



Scryb Inc.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE THREE MONTHS ENDED DECEMBER 31, 2025, AND 2024
(Expressed in Canadian Dollars)**

Dated: February 24, 2026

Management's Discussion and Analysis of Operations

For the three months ended December 31, 2025, and 2024

This Management's Discussion and Analysis ("MD&A") is prepared for the three months ended December 31, 2025, and 2024 and has been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are in Canadian dollars.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The Company's directors follow recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The board's audit committee meets with management quarterly to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

Caution Regarding Forward Looking Statements

This document contains forward-looking statements, such as statements regarding future sales opportunities in various global regions and financing initiatives that are based on current expectations of management. These statements involve uncertainties and risks, including the Company's ability to obtain and/or access additional financing with acceptable terms, and delays in anticipated product sales. Such forward-looking statements should be given careful consideration and undue reliance should not be placed on these statements.

The preparation of the MD&A may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Management bases estimates and judgments on historical experience and on various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities. Actual results may differ from these estimates under different assumptions or conditions. Management believes the accounting policies, outlined in the Material Accounting Policies section of its consolidated financial statements, affect its more significant judgments and estimates used in the preparation of its consolidated financial statements.

Introduction

The following MD&A for the three months ended December 31, 2025 and 2024 has been prepared to help investors understand the financial performance of Scryb Inc. (“the Company” or “Scryb”), in the broader context of the Company’s strategic direction, the risk and opportunities as understood by management, and the key metrics that are relevant to the Company’s performance. The Audit Committee of the Board of Directors has reviewed this document and all other publicly reported financial information for integrity, usefulness, reliability and consistency. All amounts are expressed in Canadian dollars (CAD) unless otherwise noted.

Additional information about Scryb Inc., this document, and the related quarterly financial statements can be viewed on the Company’s website at www.scryb.ai and are available on SEDAR+ at www.sedar.com. The Company’s Common Shares are listed and traded on the Canadian Securities Exchange (“CSE”).

Overview

Scryb invests in and actively supports a dynamic portfolio of innovative, high-potential ventures in artificial intelligence, biotechnology, digital health, and cybersecurity. Our core strategy focuses on identifying promising high-growth opportunities, nurturing breakthrough technologies, and accelerating their development to achieve sustainable commercial success and meaningful value creation.

Over the past five years, Scryb has established a strong track record of success, successfully launching and scaling several standout ventures, including the Fionet Rapid Response Group (“FRR”) joint venture, Cybeats Technologies Corp. (“Cybeats”), and Glow LifeTech Corp. (“Glow”). These achievements underscore our disciplined approach to investment selection, active management, and execution in complex, rapidly evolving sectors.

Scryb currently maintains a strong portfolio anchored by leading positions in Cybeats and Glow. Building on this foundation, management is actively pursuing strategic expansion opportunities to further broaden and strengthen our holdings, positioning Scryb to capitalize on emerging trends and deliver enhanced long-term returns for our stakeholders.

Cybeats Technologies Corp.

Cybeats Technologies Corp. (CSE: CYBT, OTCQB: CYBCF) is a cybersecurity company providing Software Bill of Material (SBOM) management and software supply chain intelligence technology, helping organizations to manage risk, meet compliance requirements, and secure their software from procurement to development and operation. Cybeats platform gives customers comprehensive visibility and transparency into their software supply chain, enabling them to improve operational efficiency, increase revenue, and align organizations with current and future regulations. Cybeats. Software Made Certain. For more information, please visit the Cybeats website: www.cybeats.com, and to review financial information please visit the Cybeats profile on www.sedar.com.

