YNVISIBLE INTERACTIVE INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

THREE MONTHS ENDED MARCH 31, 2026

Date of Report: June 1, 2026

The following management's discussion and analysis ("MD&A") of the financial position and results of operations for Ynvisible Interactive Inc. (the "Company", "Ynvisible", "we" or "our") should be read in conjunction with the Company's audited consolidated financial statements and the notes thereto for the years ended December 31, 2024 and 2025 and the condensed interim consolidated financial statements for the three months ended March 31, 2026 (the "Financial Statements"). Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR+ at www.sedarplus.ca.

Overall Performance & Going Concern

Ynvisible Interactive Inc. is a public company listed on the TSX Venture Exchange under the trading symbol "YNV", on the OTCQB under the symbol "YNVYF", and FSE under the symbol "1XNA".

Ynvisible is a printed e-paper product company and a market leader in printed electrochromic display (ECD) technology. The Company commands end-to-end expertise and a strong intellectual property position in the design, development and high-volume manufacturing of printed e-paper display products. Ynvisible displays are engineered for seamless integration into a broad range of applications, such as retail signage, supply chain labels and medical diagnostic devices.

Ynvisible offers a range of standard and customized ultra-low power and easy-to-use displays for everyday smart objects, Internet of Things (IoT) and industrial products. Ynvisible displays (printed on flexible substrates) are simpler to integrate and more cost effective than traditional LCDs and electrophoretic displays. The Company also provides contracted research, development, prototyping, and manufacturing services of printed electronics.

With a unique blend of materials science, process technology, and display electronics, Ynvisible is poised to differentiate itself as a leader in the emerging printed and flexible electronics sector. Moreover, Ynvisible's brand is increasingly well recognized among brand owners developing IoT products, which positions the Company as a key player in this rapidly evolving market.

The address of the Company's head office is 830 – 1100 Melville Street, Vancouver, British Columbia, Canada, V6E 4A6, the registered and records office is located at 1500 – 1055 West Georgia Street, Vancouver, British Columbia, Canada, V6E 4N7, and the principal place of business is located at Rua Quinta do Bom Retiro, 12C, 2820-690 Charneca de Caparica, Portugal. The Company maintains a website at www.ynvisible.com.

The Company is in the commercialization stage, has not yet realized profitable operations and has relied on non-operational sources of financing to fund operations. The Company's ability to continue as a going concern, to fund work commitments and to ensure adequate working capital is dependent upon achieving profitable operations or upon obtaining sufficient additional financing. For the three months ended March 31, 2026, the Company recorded a comprehensive loss of $1,801,195 (2025 – $1,263,923). The Company's ability to continue as a going concern is dependent on successfully executing its business plan, which includes the raising of additional funds and realization of profitable operations. The Company will continue to seek additional forms of debt or equity financing, but it cannot provide assurance that it will be successful in doing so. There is a material uncertainty related to these conditions that may cast significant doubt on the ability of the Company to continue as a going concern.

The Company's Financial Statements do not reflect adjustments to the carrying amounts of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

Management Discussion & Business Highlights

Overview

During the first three months of 2026, Ynvisible continued to make progress in the commercialization of its e-paper products.

Ynvisible continued to expand its market presence and engage with customers across various sectors, such as Retail, Medical & Diagnostics, Logistics & Supply Chain, and Industrial applications. By introducing innovative products and forming strategic partnerships, the Company has demonstrated its commitment to providing customizable solutions that meet the market needs for low power, cost effective and sustainable digital displays.

More specifically in the Medical & Diagnostics sector, in March 2026 Ynvisible announced a strategic partnership with Sapphiros, positioning the Company as the exclusive supplier of printed e-paper displays for Sapphiros' next-generation diagnostic devices under an anticipated three-year exclusive supply agreement. The collaboration supports Sapphiros' diagnostic platforms currently in clinical development, with shipments underway and commercial ramp-up expected from 2026. The agreement represents Ynvisible's entry into the medical diagnostics market and a foundation for future growth in high-volume applications.

The Company also continued to secure and deliver important commercial purchase orders, and received additional customer commitments, which reflects a growing demand for Ynvisible's e-paper solutions. In Q1, Ynvisible focused on producing and selling products to customers, directly from its facilities, mainly in the diagnostics (including to Sapphiros) and industrial sectors.

Investments in manufacturing capabilities and supply chain optimization are ensuring the Company can meet this growing demand effectively. Notably, the Company has continued to advance the implementation of its ISO 9001 quality management system, with certification targeted for 2026, reinforcing its commitment to high standards of quality, consistency, and continuous improvement across its operations, to support scalable commercial growth.

Ynvisible continues to focus on product performance, technology refinement, and breakthrough innovation, along with its commitment to sustainability, fostering an inclusive and entrepreneurial workplace culture, which underlines its dedication to customer satisfaction, employee well-being and the environment.

In 2026, focus remains on ensuring Ynvisible continues to be a preferred choice for customers and investors. Key focus initiatives include:

- Converting customer engagements into commercial supply agreements
- Supporting customers transitioning from pilot programs into volume production
- Expanding the Company's U.S. commercial footprint
- Scaling manufacturing to support repeat orders and recurring revenue

In 2026, we also continue to drive growth both as an organization and as a business. We continue to be committed to fostering a productive and efficient workplace culture that offers opportunities for growth and collaboration, ultimately boosting our overall performance and cohesiveness. In addition, we are actively working to attract new talent and optimize talent density, to strengthen key areas within the Company, including Business Development, Sales & Marketing, Operations and Product Innovation.

In parallel, the Company is exercising disciplined cost management, prioritizing resources toward revenue-generating activities and core operations. Investments remain focused on operations, sales, and product development, with the

Company maintaining a prudent approach to general and administrative expenses, with careful oversight of facilities, IT, finance, human resources, and administrative functions, to ensure efficiency and support sustainable growth.

Finally, we value open communication and transparency. In 2025, we invested in building stronger, trust-based relationships with our stakeholders, including investors, customers, and partners, and are continuing to do so in 2026.

