

POND TECHNOLOGIES HOLDINGS INC.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2025**



Dated April 30, 2026

Pond Technologies Holdings Inc.

Management's Discussion and Analysis

For the Year Ended December 31, 2025

All amounts are in Canadian dollars in thousands, except share and per share amounts where specified.

Introduction

This Management's Discussion and Analysis ("MD&A") of financial condition and results of operations of Pond Technologies Holdings Inc. ("Pond" or the "Company") constitutes management's review of the Company's financial and operating performance for the year ended December 31, 2025, financial condition and future prospects. Except as otherwise noted, this MD&A is dated April 30, 2026 and should be read in conjunction with the audited consolidated financial statements of Pond Technologies Holdings Inc. for the year ended December 31, 2025 and 2024, along with the related notes thereto (the "Financial Statements").

Pond is incorporated under the *Business Company Act* of Alberta. As of February 6, 2018, the Company's shares began trading on the TSX Venture Exchange ("TSXV") under the new trading symbol "POND." As of January 29, 2020 the Company's shares began trading on the OTC market under the trading symbol "PNDH."

As of October 28, 2025, Pond's shares have been halted further to its announcement that it has entered into a Letter of Intent ("LOI") with Find Familiar Spirits, LLC ("FFS") to purchase the outstanding share of FFS. As of April 24, 2026, that LOI was mutually terminated.

On April 27, 2026, the Company entered into an LOI with UraniumX Discovery Corp. ("UraniumX") trading on the Canadian Securities Exchange (CSE: STMN). UraniumX is a company incorporated in British Columbia with its head office in Vancouver, British Columbia. Pursuant to the LOI, the Company will have an option to acquire a 100% interest in the Zoo Bay Mineral Property (the "Property"), located in the Athabasca Basin in Saskatchewan (the "Transaction"). In connection with the Transaction, the Company intends to complete a non-brokered private placement to raise gross proceeds of up to \$1,000,000 (the "Concurrent Financing"). The LOI is to be superseded by a definitive agreement (the "Definitive Agreement") to be signed in due course and subject to TSX Venture Exchange approval.

As part of the Transaction, Pond's subsidiaries will be spun out into a privately held company, and UraniumX will assume management and control of the existing public entity through a reverse takeover transaction.

This MD&A is prepared as at April 30, 2026 and is current to that date unless otherwise stated. The financial statements of the Company and extracts of those financial statements provided within this MD&A have been prepared in Canadian dollars and in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, (the "Board") considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Pond common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity. Further information about the Company and its operations is available on Pond's website at www.pondtech.com or on the System for Electronic Documents Analysis and Retrieval ("SEDAR+") at www.sedarplus.ca.

Description of Business

The Company is commercializing its patent protected algae growing platform, which converts carbon dioxide (CO₂) into algal-based commercial products. Its algae growing platform converts CO₂ found in the untreated stack gas of industrial emitters or treated food-grade CO₂ from suppliers into nutraceutical products, food additives, and animal feed ingredients. In over ten years of research and development, Pond has developed a robust disruptive technology platform based on control systems, proprietary LED-lights, and patented CO₂ management. Pond has begun to license its technology to third parties for ongoing license fees and royalties as well as selling its proprietary equipment.

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The Company's focus is on a commercial plant producing for the high demand natural food colours market. These high value algae-based products allow Pond to commercialize its technology at a smaller scale, helping to reduce some of the risk associated with scaling as it looks to commercialize the adoption of its integrated proprietary algae growth platform.

December 31, 2025 Highlights

- **Decrease in Operating Loss** – The operating loss of \$300 (2024 - \$423) was lower than the previous year.
- **Decrease in Net Loss** – The net loss of \$2,759 (2024 - \$3,688) was lower than the previous year. This included the net loss from the discontinued operations of \$2,247 (2024--\$3,100) as compared to the comparative period. Sales revenue from the discontinued operations remained the same as the previous year at \$2,186 (2024 - \$2,186).

