



TEMPUS CAPITAL INC.

Management's Discussion and Analysis

For the Three Months Ended March 31, 2026

Introduction

This Management Discussion and Analysis (“MD&A”) of the financial position and results of operations for Tempus Capital Inc. (“Tempus” or the “Company”) is intended to provide readers with an assessment of performance and summarize the results of operations and financial position for the period ended March 31, 2026. It should be read in conjunction with the Company’s consolidated financial statements for the period ended March 31, 2026 including all notes, risk factors and information contained therein.

Additional information relating to the Company and its operations is available on SEDAR at www.sedar.com.

All amounts are in Canadian dollars unless otherwise noted. Historical results and percentages contained in the Company’s interim and annual consolidated financial statements and MD&A, including trends which might appear, should not be taken as indicative of its future operations. The information contained in this MD&A is based on information available to Management and is dated as of June 1, 2026.

Tempus was incorporated under the Ontario Business Corporations Act on February 16, 2011. The Company is a reporting issuer in Ontario, British Columbia and Alberta and its shares are listed on the Canadian Securities Exchange under the trading symbol TEMP.

Forward-Looking Statement Advisory

Certain information regarding the Company within Management’s Discussion and Analysis (“MD&A”) may include “forward-looking statements” within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical facts, included in this MD&A that address activities, events or developments that the Company expects or anticipates will or may occur in the future, including such thing as future business strategy, goals, expansion and growth of the Company’s business, plans and other such matters are forward-looking statements. When used in this MD&A the words “estimate”, “plan”, “anticipate”, “expect”, “intend”, “believe” and similar expressions are intended to identify forward-looking statements. Such statements by their nature involve certain risks and uncertainties that could cause actual results to differ materially from those contemplated by such statements. The Company considers the assumptions on which these forward-looking statements are based to be reasonable at the time they were prepared but cautions the reader that these assumptions regarding future events, many of which are beyond the control of management, may ultimately prove to be incorrect. The reader should not rely solely on these forward-looking statements.

Factors that could cause actual results or events to differ materially from those expressed, implied or projected by forward-looking statements, in addition to those factors referenced above, include, but are not limited to: general economic conditions; real property ownership; the availability of new competitive supply of retail properties which may become available either through construction, lease or sublease; Tempus Capital’s ability to maintain occupancy and to lease or re-lease space at current or anticipated rents; repayment of indebtedness and the availability of debt and equity financing; changes in interest rates and credit spreads; changes to credit ratings; tenant financial difficulties, defaults and bankruptcies; the relative illiquidity of real property; unexpected costs or liabilities related to acquisitions, development and construction; increases in operating costs and property taxes; changes in governmental regulation; environmental liability and compliance costs; residential development, sales and leasing; unexpected costs or liabilities related to dispositions; challenges associated with the integration of acquisitions into the Company; uninsured losses and Tempus Capital’s ability to obtain insurance coverage at a reasonable cost; compliance with financial covenants; risks in joint ventures;

matters associated with significant shareholders; geographic concentration of assets; investments subject to credit and market risk; and loss of key personnel.

Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, a forward-looking statement speaks only as of the date on which such statement is made. Tempus undertakes no obligation to publicly update any such statement or to reflect new information or the occurrence of future events or circumstances except as required by applicable securities law.

All forward-looking statements in this MD&A are made as of May 28, 2026 and are qualified by these cautionary statements.

Business Overview

Tempus, based in Burlington, Ontario, is a real estate operating company. Tempus's real estate portfolio currently consists of two properties in Ontario, a mixed commercial/residential property acquired in December 2014, and a mixed commercial/residential property acquired in September 2017.

Overall Performance

The Company experienced a revenue decrease of approximately 7% over the same period in 2024. The increase is a result of one vacancy experienced by its investment properties during the period. As of the date of this MD&A all of the Company's properties have one vacancy.

