks, including credit risk, liquidity risk, foreign currency risk and interest rate risk. The Company manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

Financial assets that are exposed to credit risk consist primarily of cash and cash equivalents, accounts receivable and earnout receivable. On July 31, 2024, all of the Company's cash and cash equivalents were held at a major Canadian bank. Accounts receivables are subject to normal credit risks. Any amounts not provided for would be considered fully collectible. Earnout receivable is estimated each reporting period assuming a credit risk premium of 5%.

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. Senior management is also actively involved in the review and approval of planned expenditures. See the section titled "Liquidity and Capital Resources" above for further discussion.

The Company operates internationally and is exposed to risk from changes in foreign currency rates. Foreign currency risk arises from the fluctuation of foreign exchange rates and the degree of volatility of these rates relative to the Canadian dollar. The Company sells PIM software subscriptions and consulting services in both Canadian and foreign currencies. The sale of software and services in foreign currencies gives rise to the risk that the Company's income and cash flows may be adversely impacted by fluctuations in foreign exchange rates. Certain purchases of services and equipment are also made in non-Canadian currencies. The Company does not actively manage this risk and uses its natural hedge to mitigate, to the extent possible, the impact of foreign exchange fluctuations.

The Company is primarily exposed to foreign exchange risk from transactions in U.S. dollars. The sensitivity analysis of its exposure to currency risk has been determined based on a hypothetical change in the foreign

exchange rates taking place at the reporting date. Fluctuations of 10% in the exchange rates for these currencies, when compared to the Canadian dollar, are not expected to individually have a material effect on the Company's results of financial performance.

The carrying values of cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities approximate their fair values due to the immediate or short-term maturity of these financial instruments. The fair value for loans payable and convertible debentures are estimated assuming a market rate of interest for arms length debt would be 25%.

BUSINESS RISKS AND UNCERTAINTIES

The business of the Company is subject to numerous risk factors, including those more particularly described below. An investment in or ownership of Common Shares should be considered highly speculative due to the nature of the Company's business, its current stage of development and the potential requirement for additional financing.

COVID-19

The outbreak of the novel strain of the coronavirus, specifically identified as the COVID-19 pandemic, has caused governments worldwide to enact emergency measures to combat the spread of the virus. The Company applied for and received certain government funding which was integral to the Company's financial condition. The full extent of the impact of this outbreak and related containment measures on the Company's operations cannot be reliably estimated at the date these financial statements were approved, and the Company continues to seek available government support.

Substantial Capital Requirements; Liquidity; Going Concern

Additional funds may be required to support Saasquatch's business. Saasquatch has accumulated a substantial deficit and continues to have operating losses. These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Additional funds (whether through additional equity financing, debt financing or other sources) may not be available (at all or on terms acceptable to Saasquatch) or may result in significant dilution to Saasquatch shareholders or significant interest obligations. The inability to obtain additional funds in the short term will have a material adverse effect on Saasquatch's business, results of operations, and financial condition and could result in the Company ceasing operations.

No Record of Profit

Saasquatch has incurred significant losses to date. Since its organization, Saasquatch has incurred costs to develop and enhance its technology, to establish strategic relationships and to build administrative support systems. Saasquatch has incurred negative operational cash flow to date. Although Saasquatch incurred a gain of \$584,724 for the 12 months ending July 31, 2024, Saasquatch's ability to operate profitably and generate positive cash-flow in the future will be affected by a variety of factors. An inability to generate sufficient funds from operations will have a material adverse effect on Saasquatch's business, results of operations and financial condition.

Current Enterprise Value assigned by the Market Liquidity

The actions of all stakeholders in the business may be adversely affected by the current market capitalization of the Company. These stakeholders include users, potential users, competitors, and current or prospective employees. These stakeholders may ascribe a higher business risk to the Company due to its relatively low market

capitalization, and any perception of higher risks may have a material adverse effect on Saasquatch's business, results, and financial condition.

OUTSTANDING SHARE DATA

Saasquatch's outstanding share capital consists of common shares. The Company is authorized to issue an unlimited number of common shares. On July 31, 2024, the Company had 58,079,619 (July 31, 2023 – 58,079,619) common shares outstanding.

On July 31, 2024, Saasquatch had 26,266,583 (July 31, 2023 – 31,796,781) share purchase warrants outstanding with an approximate weighted average exercise price of \$0.18. The Company issued 2,194,500 warrants as part of a convertible debenture unit offering, offset by 7,724,698 warrants that expired.

On July 31, 2024, Saasquatch had 3,983,192 (July 31, 2023 – 5,099,964) stock options outstanding with an approximate weighted average exercise price of \$0.11 per share. The Company granted 2,450,000 stock options to employees on December 22, 2023, offset by 3,566,772 stock options that expired, were cancelled, or forfeited by departing staff.

RELATED PARTY TRANSACTIONS

A former officer participated in the December 21, 2023 private placement of convertible debenture units. Of the \$115,500 convertible debenture capital raise, \$10,500 came from the former officer. During the 12 months ended July 31, 2024, the Company repaid \$790 from the outstanding principal amount to the former officer.

KEY MANAGEMENT COMPENSATION

Twelve months ended July 31,	2024	2023
Salaries	\$ 280,049	\$ 541,125
Stock-based compensation	8,161	60,886
	\$ 288,210	\$ 602,011

Key management includes the senior officers of the Company and directors.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Company's unaudited interim condensed consolidated financial statements for the twelve months ended July 31, 2024, were prepared in accordance with IFRS, as issued by the International Accounting Standards Board ("IASB"). Please refer to Note 2 of the Company's financial statements for a detailed discussion regarding the significant accounting policies relied upon in the preparation of the financial statements, the application of critical estimates and judgements in the preparation of the financial statements and recent accounting pronouncements.