Outlook and Strategy

Pond is a publicly traded company which is able to produce microalgae in a scalable way. This contrasts with incumbent technologies like open ponds that require massive land and water inputs that make scaling production difficult.

Pond is recognized as a world leader in the development of its proprietary technology and related systems to optimize algae growth in controlled and scalable environments.

Pond believes that the multi-billion-dollar sustainable nutraceutical, functional food, and animal feed markets are all ready for an algae-based supply boom. These industries have been researching the uses of algae for decades, but few technologies can scale production. A scalable algae production technology would enable these industries to expand their nutraceutical and sustainable food and feed offerings, resulting in a paradigm shift similar to the transformational changes that we see in renewable energies today. Pond believes it provides the disruptive, scalable platform technology that will support rapid market expansion. Pond's aim is to become the largest supplier of algae-growing technology in the world.

Adoption of Pond's Technology - The Company's research and development work has positioned the Company to be able to deploy its technology on a commercial basis. Pond is in discussions with commercial feed and ingredient producers and processors to both purchase algae-ingredients and/or its technology to grow microalgae. Pond has also completed initial engineering work on a commercial facility to be built in Canada. If successful, this would result in the sale and adoption of commercial size Pond bioreactors and related technology. Pond will have working capital requirements arising from the commercial sale of its technology, and the amount of working capital required will depend on the type and terms of any contract agreed to with a customer.

Proprietary Technology - Pond's algae growth platform, based upon enclosed, controlled, and monitored photobioreactors, may provide a significant competitive advantage, and allow the Company to compete effectively on quality, consistency of supply, and price. Pond's strategy is to demonstrate its technological advantage, with its lighting-illumination, and sensor-based control technology, as well as its know-how and experience in growing multiple algae species. Pond continues to approach businesses with a view toward adopting and licensing its technology.

Technology Developments

Investors, shareholders and ESG solution seeking companies and individuals regularly request information and a better understanding of the products Pond's businesses have developed, as well as significant technology developments. This section has been prepared to help with the understanding of the ever-evolving Pond growth platform technology.

During 2025 and to date, Pond continues to work on and evolve its commercial "Black Box" system, which receives data from the many sensors required to assist with achieving optimal real-time algae growth results and continuous harvest. This product has been installed on Pond's photobioreactors to enable biologists to make and control growth decisions using real-time data, improving algae productivity while reducing input costs.

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Pond worked with an independent engineering group in 2024 and 2025 to develop a feasibility study around a commercial spirulina/phycoerythrin extraction plant utilizing the information developed in 2023 around phycoerythrin extraction. The work on extraction continued throughout 2024. Future work will involve taking the lab scale results and scaling the process for commercial spirulina powder and phycoerythrin plant. The initial engineering work for the commercial deployment of our technology in a nutraceutical and food colouring plant has been completed.

Pond Technology ("Pond Tech")

Pond Tech is at the heart of the Company's algae growth platform technology. Pond Tech is engaged in ongoing research, development and the sale of its algae and algae growth technology. Pond Tech also holds 41 technology patents and can issue licenses for access to our technology, as well as providing consulting and engineering support services for project development.

Pond continues to optimize species-specific algae growth protocols for its first commercial plant.

Pond Naturals – Ingredients and the Regenurex Brand

Ingredients

Pond Ingredients experienced a significant decrease in revenue in 2024 due to the expiry of a long-term supplier contract in the Pond Naturals division and a resulting contraction of sales. With the addition of new suppliers and partnerships with contract manufacturers, throughout 2025 we continued to find new suppliers and customers to fill out our Company's offerings. With the global trend towards the adoption of natural colours and natural extracts, and our knowledge of contacts and expertise in the supply side of these ingredients, we believe we are well positioned to significantly increase sales of these products in the food, beverage, wellness and nutraceutical industries.