Cybeats SBOM Studio product is the management solution for the software security lifecycle. SBOM Studio is an enterprise-class solution that helps companies understand and track third-party components that are an integral part of software. Use SBOM Studio to document what software each product has and where it came from, and plan for the maintenance that will prevent security posture degradation over the life of the software. Features include:

- **Quality Analysis & Autocorrection of Data:** AI-Driven SBOM Enrichment automates software transparency, making SBOMs more structured, actionable, and machine-readable. Reclassify software components and applications for accuracy, verification, and enhanced usability.
- **Real-Time Vulnerability Monitoring:** Continuous tracking of security risks from discovery to resolution, enhancing software supply chain resilience.
- **Regulatory Compliance & Secure Distribution:** Streamlines adherence to cybersecurity mandates, simplifies audits, ensures structured data management, and enables secure SBOM sharing across stakeholders.
- **Scalable Enterprise Deployment:** Support seamless integration across multi-tenant environments and complex supply chains, improving visibility from procurement to deployment.
- **Enhanced Security & Asset Visibility:** Provides structured way to ingest, machine-readable SBOMs that strengthen software risk assessment for critical infrastructure, including energy, healthcare, and defense sectors.

Ownership of Cybeats

As at December 31, 2025, Scryb held approximately 64.9 million common shares of Cybeats, representing a 31.66% ownership interest in the issued and outstanding shares. As that date, Cybeats owed Scryb approximately \$1.22 million in respect of loan advances (under a secured debenture), previously provided to support the ongoing working capital requirements of Cybeats. Scryb has dedicated substantial resources over time to support Cybeats' development and operations, reflecting our commitment as a strategic shareholder to its long-term success in the cybersecurity space.

Subsequent to December 31, 2025, these advances were fully settled on January 9, 2026, through a debt settlement agreement pursuant to which Scryb received 10,000,000 additional common shares of Cybeats in exchange for the outstanding debt (at a deemed price of \$0.12 per share).

As at February 24, 2026, Scryb owned 74.9 million common shares of Cybeats representing a 36.54% ownership interest in the issued and outstanding shares. Based on the February 24, 2026 closing price of \$0.185 per share, this investment has an approximate market value of \$13.85 million, reflecting the enhanced exposure to Cybeats' growth potential in its core cybersecurity operations.

Management believes that, as at December 31, 2025, Cybeats is sufficiently capitalized and operationally positioned to meet its near-term requirements independently. Accordingly, Scryb does not expect to provide further financial support to Cybeats in the foreseeable future, allowing the Company to allocate resources towards new opportunities and broaden its portfolio diversification while retaining significant upside from this key holding.

Glow LifeTech Corp.

Glow is a Canadian-based biotechnology company focused on producing nutraceutical and cannabinoid-based products with dramatically enhanced bioavailability, absorption and effectiveness. Glow has a groundbreaking, plant-based MyCell Technology® delivery system, which transforms poorly absorbed natural compounds into enhanced water-compatible concentrates that unlock the full healing potential of the valuable compounds. Glow was formerly a subsidiary of Scryb and was spun out into its own public company through an RTO transaction on March 15, 2021. Scryb played a critical role in the go-public transaction. To learn more please visit their website: www.glowlifetech.com, and for up to date financial information, their profile on www.sedarplus.com.

Raidian Inc.

Raidian aims to improve the safety and trustworthiness of Artificial Intelligence, as well as the evaluation, development, and implementation of all AI products and solutions at an organization. The vision for the business anticipates the global trend of increasing AI adoption and the impending need for effective management solutions. Raidian was established to address the growing need for AI governance, safety, and compliance solutions as enterprise adoption of artificial intelligence accelerates.

During development, management determined that the AI governance market is highly competitive and capital-intensive, requiring substantial ongoing investment to achieve meaningful scale and differentiation. Advancing the platform beyond its initial stage would have required additional funding and potentially constrained the Company's ability to capitalize on higher-conviction opportunities, including at that time, the continued funding and value creation in Cybeats. As a result, management elected to pause further investment in Raidian and the Company recorded an impairment loss of \$475,534, reflecting a disciplined capital allocation decision to preserve liquidity and focus on opportunities with clearer near-term return potential.

Fionet Rapid Response Group

On December 6, 2024, Scryb completed the divestiture of its joint venture interest in FRR Group to a private corporate development company for total fixed proceeds of \$3.5 million, inclusive of debt repayment. As of this filing, the full \$3.5 million has been received, along with a one-time payment of \$100,000 to satisfy any future royalty obligations owed by Fio Corp. through the original agreement's end date of December 31, 2025. This divestiture allowed Scryb to redeploy capital into higher-value opportunities while maintaining non-competitive access to FRR Group's technology. We exited the global and African-focused business of FRR Group to simplify Scryb's portfolio and redeploy the capital into cybersecurity and technology opportunities that are more focused on the North American market, where we see the strongest strategic fit and return potential.