Selected Quarterly Financial Information

	Mar 31, 2026		Dec 31, 2025		Sept 30, 2025		June 30, 2025	
Total assets	\$	5,837,063	\$	5,768,001	\$	6,120,862	\$	6,186,276
Working capital	\$	(3,590,704)	\$	(3,520,148)	\$	20,879	\$	(176,484)
Net income (loss)	\$	(58,078)	\$	(158,087)	\$	15,386	\$	(62,083)
Net income per share	\$	(0.00)	\$	(0.01)	\$	0.00	\$	(0.00)

	Mar 31, 2025		Dec 31, 2024		Sept 30, 2024		June 30, 2024	
Total assets	\$	6,293,421	\$	6,048,726	\$	5,981,736	\$	5,978,755
Working capital	\$	(102,407)	\$	(3,457,891)	\$	(3,370,148)	\$	(3,262,775)
Net income (loss)	\$	(100,019)	\$	(66,451)	\$	(155,961)	\$	(28,459)
Net income per share	\$	(0.00)	\$	(0.00)	\$	(0.01)	\$	(0.00)

Results of Operations

Period ended March 31, 2026

Revenue increased from \$116,527 in 2025 to \$125,297 in 2026 reflecting one rental vacancy during the period at the properties in London, Ontario.

Property operating costs decreased in amount compared to the prior year both in absolute amount and as a percentage of revenue, from \$76,643 (65.8%) in 2025 to \$59,278 (47.3%) in 2025. The decrease is a result of lower repairs and maintenance costs for the two remaining investment properties.

Interest expense includes \$55,121 paid with respect to mortgages, \$2,348 with respect to promissory notes, and \$1,428 with respect to guarantees by a director related to mortgages.

The Company recognized its share of loss from its equity accounted investee in the amount of \$nil (2025- loss of \$27,665) as the investee was sold during fiscal 2025.

Investment Properties

	2026	2025
Investment properties	\$ 5,345,682	\$ 5,554,453

Continuity of Investment Properties

The following table summarizes the changes in the value of Tempus's investment properties for the periods ended March 31, 2026, and 2025.

	2026	2025
Balance, beginning of period	\$ 5,342,569	\$ 5,543,322
Capital expenditures	3,113	11,131
Balance, end of period	\$ 5,345,682	\$ 5,554,453

The key valuation assumption used to determine the fair market value, using the direct capitalization model, is the capitalization rate.

For purposes of determining the total fair value of its investment properties at March 31, 2026, the fair value of the properties was determined by management following the method described above, with independent advice on the appropriate capitalization rates for each property.

In determining fair value, the Company considers all factors market participants would consider in pricing the properties, including the impact of any environmental damage on the investment properties. Changes in the fair value of the Company's investment properties are largely the result of several key factors: changes in capitalization rates from time to time, property sales and the ongoing pattern of renewals, extensions and expiries of leases with the Company's principal tenants.

The investment properties have been valued at March 31, 2026 as follows:

	2025	2024
Management valuation-all properties	\$ 5,345,682	\$ -
Otto & Company-independent valuation (605 Richmond St.)	-	3,526,360
Management valuation-(723 Richmond St.)	-	2,028,293

Additional information with respect to the Company's investment properties is set out in the following table:

Property Address	605-607 Richmond Street, London, Ontario	723-727 Richmond Street, 214 Piccadilly Street, London, Ontario
Square footage	9,320 (three levels)	8,371 (two levels)
Year Built	1876	1890
Date acquired	December 5, 2014	September 12, 2017
Purchase price	\$2,558,250	\$1,585,000

Ownership percentage	100%	100%
Number of tenants-commercial	5	5
Number of tenants-residential	8	7
Current occupancy	95%	100%
Average lease term remaining	39 months-commercial	16 months-commercial
	4 months-residential	5 months-residential

Mortgages Payable

At March 31, 2026 the balances of the respective mortgages are:

605-607 Richmond St, London, Ontario	723 Richmond St, London, Ontario
First Mortgage	First Mortgage
\$2,311,271	\$1,201,9903

The first mortgage on the London property at 605-607 Richmond Street bears interest at 5.99% and is payable in blended monthly payments of \$15,071. The first mortgage on the London property at 723-727 Richmond Street bears interest at 6.1% and is payable in blended monthly payments of \$8,973. First mortgages are secured by their respective investment property. The first mortgage on the London property at 605-607 Richmond Street matures on April 5, 2030, and the first mortgage on the London property at 723-727 Richmond Street matures on October 15, 2027.

The first mortgage on the London property at 605 Richmond Street is guaranteed by a director of the Company as to 50% up to a maximum of \$1,175,000.

Promissory Notes

Promissory note payable was issued during the 2022 fiscal year to an officer of the Company in the amount of \$105,732 bearing interest at 3% per annum. The note was paid in full during the 2025 fiscal year.

Promissory note payable was issued during the 2023 fiscal year to an officer of the Company in the amount of \$100,000 bearing interest at 6% per annum. The note is unsecured, convertible at \$0.08 at any time during the term of the note at the option of the holder. Maturity has been extended to November 28, 2026. During the fiscal year 2025, payments of \$4,768 were made. Interest in the amount of \$1,786 was recorded during the period (2025-\$1,973).