Regenurex Brand

Regenurex continued to experience significant expansion in its softgel production capacity, leveraging the scaled production achieved in 2022 to 2024 to generate high-margin nutraceuticals for sale. This strategic expansion allowed us to effectively address the escalating market demand for algae-based products across various sectors. Moreover, we successfully broadened our product portfolio, introducing pioneering algae-derived solutions tailored to a wide array of industries including nutraceuticals, food, and beverage. This strategic diversification has not only bolstered our market positioning but also mitigated our commercial risk. On September 1, 2025, Pond launched its Regenurex brand of Spirulina to the B.C. market, increasing its online presence and broadening its market outreach.

In terms of financial performance, the Regenurex brand continued robust revenue growth in 2025. This growth was propelled by our concerted efforts to increase wholesale and online sales volumes, expand our product offerings, and intensify our market presence. Our dynamic pricing strategies and customer-centric approach played pivotal roles in optimizing revenue streams both online and offline. Furthermore, we implemented stringent cost control measures aimed at enhancing operational efficiency and maximizing profitability. Our strategic initiatives encompassed procurement, production optimization, cost of goods reduction, and overhead management, resulting in the enhancement of our cost structures and expansion of margins.

Looking ahead, the algae market continues to exhibit vigorous growth driven by heightened consumer awareness regarding the sustainability and health benefits of algae-derived products. The evolving regulatory landscape and shifting consumer preferences present ample opportunities for innovation and market expansion. In line with this, the Regenurex brand remains steadfast in its commitment to maintaining our Food Safe GMP facility, with a successful GMP audit upholding the renowned standard of quality that defines our brand. This commitment underscores our dedication to delivering premium products while ensuring consumer safety and satisfaction.

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Overview of Financial Results

Financial results (\$000s except per share amounts)	For the year ended	
	December 31 2025	December 31 2024
Revenue	\$ 2,186	\$ 2,186
Net loss and comprehensive loss from continuing operations	\$ (497)	\$ (588)
Net loss and comprehensive loss from discontinued operations	\$ (2,248)	\$ (3,100)
Net loss and comprehensive loss	\$ (2,745)	\$ (3,688)
Net loss per share	\$ (0.03)	\$ (0.05)

Selected Quarterly Information

Basic loss per share is calculated by dividing the net loss by the weighted average number of shares issued and outstanding during the period.

Summary of Quarterly Results

Financial results (\$000s except per share amounts)	Dec 31 2025	Sep 30 2025	Jun 30 2025	Mar 31 2025	Dec 31 2024	Sep 30 2024	Jun 30 2024	Mar 31 2024
Revenue (from discontinued operations)	\$ 579	\$ 565	\$ 630	\$ 412	\$ 598	\$ 362	\$ 738	\$ 488
Net loss and comprehensive loss	\$ (632)	\$ (630)	\$ (729)	\$ (768)	\$ (1,125)	\$ (883)	\$ (824)	\$ (856)
Net loss per share	\$ -	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.02)	\$ (0.01)	\$ (0.01)	\$ (0.01)
Cash used by operating activities	\$ (40)	\$ (183)	\$ (370)	\$ (608)	\$ (503)	\$ (421)	\$ (674)	\$ (485)
Capital expenditures and patents	\$ -	\$ -	\$ -	\$ -	\$ (8)	\$ -	\$ -	\$ -
Working capital	\$ (11,232)	\$ (9,845)	\$ (9,295)	\$ (8,736)	\$ (8,805)	\$ (9,480)	\$ (8,683)	\$ (7,961)

Discussion of Operations

Net loss for the three months ended December 31, 2025

During the quarter, revenues (from discontinued operations) increased to \$579 (2024 - \$362), the operating loss decreased to \$563 (2024 - \$618), and finance expenses increased to \$347 (2024 - \$243) given the increased amount of debt. There was also a gain on settlement of debt in this quarter of \$278 (2024 - \$Nil). The overall result was a decrease in the net operating loss for the quarter of \$632 (2024 - \$883). The decrease in operating loss and net loss as compared to the comparative period reflects management's efforts to reduce costs.