Financing, Capital Structure, and Cost Management

On January 31, 2025, Scryb completed a secured convertible debenture financing for gross proceeds of \$1.18 million. The debentures bear interest at 12% per annum, are convertible at \$0.05 per common share, and have a contractual maturity of two years, with a one-year maturity applicable to the lead investor debenture. The debenture held by the lead investor has the option to convert into shares of Glow. The proceeds were used to support liquidity and ongoing business activities.



On September 26, 2025, Scryb completed a non-brokered private placement, issuing 14,709,700 units at a price of \$0.10 per unit for gross proceeds of approximately \$1.47 million.

As at February 24, 2026, Scryb has materially strengthened its balance sheet and reduced its monthly cost structure, with additional cost-reduction initiatives underway. Recent financing activities—including the reduction of interest-bearing obligations where feasible—together with ongoing operational efficiencies, have dramatically improved liquidity and financial flexibility.

Management believes that, following these enhancements and the successful execution of prior support measures, Cybeats is sufficiently positioned to meet its near-term liquidity and operational requirements independently. Accordingly, Scryb does not expect to provide further direct financial support to Cybeats in the foreseeable future. This positions Scryb to allocate resources more effectively toward evaluating additional investment opportunities, pursuing new high-potential ventures, and enhancing long-term shareholder value.

Outlook

Scryb's diversified portfolio positions Scryb to leverage emerging trends and capitalize on new opportunities. We remain actively engaged in exploring additional investments that align with our growth strategy. Looking ahead, we are committed to further optimizing our cost structure, expanding our portfolio, and ensuring that our capital is deployed in initiatives with the highest potential for long-term value creation.

The following chart highlights the strengthening financial position of Scryb with an improved working capital, and substantial reduction in operating expenses quarter over quarter:

| Summary of Quarterly Results | December 31, 2024 | March 31, 2025 | June 30, 2025 | September 30, 2025 | December 31, 2025 |
|---|----------------------|----------------------|---------------------|----------------------|---------------------|
| Cash | 436,668 | 210,478 | 64,015 | 794,573 | 1,191,317 |
| Other Current Assets | 2,546,060 | 3,082,862 | 740,464 | 1,950,688 | 1,866,635 |
| Current Liabilities | 1,643,794 | 2,270,571 | 1,582,848 | 1,555,844 | 1,058,001 |
| Working Capital | 1,338,934 | 1,022,769 | (778,369) | 1,189,418 | 1,999,951 |
| Total Assets | 13,879,541 | 13,980,237 | 11,701,916 | 11,705,727 | 10,672,634 |
| Total Liabilities | 2,382,276 | 3,557,768 | 2,878,577 | 2,578,927 | 1,880,643 |
| Equity | \$ 11,497,265 | \$ 10,422,469 | \$ 8,823,339 | \$ 9,126,800 | \$ 8,791,991 |
| Investment in Associates (at FMV) | | | | | |
| Cybeats | 8,837,500 | 8,278,140 | 7,419,570 | 11,228,693 | 8,755,823 |
| Glow | 1,168,115 | 1,056,923 | 522,268 | 300,000 | 384,857 |
| FMV of marketable securities | \$ 10,005,615 | \$ 9,335,063 | \$ 7,941,838 | \$ 11,528,693 | \$ 9,140,680 |
| Revenues | 208,437 | 13,700 | 54,709 | 35,867 | 30,630 |
| Operating Expenses | 1,825,540 | 1,075,062 | 1,173,712 | 418,647 | 327,474 |
| Net Income (Loss) and Comprehensive Income (Loss) | 9,951,726 | (968,890) | (1,237,620) | (376,870) | (919,142) |
| Income (Loss) per Share | \$ 0.34 | \$ (0.03) | \$ (0.04) | \$ (0.01) | \$ (0.02) |

Following the cessation of control on November 29, 2024, the company no longer reported consolidated financials with Cybeats.