Promissory note payable was issued during the period to an officer of the Company in the amount of \$95,000 bearing interest at 6% per annum. The note is unsecured. The promissory note matures on February 23, 2028. No interest was recorded during the period. Interest in the amount of \$562 was recorded during the period.

Liquidity and Capital Resources

The Company's sources of capital are cash generated from operating activities, mortgage financing and refinancing, promissory notes, and equity issuances. The Company's primary use of capital includes property acquisitions, major property improvements, recurring property maintenance, and debt principal and interest payments. The Company anticipates meeting all current and future obligations with current cash and cash equivalents, cash generated from operations and conventional mortgage refinancing, including net cash accessible through upfinancing, and assumes the Company will be able to obtain financing on reasonable terms.

Tempus's ability to grow through acquisitions will be dependent on the ability to access mortgage debt, and to raise equity financing on reasonable terms.

Investment in Associate

BHF 286-296 Saguenay Investment Ltd

During 2023, the Company purchased a 20.5% interest in BHF 286-296 Saguenay Investment Ltd., a private company which owns a multi residential property in Oshawa, Ontario. BHF 286-296 Saguenay Investment Ltd. has a December 31 reporting period. The investment is accounted for using the equity method. Certain directors and officers of the Company hold an interest in BHF 286-296 Saguenay Investment Ltd. Refer also to Note 8 to the consolidated financial statements for the year ended December 31, 2025.

Investment

During the fiscal year 2025, the Company entered into a limited partnership agreement with TUK Capital Modcity Developments (Lambton) LP with an initial 6.25% investment of \$40,000 of class A units on March 28, 2025, followed by an additional contribution of capital on April 25, 2025 for a total investment of \$51,038.

During the fiscal year 2024, the Company invested \$50,000 in common shares of BHF 331-339 High Park Investment Limited, representing approximately a 10% interest in the equity of a private company which owns a multi-residential property in Toronto, Ontario. On February 25, 2025, the Company sold its 50,000 common shares for gross proceeds of \$52,564 and recorded a net gain on sale of \$1,407. The Company received \$27,564 cash initially and the balance was received November 28, 2025, including a late payment penalty of \$3,000 and interest earned of \$1,800.

On March 3, 2026, the Company entered into a joint development agreement with TUK Group to develop residential units at 184 Coxwell Ave., Toronto, Ontario. The Company owns a 25% equity interest in the project and has committed to provide capital in the amount of \$400,000.

Mortgage Receivable

Second mortgage receivable in connection with the sale of the 310 Springbank investment property, and secured by the property, bears Interest at 6% per annum payable monthly. Effective November 1, 2025, the maturity dated was extended to June 1, 2027, with blended monthly payments of \$7,279, bearing interest at 6%. Interest in the amount of \$1,473 was recorded during the period (2025-\$1,875).

Contractual Obligations and Off-Balance Sheet Arrangements

The Company is not party to any contracts or arrangements other than disclosed in this document. There are no off-balance sheet arrangements.

Proposed Transactions

As at the date of this MD&A, the Company has no proposed transactions.

Shareholders' Equity

As of the date of this MD&A, the Company has 30,478,993 common shares issued and outstanding as well as stock options to purchase an aggregate of 2,400,000 common shares exercisable at \$0.185 expiring August 2026 with respect to 900,000 options, and 1,500,000 common shares exercisable at \$0.075 expiring on September 10, 2029.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash, cash equivalents, sundry receivables, accounts payable and accrued liabilities, mortgages payable, and tenant deposits. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The interest rate is fixed for the mortgages payable. The fair value of these financial instruments approximates their carrying values.

Related Party Transactions

During the year and three months ended March 31, 2025, the Company entered into the following transactions with related parties and paid or accrued the following amounts, excluding share-based payment charges in connection therewith:

Name	Relationship	Purpose of Transaction	Three Months Ended	Year Ended
Russell Tanz Management Inc.	Company controlled by the CEO of the Company	Property Management Services	\$ 8,683	\$ 8,683
Russell Tanz Management Inc.	Company controlled by the CEO of the Company	Executive Management	\$7,910	\$ 7,910
Brant Capital Partners Inc.	Company controlled by the CFO of the Company	Executive Management	\$7,910	\$7,910
Brant Capital Partners Inc.	Company controlled by the CFO of the Company	Rent, office supplies, administrative expenses	\$ 1,582	\$ 1,582
Russell Tanz	CEO of the Company	Personal guarantees	\$ 1,428	\$ 1,428

Capital Management

The Company's objectives when managing capital are as follows:

- (i) To safeguard the Company's ability to continue as a going concern;
- (ii) To raise sufficient capital to finance its acquisition activities;
- (iii) To raise sufficient capital to meet its general and administrative expenditures.