Products & Service Products

In Q1 2026, Ynvisible continued the strategic focus on commercializing and manufacturing e-paper products for key customers, building upon the significant progress made in the previous year and quarters. Engaging across the four e-paper product categories of Indicators, Digital Signage, Electronic Labels, and Smart Cards, the Company remains committed to targeting diverse sectors such as Retail, Medical & Diagnostics, Logistics & Supply Chain, and Industrial applications.

A focal point of Ynvisible's product strategy in 2024 and 2025 was the launch of innovative offerings, notably the commercial introduction of a new digital signage solution for retail applications. This addition exemplified the Company's commitment to addressing a substantial and growing market demand for cost-effective, energy-efficient, and sustainable digital signage display solutions. Beyond retail, Ynvisible is also focusing on public information signage as an application for our printed e-paper display solutions.

In 2024, Ynvisible expanded its product range to include a broader category of e-paper products, with a specific emphasis on digital product information – indicators. These e-paper indicators can be customized and seamlessly integrated into various applications, spanning from industrial and supply chain solutions to medical/diagnostics products. In 2025, Ynvisible made progress in developing, prototyping and commercializing new indicator products, for single-use diagnostic devices and industrial maintenance timers. Ynvisible’s e-paper products serve not only to replace existing solutions but also to pioneer new product applications, solidifying the Company's position as an innovative leader in the e-paper industry.

Ynvisible has historically generated revenue through a combination of different sources. These include:

- Customer-funded R&D and product development projects
- Prototyping of printed e-paper displays
- Sales of printed e-paper display products
- Production up-scaling and contract manufacturing services

Among these revenue sources, historically the most significant segments for Ynvisible have been the sale of R&D and product development projects, and production up-scaling services. However, in 2023, there was a strong shift in the Company’s revenue segmentation, that continued in 2024, 2025 and 2026. Reflecting our transition into a commercial product company, revenue from e-paper display products increased to 76% of total revenues in Q1 2026, compared to 58% in the same period last year.

Within the production up-scaling and contract manufacturing services revenue category, the Company anticipates that its capabilities and revenue associated with the cost-effective design and production of printed systems in the high growth sector of energy generation/storage, where Ynvisible has been supporting several start-up companies, will fluctuate as a function of:

- Customers’ material needs and their own internal production and scale-up capabilities;
- Capacity of Ynvisible’s manufacturing line in Sweden; and
- Competition within the contract manufacturing and process scale-up services market.

Regarding its e-paper products, currently, Ynvisible's primary goal is to streamline the product launch process, by offering printed e-paper displays in four different product categories, namely:

- Indicators
- Digital Signage

- Electronic Labels
- Smart Cards

Ynvisible's displays are tailored to meet the specific requirements of different segments within the e-paper market. These segments exhibit unmet market needs and require mass producible displays with ultra-low power consumption. As mentioned, Ynvisible's target market segments include:

- Retail
- Medical & Diagnostics
- Logistics & Supply Chain
- Industrial

Sales & Marketing

In Q1 2026, Ynvisible's sales and marketing operations focused on strengthening business development and global sales for its printed e-paper display products.

Ynvisible's sales mix encompassed a full range of services related to e-paper displays, including contract research, electronics development, production up-scaling, and contract manufacturing printing services.

In Q1 2026, the Company's product strategy continued to focus on offering custom solutions for digital signs, indicators and labels, resulting in additional customer activity. For indicators, Ynvisible continued the collaboration with Sapphiros, a leading customer in the Medical/Diagnostics industry, to develop a novel, energy-efficient, visual indicator for at-home diagnostic tests. Building on prior deliveries to Sapphiros, in the fall of 2025 the customer confirmed that the FDA-regulated product launch previously announced had been delayed due to a strategic shift motivated by market conditions. However, the Company started to fulfill orders for a second diagnostics application for the same customer, with significant high volume follow-up orders expected in the second half of 2026 and beginning of 2027. The e-paper displays delivered by Ynvisible will support a new generation of at-home diagnostic tests, building on the success of the initial collaboration and reaffirming Ynvisible's role as a trusted partner in delivering clarity, readability, and user-friendly information to the point-of-care diagnostics market. Additionally, Ynvisible continued the delivery of a high volume order of a maintenance time indicator solution for industrial equipment, in partnership with a European industrial equipment manufacturer, with additional volumes of the product expected to be further delivered in 2026 and 2027. The estimated market potential for Ynvisible's indicator solutions is substantial, serving industries demanding simple and energy-efficient visual indicators, such as Supply Chain & Logistics, Industrial, and Medical & Diagnostics. With continuous technological advancements, Ynvisible remains at the forefront of the evolving visual indicator space.

Marketing events in Q1 2026:

In Q1 2026, marketing highlights encompassed the Company's participation at the Consumer Electronics Show (CES) in Las Vegas, USA, and, for the fifth year in a row, at embedded world, in Nuremberg, Germany.

CES remains the world's largest stage for technology innovation, drawing over 140,000 attendees and 4,500+ exhibitors annually to explore transformative advances across mobility, AI, digital health, and sustainable electronics. The event took place January 6 – 9, 2026. The Company reported excellent reception at the event, with strong interest from leading global brand owners actively evaluating printed e-paper displays for commercial product integration. These engagements resulted in more than 300 direct customer interactions and 120 qualified sales leads, across smart home, IoT, automotive, medical, sports technology, and industrial markets.

embedded world Europe is one of the biggest events dedicated to embedded systems and technologies globally and took place March 10-12, 2026.

In both events, Ynvisible had an exhibition booth and actively published content on all social media channels directly from the tradeshow floor.