Financial position

As at December 31, 2025, the Company holds \$1,191,317 in cash and has a working capital of \$1,999,951 marking a significant improvement from a working capital deficit of \$1,189,418 in as at September 30, 2025. The Company's financial position improved significantly year-over-year. Working capital increased by approximately \$0.66 million, moving from a surplus of \$1.34 million at December 31, 2024, to a surplus of approximately \$2.00 million at December 31, 2025.

Total liabilities declined materially to approximately \$1.88 million from \$2.38 million in the prior year, reflecting disciplined cost management, debt settlements, and balance sheet simplification initiatives. Operating expenses were reduced by approximately 82.1% year-over-year, decreasing from \$1.83 million to \$0.33 million, primarily due to the deconsolidation of Cybeats, targeted cost reductions, and the transition to a streamlined corporate structure. The Company reduced its monthly cash costs to approximately \$100,000 and further improvements are expected in future quarters.

Marketable securities and liquidity

Based on the February 24, 2026 trading price of \$0.185 per share, the Company's approximate 74.9 million share position in Cybeats represents an estimated market value of approximately \$13.85 million. The realizable value of these holdings may fluctuate based on market conditions, trading volumes, and other factors.

During December 2025, the Company completed the following transactions involving its investment in Cybeats. On December 18, 2025, the Company sold 10,000,000 Cybeats common shares in the open market at \$0.12 per share. Subsequent to the three months ended December 31, 2025, the Company also completed a debt settlement with Cybeats, receiving 10,000,000 Cybeats common shares at a deemed price of \$0.12 per share in full and final settlement of all amounts owing.

Following these transactions and as at February 27, 2026, the Company held approximately 74.9 million Cybeats common shares, representing approximately 36.54% of the issued and outstanding shares on an undiluted basis. These transactions further demonstrate the liquidity and realizable value of the Company's investment portfolio and support management's view that Scryb has sufficient and flexible liquidity resources to fund its ongoing obligations.

Management remains focused on actively leveraging the Company's existing asset base to generate liquidity and identify new high-quality investment opportunities. Through disciplined capital allocation and portfolio optimization, management seeks to expand the Company's investment and drive sustainable long-term shareholder value.



Selected Annual Information

The following table sets forth selected financial information for Scryb Inc. for the three months ended December 31, 2025, and 2024. This information has been derived from the Company's financial statements for the years and should be read in conjunction with the financial statements and notes thereto.

| | For the three months ended December 31, 2025 | For the three months ended December 31, 2024 |
|--|--|--|
| Revenues | 30,630 | 208,437 |
| Expenses | 327,474 | 1,825,540 |
| Net Income (Loss) and Comprehensive Income (Loss) | (919,142) | 9,951,726 |
| Net Income (Loss) per Common Share | (0.02) | 0.34 |
| Total Assets | 10,672,634 | 13,879,541 |
| Total Liabilities | 1,880,643 | 2,382,276 |
| Working Capital | 1,999,951 | 1,338,934 |

Figures presented above include the revenues and expenses of Cybeats under the principals of consolidation while the Company held a 51% controlling interest in Cybeats and up to the date of control ceased which ceased on November 29, 2024.

The Company recognized a \$10.65 million accounting gain following the cessation of control of Cybeats and subsequent deconsolidation dated November 29, 2024. Prior period figures also include consolidated revenues and expenses for Cybeats under the previously discussed principals of consolidation.