Net loss for the year ended December 31, 2025

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During the year ended December 31, 2025, revenues (from discontinued operations) remained the same at \$2,186 (2024 - \$2,186), the operating loss decreased to \$1,887 (2024 - \$2,977), and finance expenses increased to \$1,180 (2024 - \$905) given the increased amount of debt. There was also a gain on termination of a lease of \$46 (2024 - \$Nil) along with an increase in the gain on settlement of debt of \$187 (202 - \$10). The overall result was a decrease in the net operating loss for the year ended of \$2,759 (2024 - \$3,689). The decrease in operating loss and net loss as compared to the comparative period reflects management's efforts to reduce costs.

Liquidity and Capital Resources

For the year ended December 31, 2025, the cash balance increased to \$229 (2024 - \$22). This was a result of net cash used in operations for the year ended of \$2,597 (2024 - \$1,992) and net cash inflows of \$1,396 (2024 - \$8) with \$1,430 (2024 - \$1,938) received in advances.

Pond had a working capital deficiency at December 31, 2025 of \$11,232 (2024 - \$8,804).

Commitments and Contingencies

Loans and Temporary Advances

At December 31, 2025, \$8,879 (2024 - \$4,390) of the Company's loan obligations were current and due within one year and \$Nil (2024 - \$Nil) was non-current.

Convertible Debenture

At December 31, 2025, the Company's convertible debenture balance to GV was \$1,848 (2024 - \$1,766). The convertible debenture was amended on November 15, 2021 to mature on November 15, 2024 and then extended to November 15, 2025 under the same terms. The convertible debenture bears interest at 12%, payable quarterly and principal repayments of \$10 per month for the first twelve months followed by \$20 per month after twelve months and increasing to \$30 per month after twenty-four months. The Company has made no principal repayments since 2022. The convertible debenture is now due on demand pursuant to a demand letter.

Leases

The Company entered into two premise leases with total lease payments of \$108 (2024 - \$132) for the year ended December 31, 2025. One of the leases contained renewal options and the Company included those renewal options on the measurement of lease obligations when it was reasonably certain that the Company would exercise the renewal option. Effective September 1, 2025, the Company cancelled the lease with renewal options and recorded a gain on termination of the lease of \$46. The Company entered into a six-month lease with the landlord which is treated as an operating lease for \$8 per month for the first two months and then \$7 for the remainder of the term. Future undiscounted lease payments are approximately \$6 (2024 - \$365) for 1 month (2024 - 4 years).

Contingencies

The Company is contingently liable with respect to litigation claims and environmental matters that may arise from time to time, including those that could result in mandatory damages or other relief, which could result in significant expenditures. While the outcome of these matters cannot be predicted with certainty, in the opinion of management, any liability that may arise from such contingencies would not have a material adverse effect on the financial position or results of operations of the Company. Any expected settlement of claims in excess of amounts recorded will be charged to operations as and when such determination is made.

Litigation and Potential Arbitration

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Concurrent with the closing of the Company's reverse take-over business combination with Pond Technologies Inc., the Company assigned all its rights and interest in all claims made by the Company in the existing litigation with Sinopec to Grizzly Resources Inc ("Grizzly"). Grizzly assumed the rights and interest and indemnified the Company from and against all of the Company's liabilities in respect of the claim made by Sinopec in the Sinopec litigation and all future costs associated therewith.

On October 18, 2022, Synergraze Inc. an Alberta company filed a Statement of Claim against the Company alleging a breach of a Mutual Confidentiality, Non-Disclosure and Non-Circumvention Agreement ("Agreement") signed on August 18, 2021. The Company has filed a Defense stating it has complied with the spirit of the Intent of the Agreement and Synergraze Inc. has not suffered any damages. The Company has also filed a Counter Claim alleging a breach of contract and breach of duty of confidence, and conversion by Synergraze Inc. The term of the Agreement expired on August 18, 2024.

