ATLANTIC HORIZON CAPITAL CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three month period ended July 31, 2025

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The following Management’s Discussion and Analysis (“MD&A”) relates to the financial condition and results of operations of Atlantic Horizon Capital Corp. (“we”, “our”, “us”, “AHCC”, or the “Company”) for the period from May 1, 2025 to July 31, 2025 and should be read in conjunction with the Company’s interim financial statements for the same period. The interim financial statements and related notes of AHCC have been prepared in accordance with IFRS® Accounting Standards ("IFRS") as issued by the International Accounting Standards Board.

This MD&A reports our activities from May 1, 2025 through to July 31, 2025 unless otherwise indicated. Unless otherwise noted, all references to currency in this MD&A refer to Canadian dollars.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Except for statements of historical fact relating to AHCC, certain information contained herein may constitute forward-looking information under Canadian securities legislation. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as “plans,” “expects” or “does not expect,” “is expected,” “budget,” “scheduled,” “estimates,” “forecasts,” “intends,” “continue,” “anticipates” or “does not anticipate,” or “believes,” or variations of such words and phrases or statements that certain actions, events, or results “may,” “could,” “would,” “will,” “might,” or “will be taken,” “occur,” or “be achieved.”

Forward-looking statements are based on current expectations, estimates, forecasts, and projections, and involve a number of known and unknown risks, uncertainties, and other important factors that could cause actual results, performance, or achievements to differ materially from those expressed or implied by such statements. These statements reflect management’s current beliefs and are based on assumptions made by and information currently available to AHCC, including, but not limited to: the identification and evaluation of suitable qualifying transactions; the ability to secure necessary financing; economic and market conditions; changes to laws and regulations; and the competitive landscape across sectors.

Important risk factors that could cause actual results to differ materially include, but are not limited to: risks related to completing a qualifying transaction; market volatility; access to capital; changes in strategic plans; general economic, political, and business conditions; regulatory and legal developments; and uncertainty in global financial markets. While AHCC has attempted to identify important factors that could cause actual results to differ materially from those in the forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated, or intended.

Forward-looking information is provided for the purpose of providing information about management’s current expectations and plans for the future. All forward-looking statements in this MD&A are qualified in their entirety by this cautionary statement. There can be no assurance that such statements will prove to be accurate, as actual results and future events may differ materially from those anticipated. Accordingly, readers should not place undue reliance on forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks and uncertainties.

AHCC undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, future events, or otherwise, except as required by applicable law.

ABOUT THE COMPANY

AHCC was incorporated under the Business Corporations Act (British Columbia). The Company plans to seek a listing as a Capital Pool Company ("CPC") pursuant to Policy 2.4 of the TSX Venture Exchange (the "Exchange"). The Company has not commenced commercial operations and currently has no assets other than cash, deferred financing costs, and sales taxes receivables.

AHCC's business objective is to identify and evaluate businesses or assets with a view to completing a Qualifying Transaction, as defined by the Exchange. The Company has not entered into any agreements or understandings with respect to a potential Qualifying Transaction and does not intend to carry on any business other than the identification and evaluation of potential opportunities until such time as a Qualifying Transaction is completed.

The Company intends to file a final prospectus in connection with its proposed Initial Public Offering ("IPO") and, upon successful completion, will seek to list its common shares on the TSX Venture Exchange as a CPC.

As of the date of this MD&A, the Company has not entered into any agreement, written or verbal, regarding a potential Qualifying Transaction.

Until completion of the Qualifying Transaction, the Company will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a potential Qualifying Transaction.

SUMMARY OF QUARTERLY RESULTS

CAD ($)	**From May 1, 2025 to July 31, 2025 ($)**
Total assets	$243,825
Total liabilities	14,330
Shareholders' equity	229,495
Revenue	-
Net loss and comprehensive loss	(30,035)
Net loss per share – basic and diluted	(0.01)

RESULTS OF OPERATIONS

	From May 1, 2025 to July 31, 2025 ($)
Expenses	
Professional fees	19,493
Filing fees	10,542
Net loss and comprehensive loss	**(30,035)**

For the period from May 1, 2025 to July 31, 2025, AHCC incurred a net loss and comprehensive loss of $30,035. The loss primarily reflects professional fees and filing fees related to the Company's early-stage corporate activities. Professional fees and filing fees totaled $30,035 and were related to preparing the prospectus and to the Company’s application to seek a listing as a CPC pursuant to Policy 2.4 of the Exchange.