Other Marketing activities in 2025:

- During the 3 months ended March 31, 2026, Ynvisible continued to invest strongly into developing its communications and outreach marketing activities. This was done through a multi-channel approach, including social media, publications and website content. Ynvisible will continue to strengthen these activities throughout the year, to intensify both customer and investor engagement.
- On the investor side, in Q1 Ynvisible participated in several investor outreach activities and conferences, which took place in Europe, including:
  - Munich, Germany – February – CEO Ramin Heydarpour participated in an investor-focused conference, meeting with European investors and industry partners.
  - Budapest, Hungary – February – CEO Ramin Heydarpour participated in an investor-focused conference, meeting with European investors and industry partners.
  - Norrköping, Sweden – March – CEO Ramin Heydarpour participated in an investor-focused event organized by Norrköping Science Park, meeting with Swedish investors and industry partners.

Team, Management & Culture

Ynvisible's team is a multidisciplinary global team of over 30 professionals with diverse backgrounds, nationalities and skill sets, committed to delivering the best value to all our stakeholders. In its operations in Portugal, Sweden and Germany, the Company leverages the highly skilled labor base and competitive labor costs.

Ynvisible builds and promotes a strong Company culture, aligned with the Company's vision, values and goals. The three pillars of the Company's values are: Ethics and Integrity, Collaboration and Teamwork, and Resilience and Agility.

To make sure each team member feels well integrated within the team and maintains a sense of contribution to the Company's goals, Ynvisible has a Performance Management Program (PMP), through which individual goals for each person are set and aligned with the Company's goals. The PMP includes quarterly reviews of performance and goals, to ensure constructive feedback is shared and that the individual goals continue to be meaningful and updated on a regular basis.

Ynvisible is proud to be a multicultural team, with colleagues from over 10 countries, working together to deliver meaningful impact. Diversity and inclusion are not just principles we follow - they are intrinsic to our culture. We foster an environment where everyone feels valued and respected, without relying on formal programs or policies, because this mindset is deeply ingrained in who we are. Recognized as an Equal Pay company, we are committed to ensuring equal opportunities, fair compensation, and inclusive recognition for all, regardless of gender or individual identity.

The Company also nurtures a culture of continuous learning and refinement of product and services, based on lessons learned from customer interactions, coupled with careful assessment of market needs, size and future profitability of opportunity, and clear decisive execution.

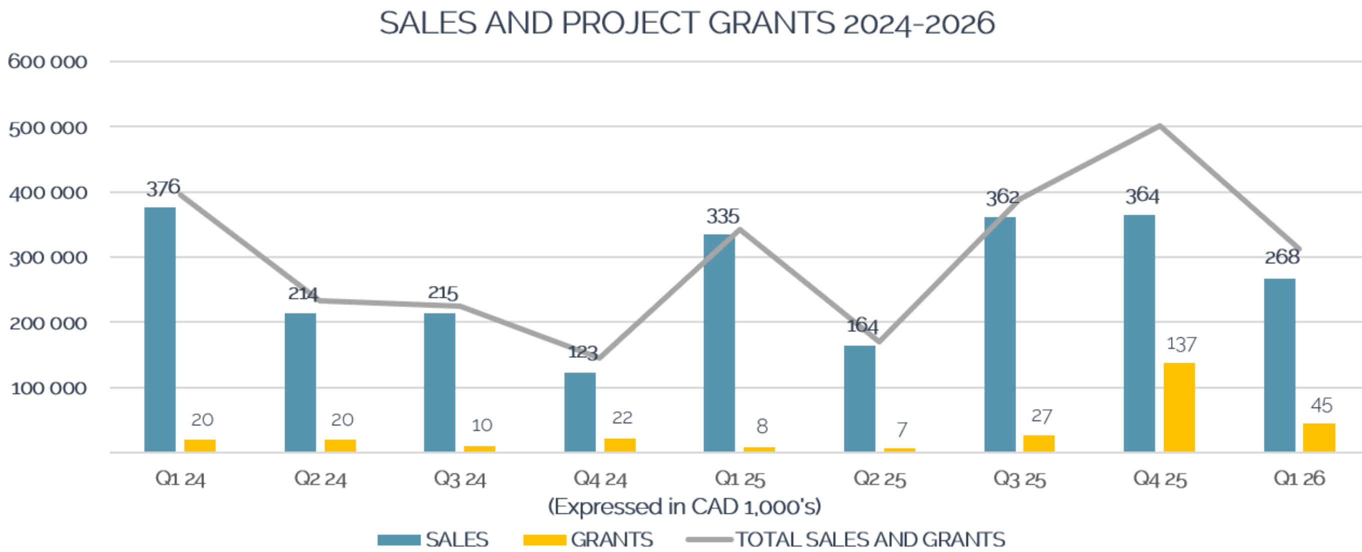
Financial Performance

In Q1 2026, the Company's revenue from customer sales amounted to $267,546, marking a 20% decrease compared to the total revenue from customers of $334,741 in the same period of 2025. This negative variation is due to the Company's decision to slow down some revenue streams to prioritize and focus the existing resources on product optimization for scale-up, aligned with the Company's strategy.

As the Company continues to pursue revenue growth, it expects to reinforce its position and create further commercial success through necessary product optimization and scaling efforts throughout 2026 and 2027.

During Q1 2026, income from project grants was $45,042, an increase from $7,860 in the same period in 2025. Overall, income from project grants had been decreasing in previous years as a result of Ynvisible's intentional focus on allocating its full resources to product development and production scale-up activities.

While the company has become more selective, it remains committed to applying for grants whenever a project aligns strictly with its long-term strategy and goals. Reflecting this approach, the recent increase in grant income is primarily attributed to a marketing-focused project for which the company applied and successfully secured approval for during 2025.



The Company's total revenue and other income for Q1 2026 was $315,486, a decrease of 15% from 2025, of $369,505. Total income & gains include customer sales, project grants, and other income and gains, such as interest and other minor sources.

In Q1 2026, the cost of sales amounted to $198,834, reflecting a 28% decrease compared to $275,035 in the same period of the previous year.

News & Events Q1 2026 and Up to the Date of this Report

On January 19, 2026, Ynvisible provided an operational update highlighting commercial execution achieved in 2025 and outlining its strategic focus for 2026.