On September 7, 2021, the Company entered into two contracts with AB Agri, a subsidiary of Associated British Foods (LSE:ABF) for the commercialization of algae-based animal feed ingredients from CO2 emissions. One agreement was an Engineering, Procurement and Supply Agreement ("EPC") where AB Agri agreed to purchase a pilot algae demonstration system from the Company to be installed in the UK for approximately \$2,900 and the second agreement was a Collaboration and Licence Agreement to access the Company's technology where the Company received an initial fee of GBP 500 for signing the agreements.

The EPC Agreement was terminated on July 10, 2023 and the Company entered into good faith negotiations to try and settle all disputed amounts owed to or from the Company arising from the termination of the Agreement. The Collaboration and Licence Agreement was formally cancelled by AB Agri on February 12, 2025. Due to the cancellation of the Collaboration and Licence Agreement and the amount of time which has passed without further communication between the parties on the EPC Agreement, Pond has booked all historical cash receipts and expenses incurred and relating to these agreements as a net gain on termination of \$974 to other income at December 31, 2025.

Outstanding Share Data

As at the date of this MD&A the Company had the following number of common shares and share related securities outstanding:

Securities	
Common shares	85,592,225
Warrants	20,000,000
Issuable under share options	100,000
Issuable under restricted share unit plan	2,000,000
Issuable under deferred share unit plan to directors	1,030,144

As of the date of this MD&A the Company has 85,592,225 common shares outstanding.

The Company has 20,000,000 warrants outstanding at an exercise price of \$0.05 per share that expire on June 1, 2028.

There are 100,000 stock options all of which are exercisable at a weighted average price of \$0.40 per share that expire on November 15, 2026.

There are 2,000,000 shares reserved for issuance on settlement of RSUs which vested on March 3, 2026 at \$0.01 per share.

There are 1,030,144 shares reserved for issuance on settlement of DSUs issued to directors at \$0.50 per share.

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Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include key management personnel and may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between the Company and a related party regardless of whether a price is charged.

The Company enters into related party transactions with key management personnel including Directors. Details of related party transactions and year end balances are as follows:

Key management personnel include those individuals that have authority and responsibility for planning, directing, and controlling the activities of the Company as a whole.

	December 31 2025	December 31 2024
<i>Transactions during the year</i>		
Debtenture effective interest (Note 7)	\$ 300	\$ 349
Gain on modification of convertible debenture (Note 7)	\$ -	\$ 94
<i>Balances at year end</i>		
Convertible debenture (Note 7)	\$ 1,848	\$ 1,766
Director fees payable	\$ 80	\$ 80
Accounts payable and accrued liabilities	\$ 835	\$ 528

Key management compensation is comprised of:

	December 31 2025	December 31 2024
Accounting fees	\$ 79	\$ -
Share-based compensation	16	81
	\$ 95	\$ 81

Recent Developments

Directors

On September 30, 2024, at the Company's Annual and Special Meeting of Shareholders, Robert McLeese, Grant Smith, William Asselstine and John M Farah Jr. were re-elected as directors and Harold James Blake and John M Duncanson were elected as directors. Harold James Blake resigned as a director of Pond effective October 22, 2025.

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Common Shares Issued

On March 28, 2025, 7,500,000 common shares were issued at \$0.01 per share for a total of \$75,000 to reduce debt. 3,000,000 of these shares were issued to each of the Chief Executive Officer and Chief Operating Officer.

Share Options

On April 29, 2025, 105,000 share options expired with an exercise price of \$0.25 per share.

On December 9, 2025, 300,000 share options expired with an exercise price of \$0.26 per share.

RSU Transactions

On March 3, 2025, 2,000,000 RSUs were granted to executives at \$0.01 per share that vest 100% on March 3, 2026.

Loans Payable

During the year ended December 31, 2025, the Company received further advances totaling \$2,024 from Colmac. The short-term advances incur an interest rate of 15% with one for \$753,000 at 8.25% and all funds are secured by Pond Technologies Inc. assets. The total loans payable to Colmac at December 31, 2025 is \$6,349 (2024 - \$4,325).