LIQUIDITY AND CAPITAL RESOURCES

The Company intends to file a prospectus to offer a minimum of 5,000,000 and a maximum of 7,500,000 common shares at a price of $0.10 per share (the “Offering”), for gross proceeds of between $500,000 and $750,000. The Offering is being conducted on a best-efforts basis by iA Capital Markets (“iACM”), a division of iA Private Wealth Inc., who has been engaged as lead agent and sole bookrunner.

As compensation for its services, iACM will receive:

1. **Cash Commission** – A cash commission equal to 10% of the gross proceeds from the Offering;

2. **Compensation Options** – Non-transferable options exercisable at $0.10 per share to purchase common shares of the Company equal to 10% of the total number of shares sold, expiring on the earlier of 24 months following the completion of the Company’s Qualifying Transaction or five years from the listing date on the TSX Venture Exchange;

3. **Work Fee** – A one-time work fee of $12,500 plus applicable taxes, payable upon execution of the agreement;

4. **Expense Reimbursement** – Reimbursement of reasonable out-of-pocket expenses, including legal fees up to $20,000 (plus HST and disbursements) and all other expenses up to $3,000. A $10,000 retainer was provided by the Company upon signing the engagement letter.

Proceeds from the Offering will be used to cover IPO-related expenses and to fund general working capital until the Company completes a Qualifying Transaction. The Company believes that, assuming completion of the Offering within the stated parameters, it will have sufficient liquidity to meet its obligations and pursue its business objectives over the next 12 months. In accordance with Exchange Policy 2.4, until the Company completes a Qualifying Transaction, it may only use funds to identify and evaluate potential Qualifying Transactions and to cover limited prescribed administrative expenses, which may not exceed $3,000 per month.

As at July 31, 2025, the Company had a cash balance of $210,787 to settle current liabilities of $14,330.

CASH FLOWS

For the period from May 1, 2025, to July 31, 2025, the Company used $45,547 in cash for operating activities. This amount includes professional fees related to incorporation, audit, legal, and regulatory compliance, as well as working capital changes, including a decrease in accounts payable and accrued liabilities of $9,347 and an increase in sales tax receivable of $6,165.

The Company ended the period with a cash balance of $210,787 held in trust, sufficient to meet short-term obligations and support its ongoing efforts to complete a Qualifying Transaction.

MATERIAL ACCOUNTING POLICIES

The Company's material accounting policies can be found in Note 2 of its interim financial statements for the period from May 1, 2025 to July 31, 2025.

CAPITAL RISK MANAGEMENT

The Company's capital management strategy is focused on maintaining a sufficient and flexible capital structure to support its activities as a CPC under Exchange Policy 2.4. As at July 31, 2025, the Company's capital structure is comprised of share capital, contributed surplus, and a deficit resulting from early-stage formation and administrative expenditures.

The Company does not currently generate operating revenues and has not commenced commercial operations. Its primary objective is to preserve capital and deploy it efficiently toward the identification and evaluation of potential businesses or assets for a Qualifying Transaction. Any proposed Qualifying Transaction must be accepted by the Exchange and, in the case of a Non-Arm's Length transaction, must also receive majority of the minority shareholder approval.

In accordance with Exchange Policy 2.4, the Company is not permitted to use its capital to carry on any business other than the identification and evaluation of potential Qualifying Transactions. Additionally, until the completion of such a transaction, the Company may only incur general and administrative expenses of up to $3,000 per month.

The Board of Directors has not established specific quantitative return targets but relies on management's experience and professional judgment to ensure capital is preserved and aligned with the Company's strategic objectives. The Company does not currently utilize any debt or credit facilities and has no contingent liabilities or off-balance sheet commitments.

Management reviews the Company's capital structure and capital risk exposure on an ongoing basis. The current approach is considered appropriate given the Company's early-stage development, regulatory obligations, and capital preservation priorities as a CPC.

RELATED PARTY DISCLOSURES

No cash compensation was paid to key management personnel during the period.

Subsequent to period-end, a partner of a law firm that provides legal services to the Company was appointed to the Board of Directors. The law firm continues to provide legal services in the normal course of business on market terms.

The Company continues to monitor its related party arrangements to ensure they are conducted on terms consistent with market practices and applicable CPC policies.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and accounts payable and accrued liabilities. These instruments are recognized on the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Upon initial recognition, financial assets and liabilities are measured at fair value, which is typically the transaction price unless the instrument includes a significant financing component. Subsequent measurement is determined by the classification of each financial instrument based on the Company's business model and the contractual cash flow characteristics.