The following table sets forth selected financial information for Scryb Inc. for the three months ended December 31, 2025, and the fiscal year ended September 30, 2025. This information has been derived from the Company's financial statements for the periods indicated and should be read in conjunction with audited financial statements and the notes thereto.

| | Three Months Ended 31-Dec-25 | Fiscal Year Ended 30-Sep-25 |
|--|---------------------------------|--------------------------------|
| Net Income (Loss) from Operations | \$ (919,142) | \$ 4,466,586 |
| Net Income (Loss) before Income Taxes | (919,142) | 5,631,431 |
| Income (Loss) per Common Share, Basic and Diluted | (0.02) | 0.19 |
| Net Income (Loss) and Other Comprehensive Income (Loss) | (919,142) | 5,631,431 |
| Net Income (Loss) per Common Share, Basic and Diluted | (0.02) | 0.19 |
| Weighted Average Number of Shares Outstanding | 47,046,534 | 32,107,180 |
| Total Assets | 10,672,634 | 11,705,727 |
| Net Working Capital | 1,999,951 | 1,189,418 |

Figures presented above include the revenues and expenses of Cybeats under the principals of consolidation when the Company held a 51% controlling interest in Cybeats up to the date of control ceased; November 29, 2024.



For the three months ended December 31, 2025, and 2024

The schedule below presents the three-month statement of earnings with a net loss of \$919,142 (December 31, 2024 – gain of \$9,951,726).

| | Three months ended | | Variance |
|---|--------------------|--------------------|---------------------|
| | December 31, 2025 | December 31, 2024 | |
| Revenues | | | |
| Product sales | - | 208,437 | (208,437) |
| Interest Income | 30,630 | - | 30,630 |
| | 30,630 | 208,437 | (177,807) |
| Expenses | | | |
| Professional & consulting fees | 90,158 | 574,659 | (484,501) |
| Salaries and wages | 97,916 | 523,424 | (425,508) |
| Amortization and depreciation | 8,171 | 280,274 | (272,103) |
| Interest and accretion | 63,320 | 145,927 | (82,607) |
| Share-based compensation | 43,958 | - | 43,958 |
| Investor relations, advertising, and marketing | 2,716 | 48,878 | (46,162) |
| General, administrative, and other expenses | 21,234 | 37,139 | (15,905) |
| Product research and development costs | - | 215,239 | (215,239) |
| | 327,474 | 1,825,540 | (1,498,066) |
| Net Income (Loss) from Operations | (296,845) | (1,617,103) | 1,320,258 |
| Equity share of loss in Cybeats after change in control | 537,480 | - | 537,480 |
| Unrealized gain on investment in Glow LifeTech Corp. | (64,143) | - | (64,143) |
| Net (gain) loss on sale of investments | 71,348 | 3,738 | 67,610 |
| Non-recurring settlement fees | 21,000 | 228,090 | (207,090) |
| Net loss on extinguishment | 23,492 | - | 23,492 |
| Net loss on lease termination | 33,120 | - | 33,120 |
| Debt forgiveness | - | (81,081) | 81,081 |
| Net (gain) on loss of control of Cybeats Technologies Corp. | - | (10,654,728) | 10,654,728 |
| Net Income (Loss) before Discontinued Operations | (919,142) | 8,886,878 | (9,806,020) |
| Proportionate share of loss in FRR prior to sale | - | 285,917 | (285,917) |
| Net (gain) on sale of FRR | - | (1,350,762) | 1,350,762 |
| Net Income (Loss) and Comprehensive Income (Loss) | (919,142) | 9,951,726 | (10,870,865) |

Certain expenses have been reclassified to conform with the current presentation.

Figures presented in the prior period comparatives include the revenues and expenses of Cybeats under the principals of consolidation when the Company held a 51% controlling interest in Cybeats.

- Product sales in the comparative period include revenues from Cybeats which are not present in the current period post deconsolidation.
- Other revenues include interest income earned on the advances to Cybeats.
- Professional & consulting fees decreased from \$574,659 to \$90,158 in the current period, due to cost cutting measures deployed, focusing on increasing efficiency in core operations.
- Salaries and wages declined from \$523,424 to \$97,916, driven primarily from the deconsolidation with Cybeats on November 29, 2024, coupled with efforts to reduce overhead expenditures by the Company.
- Amortization and depreciation expense decreased due to an early lease termination by Scryb.
- Interest and accretion expenses in the current period include an interest expense of the convertible debenture issued by the Company. In the prior period, interest and accretion was also driven by the convertible debenture issued by Cybeats.