On June 1, 2025, the Company issued a Promissory Note to Colmac for advances in the aggregate amount of \$815 to be advanced in several tranches. The advances bear interest at 15% per annum, calculated monthly and payable in arrears and on the date of any prepayment or repayment of the principal amount. The full amount is due on June 1, 2028. The lender was also granted 20,000,000 common share purchase warrants with such warrants having an exercise price of \$0.05 per share and expiring on June 1, 2028 with such warrants being issued proportionate to the dollar amount of the loan advanced from time to time. All 20,000,000 warrants have been issued to the lender.

On October 16, 2025, the Company issued a Promissory Note to Colmac. Colmac advanced \$300,000 on October 16, 2025; \$148,000 on October 28, 2025; \$157,000 on November 26, 2025; and \$148,000 on December 29, 2025 to the Company at 8.25% per annum, due on demand, and secured by assets of the Company.

During the year ended December 31, 2025, the Company issued a direction to an executive for unpaid wages in the amount of \$11. The amount accrues interest at 8% per annum, compounded monthly, and due on the earlier of: of any strategic transaction entered into by the Company and December 31, 2025.

Debt Settlement

On October 27, 2025, the Company signed a Debt Settlement with three specific vendors that totaled \$333 for \$171 upon the payment of cash and included a release of full debt at that time. The Company also wrote off old accounts payable totaling \$16.

Proposed Reverse Takeover Transaction

On October 27, 2025, the Company entered into a non-binding letter of intent (the "LOI") with U.S.-based company Find Familiar Spirits, LLC ("FFS") pursuant to which the Company intended to acquire all of the issued and outstanding securities of FFS in exchange for common shares of the Company in accordance with an Exchange Ratio, as defined in the agreement for the "Proposed Transaction". As of April 24, 2026, that LOI was mutually terminated.

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On April 27, 2026, the Company entered into an LOI with UraniumX Discovery Corp. ("UraniumX") trading on the Canadian Securities Exchange (CSE: STMN). UraniumX is a company incorporated in British Columbia with its head office in Vancouver, British Columbia. Pursuant to the LOI, the Company will have an option to acquire a 100% interest in the Zoo Bay Mineral Property (the "Property"), located in the Athabasca Basin in Saskatchewan (the "Transaction"). In connection with the Transaction, the Company intends to complete a non-brokered private placement to raise gross proceeds of up to \$1,000,000 (the "Concurrent Financing"). The LOI is to be superseded by a definitive agreement (the "Definitive Agreement") to be signed in due course and subject to TSX Venture Exchange approval. As part of the Transaction, Pond's subsidiaries will be spun out into a privately held company, and UraniumX will assume management and control of the existing public entity through a reverse takeover transaction.

Risk Factors

Many factors could cause the Company's actual results, performance and achievements to differ materially from those expressed or implied by the forward-looking statements and forward-looking information, including without limitation, the following factors.