The Company classifies its financial assets and liabilities as follows:

- **Cash** is classified and measured at amortized cost. It represents funds held in trust and is managed under a business model focused on collecting contractual cash flows comprising solely payments of principal and interest.

- **Accounts payable and accrued liabilities** are classified and measured at amortized cost, as they are financial obligations settled in the normal course of business.

The Company does not currently hold any financial instruments measured at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVTOCI), and it does not apply hedge accounting.

There have been no reclassifications of financial assets during the reporting period, as the Company's business model for managing financial instruments has not changed.

Credit risk

The Company's exposure to credit risk is primarily related to its cash balances. As at July 31, 2025, AHCC holds its cash in trust with reputable Canadian financial institutions and legal counsel. These deposits are not exposed to significant credit risk due to the high credit quality of the counterparties.

The Company does not have accounts receivable or other financial assets arising from operations that would expose it to material credit risk. Management has assessed the credit risk associated with its financial instruments and believes the risk of loss to be remote. There is no significant concentration of credit risk, and the overall exposure is considered low.

The Company will continue to monitor its exposure and ensure that surplus funds are maintained in low-risk, highly liquid instruments in line with its capital preservation mandate as a CPC.

Liquidity risk

The Company manages liquidity risk by maintaining adequate cash balances and closely monitoring its actual and forecasted cash flows. The Company ensures that it has sufficient liquidity to meet short-term obligations as they come due, particularly given its status as a CPC with limited operating expenditures and no commercial operations to date.

As at July 31, 2025, the Company had current assets of $243,825, including cash of $210,787, to settle current liabilities of $14,330. The Company's financial liabilities had contractual maturities of less than 30 days and were subject to standard trade terms.

Management believes the Company is well-positioned to manage its liquidity risk, with sufficient capital on hand to fund ongoing administrative expenses and support efforts toward completing a Qualifying Transaction, in line with Exchange Policy 2.4.

OUTSTANDING SHARE DATA

Number of:	**As at September 26, 2025**
Common shares	6,000,000
Stock options	600,000

RISKS AND UNCERTAINTIES

The Company has not commenced commercial operations and has no significant assets other than cash and deferred financing costs. As such, it has no track record of earnings, and will not generate revenues or pay dividends until the successful completion of a Qualifying Transaction and commencement of business operations.

There is currently no market for the Company's common shares. While AHCC intends to list its shares on the Exchange following the completion of its IPO, there can be no assurance that an active and liquid market will develop. Consequently, investors may experience difficulty in reselling their shares or may be unable to realize a return on their investment.

Until a Qualifying Transaction is completed, the Company is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions in accordance with Exchange Policy 2.4. The Company has limited funds to support its search and due diligence activities, and there is no guarantee that it will identify a suitable target or complete a Qualifying Transaction. Even if a target is identified, shareholder or regulatory approvals may not be obtained, and the transaction may fail to close.

If AHCC pursues a Qualifying Transaction with a target business located outside of Canada, investors may face increased legal and enforcement risk. For example, it may be difficult or impossible to serve legal documents or enforce Canadian court judgments against a foreign-based business or any directors, officers, or counterparties who reside outside of Canada.

Any future Qualifying Transaction may be financed in whole or in part through the issuance of additional equity securities. This could result in significant dilution to existing shareholders and may potentially result in a change of control of the Company. The value of existing shareholdings may be adversely impacted as a result.

The Company is subject to risks related to changes in market conditions, economic uncertainty, shifts in investor sentiment, and evolving regulatory requirements. These external factors could delay or impede the Company's ability to raise capital, identify a Qualifying Transaction, or obtain necessary approvals from regulators or shareholders.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's interim financial statements in accordance with IFRS requires management to make judgments, estimates, and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of expenses during the reporting period. These estimates are based on management's best knowledge of current events and actions, but actual results may differ from those estimates, and such differences could be material.

Given the early-stage nature of the Company's operations, the most significant areas requiring estimates and assumptions include:

- **Share-Based Compensation**: The Company uses the Black-Scholes option pricing model to estimate the fair value of stock options granted to directors and officers. This model requires the use of highly judgmental inputs, including expected volatility, risk-free interest rate, expected life of the options, and dividend yield.

Management regularly reviews these estimates and underlying assumptions and makes adjustments as necessary. While the Company currently has limited operations, these critical accounting estimates will continue to be significant until a Qualifying Transaction is completed and commercial operations commence.

September 26, 2025