On January 26, 2026, Ynvisible announced a collaboration with a globally recognized automotive manufacturer to co-develop a new e-paper-based product. While application details remain confidential pending intellectual property protection, the partnership reflects the Company's strategic focus on high-volume markets and is a key step toward broad commercialization of its printed e-paper display technology.

On March 9, 2026, Ynvisible appointed Michael Kott as an independent member of its Board of Directors. Mr. Kott is the Founder & CEO of CM-Equity AG, bringing extensive experience in global capital markets, governance, and scaling high-growth companies, which aligns with the Company's strategic priorities as it continues to expand its presence in the printed electronics and e-paper display markets.

On March 11, 2026, Ynvisible announced it had received a Letter of Intent (LOI) from Sapphiros, a KKR-backed consumer diagnostics company, to establish Ynvisible as the exclusive supplier of e-paper displays for certain lateral flow and molecular diagnostic tests. The LOI contemplates a three-year exclusive supply agreement, with commercial sales already underway and expected to accelerate throughout 2026, representing the Company's first commercial entry into the medical diagnostics market.

On March 13, 2026, Ynvisible announced a non-brokered private placement of up to 20,000,000 units at $0.10 per unit, for gross proceeds of up to $2,000,000. Each unit consists of one common share and one transferable share purchase warrant exercisable at $0.14 per share for a period of three years. Proceeds will be used for working capital and general corporate purposes.

On March 26, 2026, Ynvisible closed the first tranche of its non-brokered private placement, issuing 5,770,000 units at $0.10 per unit for gross proceeds of $577,000. Each unit consists of one common share and one transferrable common share purchase warrant. Each warrant is exercisable into a common share at an exercise price of $0.14 per share for a period of three years.

On March 31, 2026, Ynvisible closed the second tranche of its non-brokered private placement, issuing 3,169,000 units at $0.10 per unit for gross proceeds of $316,900. Each unit consists of one common share and one transferrable common share purchase warrant. Each warrant is exercisable into a common share at an exercise price of $0.14 per share for a period of three years. The Company paid a cash finder fee in the amount of $1,800 in connection with the second tranche.

On April 24, 2026, the Company closed the third tranche of its non-brokered private placement, issuing 4,060,000 units at a price of $0.10 per unit for total gross proceeds of $406,000. Each unit consists of one common share and one transferrable common share purchase warrant. Each warrant is exercisable into a common share at an exercise price of $0.14 per share for a period of three years. On the same date, the Company announced it was opening a new non-brokered private placement of up to 15,000,000 units at $0.10 per unit, for gross proceeds of up to $1,500,000. Each unit consists of one common share and one transferable share purchase warrant exercisable at $0.14 per share for a period of three years. Proceeds will be used for working capital and general corporate purposes.

On May 13, 2026, the Company closed the first tranche of the private placement announced on April 24, issuing 3,330,000 units at a price of $0.10 per unit for total gross proceeds of $333,000. Each unit consists of one common share and one transferrable common share purchase warrant. Each warrant is exercisable into a common share at an exercise price of $0.14 per share for a period of three years.

News & Events 2025

On February 21, 2025, Ynvisible announced that it had arranged a non-brokered private placement financing of up to 5,000,000 common shares of the Company at a price of $0.12 per share, for aggregate gross proceeds of up to $600,000.

In February 2025, the Company granted 815,000 stock options to employees at an exercise price of $0.20 per share for a period of five years, vesting as follows: 1/4th at the date of grant, 1/4th at four months from the date of grant, 1/4th at eight months from the date of grant, and 1/4th at twelve months from the date of grant. The options were valued at $97,113 using the Black-Scholes option pricing model.

In February 2025, the Company granted 200,000 stock options to director, at an exercise price of $0.15 per share for a period of five years vesting as follows: 1/4th at the date of grant, 1/4th at four months from the date of grant, 1/4th at eight months from the date of grant, and 1/4th at twelve months from the date of grant. The options were valued at $26,259 using the Black-Scholes option pricing model.

On March 21, 2025, the Company closed the non-brokered private placement financing previously announced on February 21, 2025. The Company received subscriptions for 4,563,765 common shares at a fair value of $0.12 per share, raising aggregate gross proceeds of $547,652. The Company paid share issue costs totalling $17,897 in cash.

On April 11, 2025, Ynvisible announced that it had engaged Plutus Invest & Consulting GmbH ("Plutus") to provide certain marketing and investor awareness services on behalf of the Company. Under the terms of the marketing services agreement, Plutus will provide marketing and communications services to Ynvisible for up to a 12-month term.

On April 28, 2025, the Company announced a strategic partnership with CCL Design, a division of CCL Industries, a global leader in specialty label, security, and packaging solutions. CCL Design brings deep expertise in printed electronics and a global manufacturing footprint across Asia, Europe, and the United States. Under the partnership, CCL Design will serve as a key manufacturing partner for Ynvisible, enabling high-quality, scalable production of its printed e-paper displays.

On May 6, 2025, the Company announced the successful delivery of over 10,000 e-paper maintenance indicators to a leading global manufacturer of air compressors and industrial equipment. This marks a major commercial milestone in Ynvisible's transition from product development to full commercialization of e-paper solutions. Follow-up orders for an additional 30,000 units have already been secured for delivery by year-end.

On May 16, 2025, Ynvisible announced a non-brokered listed issuer financing exemption ("LIFE") financing consisting of a minimum of 8,181,818 common shares of the Company, and up to a maximum of 13,636,364 common shares, at an issue price of $0.22 per share, to raise minimum gross proceeds of $1,800,000 and maximum gross proceeds of up to $3,000,000.

On May 19, 2025, Ynvisible announced it received a follow-on order from a returning customer in the rapidly growing at-home medical diagnostics market. The new order, comprising more than 10,000 display units, will be used in a novel at-home diagnostic test, distinct from the application previously announced by the Company. The e-paper displays delivered by Ynvisible will support a new generation of at-home diagnostic tests, building on the success of the initial collaboration and reaffirming Ynvisible's role as a trusted partner in delivering clarity, readability, and user-friendly information to the point-of-care diagnostics market.