1. The Company has yet to generate significant revenues from the licensing of its technology or sale of microalgal biomass products. Investments in research and development in the field of microalgal biomass production are necessary to develop the technology required to generate future revenues. While the Company is confident in its technology, it cannot know with complete certainty if or when any of its technologies will be commercialized;
2. The Company has a history of net losses, may incur significant net losses in the future and may not achieve or maintain profitability;
3. There can be no assurance that the Company will be able to establish additional collaboration agreements on favorable terms, if at all, or that current or future collaborative arrangements will be successful;
4. The production of algae involves complex aquaculture systems with inherent risks including disease and contamination, and should the algae growth system fail to grow algae, or should the algae fail to consume the greenhouse gas introduced to the system, then the abatement will fail. While the Company has taken what it believes to be reasonable steps to mitigate risks associated with its processes, certain factors may arise beyond the Company's control, therefore, the Company cannot, and does not attempt to, provide any form of assurance with regard to its systems, processes, or cost-effectiveness;
5. The Company will be highly dependent upon consumer perception of the safety and quality of its greenhouse gas abatement technology and algae products and the ingredients they contain, as well as that of similar systems and products developed and distributed by other companies;
6. The Company may fail to manage growth effectively;
7. Much of the Company's strategy is based on the belief that the application of its proprietary photobioreactors and control systems to use carbon dioxide in the production of bio-products for the markets it is addressing may result in the creation of commercially viable products or technical applications; however, there can be no assurance that such beliefs will prove to be correct or that there will be market acceptance of technology developed by the Company;
8. The market price for the common shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company's control;
9. The Company's operations will depend on continuous improvements in technology to meet customer demands in respect of performance and cost, and to explore additional business opportunities;
10. Commercial success will depend in part on obtaining and maintaining patent, confidential know-how/trade secret and trade-mark protection of the Company's technologies in Canada, the United States and other jurisdictions, as well as successfully enforcing this intellectual property and defending this intellectual property against third-party challenges;

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11. The Company may become party to litigation, mediation and/or arbitration from time to time in the ordinary course of business which could adversely affect its business;
12. The Company may not be able to develop sufficient manufacturing capacity to meet demand in an economical manner or at all;
13. There is potential that the Company will face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources and manufacturing and marketing experience than the Company;
14. The Company may engage in acquisitions or other strategic transactions or make investments that could result in significant changes or management disruption;
15. The Company could fail to integrate subsidiaries and other interests into the business of the Company;
16. The Company's production costs will be dependent on the costs of the energy sources used to run its production facilities. These costs are subject to fluctuations and variations in different locations where the Company may operate, and it may not be able to predict or control these costs;
17. The activities of the Company are subject to regulation by governmental authorities;
18. The Company's operations are subject to environmental and safety laws and regulations concerning, among other things, emissions and discharges to water, air and land, the handling and disposal of hazardous and non-hazardous materials and wastes, and employee health and safety;
19. The Company cannot be certain that it will be able to secure additional government grants or subsidies. Any existing grants or new grants that the Company may obtain may be terminated, modified or recovered by the granting governmental body under certain conditions;
20. The Company's ability to recruit and retain management, skilled labour and suppliers is crucial to the Company's success;
21. The Company has a limited operating history;
22. Completed acquisitions, strategic transactions, or investments could fail to increase shareholder value;
23. Certain of the directors and officers of the Company are also directors and officers of other companies, and conflicts of interest may arise between their duties as officers and directors of the Company and as officers and directors of such other companies.
24. There can be no assurance that an active and liquid market for the common shares will be maintained and an investor may find it difficult to resell any securities of the Company;
25. In the event that the Company issues convertible debt or equity securities to raise additional funds, its existing shareholders may experience dilution, and the new convertible debt or equity securities may have advantageous rights, preferences and privileges when compared to those of the Company's existing shareholders;
26. A substantial number of common shares are owned by a limited number of existing shareholders and as such these shareholders are in a position to exercise influence over matters requiring shareholder approval or cause delay or prevent a change in control of the Company that could otherwise be beneficial to the Company's shareholders;
27. The Company does not anticipate paying any dividends on the common shares in the foreseeable future; and

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28. The Company is exposed to risks associated with evolving international trade policies and the imposition of import and export tariffs. The recent implementation of significant new tariffs and increases to existing tariffs have impacted the Company's operations, financial condition, and cash flows. The Company has attempted to mitigate this impact through price adjustments; however, not all cost increases have been passed to customers. The ongoing uncertainty surrounding future tariff policies and potential retaliatory measures introduces significant estimation uncertainty. Management continues to monitor developments closely and will update disclosures as facts and circumstances evolve. The potential for future tariffs could further impact the Company's overall liquidity risk.