- Share-based compensation expenses in the current period include the vesting of options previously issued to various directors, employees, and consultants.
- Investor relations, advertising, and marketing expenses in the prior period include marketing costs incurred by Cybeats which is not present in the current period.
- General, administrative, and other expenses relate to continued corporate infrastructure, maintenance, and issuer fees. Costs associated with maintaining the services have declined due to the deconsolidation with Cybeats coupled with a reduction in spending.
- Product development costs in the prior period represent development and maintenance costs incurred by Cybeats.
- The Company's equity share of loss in Cybeats is incurred on a three-month lag basis after a voluntary policy change in the current reporting period.
- The Company's holdings of investment in Glow included an approximately \$64,143 unrealized gain during the period.
- The Company recognized approximately \$71,348 in losses from the sale of common shares held in its investment in marketable securities.
- Non-recurring settlement fees represent the settlement of amounts owing to former employees of the Company upon separation.
- Net loss on extinguishment of approximately \$23,492 represents a loss incurred from an early repayment of the convertible debenture held by the Lead Investor which had not fully matured during the period.
- Non-recurring net loss on lease termination of approximately \$33,120 represents the loss on removal of the lease liability and right-of-use asset which had not been fully amortized upon the early termination.
- In the prior period, the Company recognized a \$10.65m gain on from its loss of control of Cybeats.
- In the prior period, the Company recognized a \$1.35m gain on from the sale of FRR.

Summary of Quarterly Results

The following table is a summary of selected unaudited financial information for the eight most recent fiscal quarters.

| Quarter ended | Revenue | Net income (loss) | Net income (loss) per share |
|--------------------|---------|-------------------|-----------------------------|
| December 31, 2025 | 30,630 | (919,142) | (0.02) |
| September 30, 2025 | 49,754 | (376,870) | (0.01) |
| June 30, 2025 | 42,673 | (1,237,620) | (0.04) |
| March 31, 2025 | 7,216 | (968,890) | (0.03) |
| December 31, 2024 | 208,437 | 9,951,726 | 0.34 |
| September 30, 2024 | 380,747 | (3,215,755) | (0.12) |
| June 30, 2024 | 483,901 | (4,614,903) | (0.10) |
| March 31, 2024 | 492,750 | (4,046,080) | (0.14) |

Net loss for the quarter ended December 31, 2025, was driven by the Company's share of equity loss in Cybeats.

Funding & Liquidity

Scryb may require additional funding in the future to support ongoing operations and growth. Future cash will be financed through share capital, receivables, as well as leveraging assets or from the disposition of assets. Scryb currently maintains approximately \$12m in liquid assets which are readily available for divestiture if needed. It operates with a low monthly burn rate of approximately \$100,000 and has made substantial progress in reducing its liabilities. These factors indicate that no material uncertainty exists regarding the Company's ability to continue as a going concern.

Related Party Transactions

Scryb is a non-controlling related party of Cybeats. Scryb has, from time to time, loaned funds to Cybeats for a net total amount of \$1,224,432 (the "Cybeats Loan") as of December 31, 2025.

The aggregate outstanding amounts owed by Cybeats to Scryb are advances due to Scryb secured in an agreement bearing interest rate of 10% per annum and matured on October 14, 2025. The above loan arrangements between Scryb and Cybeats are secured by way of a general security agreement.

As at December 31, 2025, the Scryb owed Bully and Block Capital Inc. (a company controlled by an executive of the Company) interest bearing loans with no fixed terms of repayment in the amount of \$320,112 (September 30, 2025 – nil) which has accrued interest amounting to \$6,500. The loan bears interest at 5% per annum, is due and payable on demand.

As at December 31, 2025, the Scryb owed 5014337 Ontario Inc. (a company controlled by an executive of the Company) non-interest-bearing advances with no fixed terms of repayment in the amount of \$20,000 (September 30, 2025 – nil).

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet arrangements, other than previously disclosed, that has, or is reasonably likely to have, an impact on the current or future results of operations or the financial condition of our company.