On June 26, 2025, the Company closed the non-brokered LIFE financing previously announced on May 16, 2025. The Company received subscriptions for 11,481,637 common shares at a fair value of $0.22 per share, raising aggregate gross proceeds of $2,525,960. The Company paid share issue costs totalling $60,876 in cash and issued 276,709 finders' warrants. Each finder's warrant will be exercisable into an additional common share at an exercise price of $0.22 for a period of two years.

On July 23, 2025, the Company announced the successful completion of a strategic technology transfer with CCL Design, a global leader in printed electronics and specialty labeling. The Company's proprietary printed e-paper display technology is now integrated into CCL Design's high-volume manufacturing lines, unlocking new revenue opportunities in retail, healthcare, industrial, supply chain and IoT markers.

On August 19, 2025, the Company announced a successful relocation and commissioning of its roll-to-roll high volume production line to a new, stat-of-the-art facility, in Norrköping, Sweden. The Company now benefits from seamless access to cutting-edge pilot manufacturing infrastructure and technical expertise, while being co-located with long-term partner RISE. This move also marks a significant milestone in the Company's long-term commitment to advancing roll-to-roll manufacturing and innovation in Printed Electronics.

On September 9, 2025, the Company announced a successful inauguration of the new production facility in Norrköping, Sweden. The event was attended by more than 60 people, including regional leaders, partners, and industry stakeholders.

On September 30, 2025, Ynvisible provided an update stating that it is advancing scalable applications in the automotive, diagnostics, and industrial markets, highlighted by a new development with a major auto manufacturer, ongoing deliveries of 30,000+ e-paper maintenance indicators, and overall growing customer traction.

On October 14, 2025, the Company announced it was awarded European Union funding under the Portugal 2030 program, for a project worth more than €700,000 in total investment, of which 40% is co-financed by the EU through the Lisboa 2030 regional component, for the period January 2025 to March 2027. The funding supports the Company's initiatives to expand international marketing, investor outreach, and trade show participation, including entry into major events in Asia and North America. It will also enhance digital marketing efforts, increase global visibility, and accelerate product certification and compliance to meet international standards. This initiative reinforces the Company's strategy to scale its global commercial footprint, strengthen its brand presence in key growth markets, and advance its commitment to Industry 4.0 and sustainable innovation.

On October 21, 2025, the Company announced a strategic partnership with ED Technologies, a São Paulo-based business development firm specializing in printed electronics, smart displays, and IoT applications. This partnership represents an important step in the Company's ongoing international growth strategy and supports the expansion of its commercial footprint into South America, with an initial focus on Brazil. The collaboration is designed to accelerate market development activities and strengthen regional customer engagement across industrial, retail, healthcare, logistics, and IoT sectors.

On October 30, 2025, the Company granted 50,000 stock options to certain employees of the Company at an exercise price of $0.20 per share for a period of five years ending October 30, 2030. The options vest in four equal parts over the period of one year. The Stock Options vest 1/4 on October 30, 2025 (the "Grant Date"), 1/4 on the date that is four months from the Grant Date, 1/4 on the date that is eight months from the Grant Date and the final 1/4 on the date that is 12 months from the Grant Date.

On November 3, 2025, the Company announced its participation in two of the most influential global technology events: ewNA taking place in the first week of November in Anaheim, California, and CES 2026, held January 6–9, 2026 in Las Vegas, Nevada.

On November 14, 2025, the Company granted 900,000 stock options to employees of the Company at an exercise price of $0.15 per share for a period of five years ending November 14, 2030. The options vest as follows: 1/4th at the grant, 1/4th at four months from the date of grant, 1/4th at eight months from the date of grant, and 1/4th at twelve months from the date of grant.

On November 18, 2025, Ynvisible provided an update on its commercial activities and market engagement for 2025, stating that 65 companies are actively testing Ynvisible's technology, the sales & marketing efforts in 2025 generated more than 600 customer leads, and the Company is currently managing 43 quotations with active customers, representing a potential of over 15 million units of e-paper displays and about CAD$30 million in quoted value. Ynvisible further informed that 12 quotations were converted into confirmed orders in 2025, totaling more than 55,000 units of e-paper-based products and about CAD$800K in revenue. The Company also granted 970,000 stock options to certain consultants, directors and officers of the Company at an exercise price of $0.20 for a period of five years. 920,000 of these stock options vest as follows: 1/4th at the grant, 1/4th at four months from the date of grant, 1/4th at eight months from the date of grant, and 1/4th at twelve months from the date of grant, and 50,000 of these stock options vest as follows: 1/4th at three months from the date of grant, 1/4th at six months from the date of grant, 1/4th at nine months from the date of grant, and 1/4th at twelve months from the date of grant. The Company also awarded 850,000 restricted share units ("RSUs") to certain directors and officers of the Company. The RSUs vest one year from the RSU grant date.

Operations

The following table sets forth selected financial information regarding the Company's operating and administrative expenses for the three months ended March 31, 2026 and 2025:

	For the three months ended March 31,	
Operations	**2026**	**2025**
	$	**$**
Sales	267,546	334,741
Cost of sales	(198,834)	(275,035)
Compensation and consulting	(820,458)	(856,633)
Depreciation	(96,883)	(153,040)
Development and production	(111,097)	(119,419)
Interest and bank charges	(2,359)	(2,450)
Marketing and promotion	(41,631)	(60,687)
Office facilities and services	(30,558)	(125,072)
Professional fees	(81,462)	(70,461)
Share-based compensation	(105,105)	(90,790)
Transfer and listing fees	(31,183)	(24,666)
Travel and project investigation	(21,460)	(25,644)
Loss from operations	(1,273,484)	(1,469,156)

Results of Operations for the Three Months Ended March 31, 2026 and 2025

Loss from operations for the three months ended March 31, 2025 decreased to $1,273,484 compared to $1,434,664 during the three months ended March 31, 2025. Key differences between the two periods are as follows:

Expenses	Increase / Decrease in Expenses	Explanation for Change
Sales	Decrease of $67,195	Decreased due to the Company's decision to slow down some revenue streams to prioritize and focus the existing resources on product optimization for scale-up, aligned with the Company's strategy.
Cost of sales	Decrease of $76,201	Decreased due to corresponding sales decrease.
Compensation and consulting	Decrease of $36,175	Decreased due to cost containment and optimization in supporting areas, such as Finance and Admin.
Office facilities and services	Decrease of $94,514	Decreased mainly due to the move to new facilities in Norrköping, Sweden, in 2025, which are considerably less costly than the previous facilities in Linköping.
Share-based compensation	Increase of $14,315	Increased due to options and RSUs vested during the period.