Critical Accounting Judgments, Estimates and Assumptions

Capital assets and intangibles

Management uses judgment to determine whether its process patents, distribution rights and capital equipment meet the asset recognition criteria and are eligible to be capitalized on the statements of financial position, as well as assessments of useful lives, amortization methods and rates, and impairment indicators.

Revenue recognition

The revenues for technology services are evaluated on a percentage of completion of customer contracts. Management's judgment for technology services is applied regarding the evaluation of multiple obligations within these arrangements to assess whether deliverables should be recognized as separate performance obligations for revenue recognition purposes and the percentage completed.

For contracts with customers that have been terminated management applies judgment in evaluating the measurable contract outcomes, obligations outstanding and amounts the Company is entitled to retain in assessing amounts to be recognized in profit or loss.

Revenue recognition in distribution arrangements

Determining whether the Company is acting as a principal or as an agent requires judgment and consideration of all relevant facts and circumstances. When deciding the most appropriate basis for presenting the revenue and related costs, both the legal form and substance of the agreement between the Company and its business partners are reviewed to determine each party's respective role in the transaction. Such judgments impact the amount of reported revenue and costs of revenue but do not impact reported assets, liabilities or net cash flows from operating activities. The Company has determined that it is acting as a principal in these arrangements with its current business partners.

Changes in Accounting Policies

New Standards Not Yet Adopted and interpretations issued but not yet effective

IFRS 18 Presentation and Disclosure in the Financial Statements

On April 9, 2024, the IASB issued IFRS 18 "Presentation and Disclosure in the Financial Statements" ("IFRS 18") replacing IAS 1. IFRS 18 introduces categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures, and requirements to improve the aggregation and disaggregation of information in the financial statements. As a result of IFRS 18, amendments to IAS 7 "Statements of Cash Flows" ("IAS 7") were also issued to require that entities use the operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities and to remove presentation alternatives for interest and dividends paid and received. Similarly, amendments to IAS 33 "Earnings per Share" were issued to permit disclosure of additional earnings per share figures using any other component of the statement of profit or loss, provided the numerator is a total or subtotal defined under IFRS 18. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and is to be applied retrospectively, with early adoption permitted. The Company is currently assessing the impact of the standard on its consolidated financial statements.

Caution Regarding Forward-looking Statements

Certain statements in this MD&A that are not current or historical factual information may constitute "forward-looking" statements within the meaning of applicable securities laws, regarding, among other things, the beliefs, plans, objectives, strategies, estimates, intentions or expectations of the Company, including as they relate to its financial results and the ability to execute on its investing and business strategies. Inherent in these forward-looking statements are 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 such forward-looking statements. Such statements can often be identified by the use of words such as "may", "will", "expect", "believe", "plan", "intend", "anticipate", "estimate" and other similar terminology. These statements reflect current expectations regarding future events and performance and speak only as of the date of this MD&A.

Similarly, statements contained in, but not limited to, the sections titled "Outlook and Strategy", & Technology Development", "Liquidity and Capital Resources" and "Commitments and Contingencies" of this MD&A, including those with respect to the implementation of the Company's business strategy, the development of the nutraceutical algae production, the development of the biotechnology and technology services business and expectations concerning the Company's financial condition, results of operations, business, assets, prices, foreign exchange rates, earnings, market conditions, capital expenditures, risks, availability of regulatory approvals, corporate objectives and plans or goals, are or may be forward-looking statements. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including, but not limited to, the factors discussed under "Risk Factors". Although the forward-looking statements contained in this MD&A are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure readers that actual results will be consistent with these forward-looking statements.

Investors and others should carefully consider risk factors including, without limitation, those set out under the heading "Risk Factors", and not place undue reliance on forward-looking statements. The Company anticipates that subsequent events and circumstances may cause the Company's views to change. Forward-looking statements are made as of the date of this MD&A and the Company assumes no obligation to update or revise any forward-looking statements to reflect new events or circumstances, except as required by law.

Additional Information

Additional Information concerning the Company is available on SEDAR+ at www.sedarplus.ca under the Company's profile.