Critical Accounting Policies and Estimates

The preparation of these consolidated financial statements in conformity with IFRS requires that management make estimates and assumptions about future events that affect the amounts reported in the consolidated financial statements and related notes to the consolidated financial statements. Actual results may differ from those estimates.

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

i) Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and are, but are not limited to, the following:

Share based payments and warrants

The fair value of stock options and warrants issued are subject to the limitation of the Black Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

Useful life of intangible assets

Management has exercised their judgment in determining the useful life of its patents, patent applications and software license. The estimate is based on the expected period of benefit of the patent and the expected life of the product in the marketplace.

ii) Critical accounting judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are, but are not limited to, the following:

Accounting for investments

Management determined that effective November 29, 2024, the Company had lost control of Cybeats and accordingly changed from the consolidation method of accounting to the equity method of accounting.

Evaluation of going concern

The preparation of the financial statements requires management to make judgments regarding the going concern of the Company.

Income taxes

Management has exercised their judgment in determining the provision for future income taxes. The judgment is based on the Company's current understanding of the tax law as it relates to the transactions and activities entered into by the Company.

Research vs. Development Stage

The Company uses judgement when assessing if the Company has achieved development stage activities with its internally generated intangible assets.

Risks and Uncertainties

History of Losses – The Company has been in a cumulative net loss position throughout its operating history. The Company's limited operating history makes it difficult to evaluate the future financial prospects of its business. There is no assurance that the Company will grow or be profitable or that the Company will have earnings or significant improvement in its cash flow from operations in the future. The future earnings on and cash flow from operations are dependent on the Company's ability to further develop and sell its products and the Company's operational expenses. Management anticipates that the operating losses for the Company may continue until such time as the Company consistently generates sufficient revenues to support operations.

Potential Need for Additional Financing - The implementation of the Company's business plan may from time to time require capital outlays to fund operating expenditures and business expansion. There can be no assurance that additional financing will be available to the Company when needed, on commercially reasonable terms, or at all. Any inability to obtain additional financing when needed would have a material adverse effect on the Company. Further, any additional equity financing may involve substantial dilution to the Company's then existing shareholders. Debt financing, if available, may involve onerous obligations, monetary or otherwise. If adequate funds are not available, the Company may obtain funds through arrangements with strategic partners or others who may require the Company to relinquish rights to certain technologies, any of which could adversely affect its business, financial condition and results of operations.

Product Risks

Uncertain Demand for Products - Demand for technologies is dependent on a number of social, political and economic factors that are beyond the control of the Company. The technology industry is likely to continue to change as the public and government will alter regulation and demand for the products. While the Company believes that demand for technological solutions will continue to grow, there is no assurance that such demand will exist or that the Company's products will be purchased to satisfy that demand.

Dependence on Development of New Products - New technological or product developments in the technology industry may render the Company's products obsolete or reduce their value. The Company's future prospects are highly dependent on its ability to develop new products - from new technologies and achieve market acceptance. There can be no assurance that the Company will be successful in these efforts.

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. Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents.

Disclosure Controls and Procedures & Internal Controls over Financial Reporting

In accordance with the Canadian Securities Administrators National Instrument 52-109 ("NI 52-109"), Certification of Disclosure in Issuers' Annual and Interim Filings, the Company has filed certificates signed by the Chief Executive Officer and the Chief Financial Officer that, among other things, report on the design and



effectiveness of disclosure controls and procedures and the design and effectiveness of internal controls over financial reporting.

The Company continues to review and document its disclosure controls and procedures and internal controls over financial reporting and may, from time to time, make changes aimed at enhancing their effectiveness and to ensure that its systems evolve with the business. There were no changes in the Company's internal controls over financial reporting during the year ended September 30, 2025, that have materially affected, or are reasonably likely to materially affect, its disclosure controls and procedures and internal controls over financial reporting.

Share Data

As at December 31, 2025, there were 47,028,402 common shares issued and outstanding, 10,794,150 warrants, and 5,434,000 options outstanding.

As at February 24, 2026, there were 47,078,402 common shares issued and outstanding, 10,794,150 warrants, and 5,037,454 options outstanding.

"James Van Staveren"

Chief Executive Officer

February 24, 2026