Summary of Quarterly Results

Three months ended	Sales	Project Grants	Net Loss	Loss Per Share (Basic and Diluted)
	$	$	$	$
March 31, 2026	267,546	45,042	(1,784,160)	(0.01)
December 31, 2025	364,235	137,157	(1,349,614)	(0.01)
September 30, 2025	361,677	26,884	(1,397,797)	(0.01)
June 30, 2025	164,243	6,728	(2,128,604)	(0.02)
March 31, 2025	334,741	7,860	(1,469,649)	(0.01)
December 31, 2024	123,381	21,898	(1,553,580)	(0.01)
September 30, 2024	214,693	10,484	(965,274)	(0.01)
June 30, 2024	213,936	19,952	(1,193,201)	(0.01)

- In the quarters ended March 31, 2026, December 31, 2025, September 30, 2025, June 30, 2025, March 31, 2025, December 31, 2024, September 30, 2024, June 30, 2024, net loss includes $105,105, $134,766, $54,999, $74,227, $90,790, $(83,495), $(6,312), $17,88, respectively, in non-cash share-based compensation. The net loss for the quarter ended March 31, 2026 included an impairment charge of $555,029 related to fixed assets.

Liquidity

In management's view, given the nature of the Company's operations and the focus on delivering recurring revenues in the short term, profitability is a medium and longer term goal for the Company.

The Company has financed its operations to date primarily through the issuance of common shares and the exercise of stock options or warrants. The Company continues to seek capital through various means including the issuance of equity and/or debt.

Capital Resources

The Company's liquidity and capital resources were as follows as at December 31, 2025 and 2024:

	March 31, 2026	December 31, 2025
	$	$
Cash	626,630	327,538
Amounts receivable	207,816	394,034
Grant receivable	146,395	120,790
Inventories	208,371	290,866
Prepaid expenses	137,749	122,667
Total current assets	1,326,961	1,255,895
Accounts payable and accrued liabilities	(1,124,976)	(854,076)
Current portion of lease liabilities	(158,013)	(158,445)
Lease liabilities	(383,695)	(427,991)
Working capital (1)	43,972	243,374

(1) Non-IFRS measure: working capital is defined as current assets less current liabilities

Cash Flows

Net cash used in operating activities for the three months ended March 31, 2026 was $520,141 (2025 - $1,272,318). The cash used consisted primarily of general and administrative expenses, net of non-cash expenditures and a net change in non-cash working capital, detailed in the statement of cash flows.

During the three months ended March 31, 2026, cash used in investing activities was $26,029 (2025 – $25,472) for the purchase of fixed and intangible assets and deposits paid.

During the three months ended March 31, 2026, cash provided by financing activities was $856,359 (2025 - $453,820) due to the Company having closed two private placements and having repaid lease liabilities.

The Company's cash decreased by $11,097 from $327,538 at December 31, 2025 to $626,630 at March 31, 2026.

Proposed Transactions

There are currently no proposed transactions that will materially affect the performance of the Company, other than those disclosed elsewhere in this MD&A.

Off Balance Sheet Arrangements

At March 31, 2026 and as of the date of this report, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

Transactions with Related Parties and Balances

As of March 31, 2026, the Company had the following directors and officers:

Ramin Heydarpour – Chief Executive Officer and Chairman of the Board
Carlos Pinheiro Baptista, PhD – Chief Technology Officer
Darren Urquhart, CPA, CA – Chief Financial Officer
Inês Henriques, PhD – Executive Vice-President of People, Culture and Corporate Affairs, Director
Alexander Helmel – Director
Alexander Langer – Director
Kamran Kian – Director
Michael Kott – Director
Lucia Gomes – Chief Operating Officer

In January 2026, Felix Karlsson resigned as a director. Keith Morton resigned as VP of Sales and Marketing in February 2025. In March 2026, Michael Kott was appointed as a director.

The Company has incurred charges during the three months ended March 31, 2026 and 2025 from directors and officers, or companies controlled by them, for management and consulting fees and share-based compensation as follows:

	Three months ended March 31,	
	2026	**2025**
	$	**$**
Ramin Heydarpour – Management fees	45,000	50,871
Ramin Heydarpour – Share based compensation	21,384	38,749
Lúcia Gomes – Salary and bonus	38,184	33,088
Lúcia Gomes – Share based compensation	7,146	8,641
Inês Henriques – Salary and bonus	41,674	37,399
Inês Henriques – Share based compensation	7,245	8,742
Alexander Helmel – Management fees	9,000	9,000
Alexander Helmel – Share based compensation	5,178	-
Keith Morton – Consulting fees	-	11,000
Carlos Pinheiro Baptista – Salary and bonus	44,409	40,788
Carlos Pinheiro Baptista – Share based compensation	5,029	-
Alexander Langer – Non-executive consultancy	4,500	4,500
Alexander Langer – Share based compensation	5,178	-
Darren Urquhart – Management fees	9,000	7,500
Darren Urquhart – Share based compensation	5,029	-
Felix Karlson – Non-executive consultancy	-	3,139
Kamran Kian – Non-executive consultancy	9,000	9,000
Kamran Kian – Share based compensation	5,178	3,711
Total cash consulting and management fees	200,767	206,285
Total share-based compensation	61,367	59,843
Total compensation for officers and directors	262,134	266,128

Note: Share based compensation is a non-cash expense for valuing stock option grants that is computed using the Black-Scholes option pricing model.

As at March 31, 2026, accounts payable and accrued liabilities include $174,451 (December 31, 2025 - $82,728) due to officers and directors. Accounts payable and accrued liabilities due to related parties are unsecured, non-interest bearing, and have no specified terms of repayment.

Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Disclosure of Data for Outstanding Common Shares, Stock Options, Restricted Share Units and Warrants

The following table summarizes the outstanding common shares, stock options, warrants and restricted share units of the Company:

	As at March 31, 2026	Date of this MD&A
Common shares	154,656,317	162,046,317
Stock options	10,285,000	9,990,000
Warrants	9,215,709	16,605,709
Restricted share units	1,950,000	1,950,000
Fully Diluted	176,107,026	190,592,026

Details of the outstanding stock options as at the date of this MD&A:

Expiry Date	Weighted Average Exercise Price ($)	Number of Options Outstanding	Number of Options Vested and Exercisable
June 3, 2026	0.63	100,000	100,000
July 1, 2026	0.75	880,000	880,000
July 22, 2026	0.62	80,000	80,000
August 26, 2026	0.55	250,000	250,000
October 20, 2026	0.44	370,000	370,000
December 7, 2026	0.32	500,000	500,000
July 20, 2027	0.20	2,050,000	2,050,000
February 24, 2028	0.20	1,895,000	1,895,000
June 26, 2028	0.20	20,000	20,000
September 15,2028	0.20	150,000	150,000
January 11, 2029	0.20	60,000	60,000
January 11, 2029	0.09	400,000	400,000
May 28, 2029	0.20	50,000	50,000
September 4, 2029	0.09	250,000	250,000
September 23, 2029	0.20	20,000	20,000
December 3, 2029	0.20	50,000	50,000
February 28, 2030	0.20	765,000	765,000
February 28, 2030	0.15	200,000	200,000
October 30, 2030	0.20	30,000	15,000
November 14, 2030	0.15	900,000	450,000
November 18, 2030	0.20	970,000	485,000
	0.27	**9,990,000**	**9,040,000**

Details of the outstanding Restricted Share Units (RSUs) as at the date of this MD&A:

Grant Date	Vest Date	Number of RSUs Outstanding #
December 10, 2024	December 10, 2025	900,000
December 10, 2024	December 10, 2026	200,000
November 18, 2025	November 18, 2026	850,000
		1,950,000

Details of the outstanding warrants as at the date of this MD&A:

Expiry Date	Weighted Exercise Price $	Number of Warrants Outstanding #
June 26, 2027	0.22	276,709
March 26, 2029	0.14	5,770,000
March 31, 2029	0.14	3,169,000
April 24, 2029	0.14	4,060,000
May 13, 2029	0.14	3,330,000
	0.14	16,605,709

Controls and Procedures

Disclosure controls and procedures (‘DC&P’) are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting (‘ICFR’) are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with IFRS.

TSX Venture listed companies are not required to provide representations in filings relating to the establishment and maintenance of DC&P and ICFR, as defined in Multinational Instrument MI 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with the issuer’s GAAP. The issuer’s certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in MI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Forward-Looking Statements

All statements made in this MD&A, other than statements of historical facts, are forward-looking statements. The Company’s actual results may differ significantly from those anticipated in the forward-looking statements and readers are cautioned not to place undue reliance on these forward-looking statements. Except as required by securities regulations, the Company undertakes no obligation to publicly release the results of any revisions to forward-looking statements that may be made to reflect events or circumstances after the date of this MD&A or to reflect the occurrence of unanticipated events. Forward-looking statements include, but are not limited to, statements with respect to the development of products, sales growth and global expansion, projected future sales in connection with new customer agreements, the impact of the Company's products and services on customers and marketplaces, future financial or operating performance of the Company, the ability to capitalize on future opportunities and estimates regarding the size and scope of target markets and their potential for growth.

In certain cases, forward-looking statements can be identified by the use of words such as “aims”, “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “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”, “might” or “will be taken”, “occur” or “be achieved”. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to the integration of acquisitions; future costs of materials and labor; speed of technology adoption in target markets and emergence of competing technologies, and other risks of the printed electronics and technology industries; and delays in obtaining financing.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Critical Judgments and Accounting Estimates

When preparing the Financial Statements in conformity with IFRS, management undertakes a number of judgments, estimates and assumptions about the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

Significant areas of judgments and estimation uncertainty considered by management in preparing the Financial Statements are as follows:

Accounting Estimates

a. The amounts measured related to fair values of stock options issued are based on estimate of expected forfeiture rates, expected lives of the options and expected dividends.

b. Depreciation of tangible and intangible assets is dependent upon estimates of useful lives, which are determined through the exercise of estimates. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

Critical Judgements

a. At the end of each reporting period, the Company reviews the carrying amounts of its long-lived assets consisting of fixed assets and intangible assets, to determine whether there is any indication that the carrying amount is not recoverable. The determination of whether any such indication exists requires significant management judgment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When an individual asset does not generate independent cash flows, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

b. Goodwill is tested for impairment annually. This annual assessment requires management judgement in determining the recoverable amount of the Company.

Risks and Uncertainties

The Company is subject to a number of risks and uncertainties due to the nature of its business. The Company's activities expose the Company to various operational and financial risks that could have a significant impact on its level of operating cash flows in the future. Readers are advised to study and consider risk factors stressed below. The following are identified as main risk factors that could cause actual results to differ materially from those stated in any forward-looking statements made by, or on behalf of, the Company.

Global Uncertainties and Economic Risks

The Company's business, financial condition, and results of operations may be negatively affected by geopolitical instability and ongoing conflicts in Ukraine and the Middle East. These events have contributed to global economic uncertainty, supply chain disruptions, volatility in commodity and energy prices, and disruptions to international trade routes. Fluctuations in oil and energy prices may increase the Company's operating costs directly or indirectly through supplier cost increases and broader inflationary pressure. Changes in trade policy, including the imposition or escalation of tariffs, may increase costs, disrupt supply chains, and affect the Company's competitive position. While direct impacts to the Company's business may be limited, the indirect effects on global capital markets, credit availability, inflation, and general economic conditions could negatively affect the business and may make it more difficult to raise equity or debt financing. There can be no assurance that the Company will not be materially impacted by adverse consequences that may be brought about on its business, results of operations, financial position and cash flow in the future.

Global Semiconductor Shortage

The 2020/2021 semiconductor shortage has highlighted the need for adjustments in capacity and sourcing patterns between automakers, tier-1 suppliers, semiconductor suppliers, and their foundries. The Company's contract manufacturing partners and the Company's customers rely on a supply of semiconductor chips for a wide range of functional electronic and display needs. While the impact across all electronics sector production is already significant, the situation remains fluid and the Company's contract manufacturing partners and customers are tracking this situation on an ongoing basis.

Operational Risks

The Company is subject to operational risk from such factors as personnel and/or environmental accidents at production facilities; fire; patent disputes; changes in supplier pricing; non-performance of obligations under existing agreements; technical difficulties including plant and equipment breakdown; loss of significant customers; problems with product transportation and logistics; legal action from persons or entities adversely impacted by the Company's business; and the ability to obtain financing to maintain operations.

The Company's production process relies on silver ink as a key raw material, the price of which is directly linked to the market price of silver. Silver prices are subject to significant volatility driven by global commodity markets, industrial demand, and macroeconomic conditions. Sustained increases in the price of silver could materially increase the Company's production costs and, if the Company is unable to pass these costs on to customers, could adversely affect its margins and financial results.

Customer Demand

The Company is subject to risk from cyclic customer demand for its services and products. Global, regional and seasonal economic, political and military events including recessions and wars; competition including pricing and availability of similar products from competitors; changes in technology; and changes in laws and regulations affecting the Company's customers.

Governmental Regulation

Regulatory standards continue to change, making the review process longer, more complex and therefore more expensive. Electrochromic display production on the Company's facilities is affected by government regulations relating to such matters as environmental protection, health, safety and labour, restrictions on production, price control, and tax increases. There is no assurance that future changes in such regulations couldn't result in additional expenses and capital expenditures, decreasing availability of capital, increased competition, reserve uncertainty, title risks, and delays in operations. The Company relies on the expertise and commitment of its management team, advisors, employees and contractors to ensure compliance with current laws.

Financial Risks

The Company is exposed to financial risks arising from its financial assets and liabilities. The Company manages its exposure to financial risks by operating in a manner that minimizes its exposure to the extent practical. There were no significant changes in the Company's exposure to financial risks or in the manner in which it manages and measures those risks during the three months ended March 31, 2026 compared to the prior period. The main financial risks affecting the Company are:

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is exposed to minimal credit risk. The credit risk on cash is low because the counterparties are highly rated banks.

Cash and amounts receivable are subject to the impairment requirements of IFRS 9 *Financial Instruments* however, impairment was not identified. The carrying amount of cash, amounts receivable and deposits represents the maximum credit exposure.

For the three months ended March 31, 2026, the Company had sales to three major customers representing approximately 99% of total sales (2025 – 94%). Approximately 52% of sales were to the first major customer, 28% to the second major customer, and 19% to the third major customer (2025 – 53%, 31%, and 10%, respectively). As at March 31, 2026, approximately 0% of outstanding accounts receivable was owing from the first major customer, 21% from the second major customer, and 13% from the third major customer (December 31, 2025 - 37% of outstanding accounts receivable was owing from the first major customer at that time, 5% from the second major customer, and 0% from the third major customer).

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company ensures that it has sufficient capital to meet short term financial obligations after taking into account its cash on hand. As at March 31, 2026, the Company held cash and amounts receivable of $834,446 (December 31, 2025 - $721,572) and had current liabilities of $1,282,989 (December 31, 2025 - $1,012,521), which fall due for payment within 12 months of the consolidated statement of financial position. Liquidity risk is assessed as high.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises: currency risk, interest rate risk and other price risk. The Company's management of market risk has not changed materially from that of the prior year and the Company's financial instruments aren't subject to other price risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash is exposed to minimal interest rate risk as the Company invests cash at floating rates of interest in highly liquid instruments, when applicable.

Currency Risk

Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company's functional currency is the Canadian dollar. The Company funds the operations of YD Ynvisible, S.A. in Portugal, Ynvisible GmbH in Germany, and Ynvisible Production AB in Sweden by using Euros and Swedish krona, respectively, converted from its Canadian dollar bank accounts. Based on the Company's Euro and Swedish krona denominated financial instruments at March 31, 2026, a 10% change in exchange rates between the Canadian dollar and the Euro and Swedish krona would result in an approximately $23,000 and $6,000, respectively, change in foreign exchange loss.

Other MD&A Requirements

This MD&A is intended to assist the reader's understanding of Ynvisible and its operations, business, strategies, performance and future outlook from the perspective of management.

This MD&A may contain management estimates of anticipated future trends, activities, or results; these are not a guarantee of future performance, since actual results may vary based on factors and variables outside of management's control. Management is responsible for the preparation and integrity of the Financial Statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the Financial Statements and MD&A, is complete and reliable. Ynvisible's Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Board's Audit Committee meets with management to review the financial statement results, including the MD&A, and to discuss other financial, operating and internal control matters. The Audit Committee is free to meet with the independent auditors at any time.

Approval

A copy of this MD&A will be provided to anyone who requests it and can be located, along with additional information, on the SEDAR+ website at www.sedarplus.ca including, but not limited to:

- the Company's condensed interim consolidated financial statements for the three months ended March 31, 2026 and 2025; and
- the Company's audited consolidated financial statements for the years ended December 31, 2025 and 2024.

The Board of Directors of Ynvisible has approved the disclosure contained in this MD&A as of the date of this report.