The Company manages its capital structure and makes adjustments to it based on the general economic conditions, its short term working capital requirements, and its planned acquisition expenditure requirements. The capital structure of the Company is comprised of shareholders' equity which includes share capital and deficit. The Company may manage its capital by issuing common shares, or by obtaining additional debt financing.

As an operating entity, the Company will utilize annual capital and operating expenditure budgets to facilitate the management of its capital requirements. These budgets will be approved by management and updated for changes in the budgets underlying assumptions as necessary.

There were no changes in the Company's approach to managing capital during the year.

Risk Management

Tempus faces a variety of risks, the majority of which are common to real estate entities. Real estate investments are generally subject to varying degrees of risk, depending on the nature of the property. These risks include (i) changes in general economic conditions, (ii) changes in local conditions (such as a reduction in demand for real estate in the area), (iii) changes to government regulations, (iv) competition from others with similar available properties, and (v) the ability of the owner to provide adequate maintenance and management economically.

Real estate is relatively illiquid. Such illiquidity will tend to limit Tempus's ability to rebalance its portfolio in response to changing economic or investment conditions. In addition, financial difficulties of other property owners, resulting in distress sales, may depress real estate values in the markets in which the Company operates.

Tempus's exposure to general risks associated with real estate investments is mitigated somewhat by the location of its properties.

Tempus is exposed to other risks as outlined below:

Liquidity Risk

Liquidity risk is the risk that the Company may not have access to sufficient debt and equity capital to fund its growth program and/or refinance its debt obligations as they mature.

The Company will require additional capital either by way of a private placement or in conjunction with an IPO to execute its business plan of acquiring additional commercial real estate investment properties. There is no assurance that the Company will be able to raise capital in the amount and time frame required.

Credit Risk

Credit risk arises from the possibility that tenants may experience financial difficulty and be unable to fulfil their lease term commitments. The Company mitigates the risk of credit loss through the diversification of its existing portfolio and limiting its exposure to any one tenant. Credit assessments are conducted with respect to all new leasing and the Company also usually obtains a security deposit to assist in potential recovery requirements. In addition, the receivables are monitored on an ongoing basis with the result that the Company's exposure to bad debt is not significant.

Market Values of Properties

Market values of the investment properties can decrease if the demand for space decreases and rental incomes are lower or capitalization rates increase. The Company's exposure to the market value of its real estate assets affects mortgages up for renewal. Properties with mortgages that are maturing in the next 12 months will be appraised for their current market value. The market value of a property may be calculated using the income generated and applying a capitalization rate. Other factors that influence market value are demand, vacancy rates, age of the building and location. The Company is not aware of any obstacles at this date that would negatively affect its ability to refinance its buildings as the mortgages come due.

Lease Rates Risk

Lease rates may adjust downward if demand for space decreases. As demand for space goes up so does the lease rate. In any economic downturn the Company could expect that the demand for space decreases and therefore the lease rate would decrease accordingly. The Company is mindful of these risks.

Interest Rate Risk

Interest rate risk is the risk that the Company would experience lower returns as a result of its exposure to a higher interest rate environment. The Company is exposed to interest rate risk as a result of its mortgages and promissory note payable.

The Company attempts to mitigate the risk of rising interest rates by fixing rates for five year terms and by minimizing its exposure to floating rate financing.

Environmental Risk

The Company is subject to various federal, provincial and municipal laws relating to the environment. These regulations may require the Company to fund the cost of removal and remediation of certain hazardous substances on its properties or releases from its properties. The failure to remediate such properties, if any, could adversely affect the Company's ability to borrow using the property as collateral or to sell the real estate. Tempus is not aware of any material noncompliance with environmental laws and regulations. The Company has made, and will continue to make, the necessary capital expenditures to comply with environmental laws and regulations. Environmental laws and regulations can change rapidly, and the Company may be subject to more stringent environmental laws and regulations in the future. To mitigate this risk, each newly acquired property or those currently owned by the Company has undergone a thorough Phase I Environmental Site Assessment (ESA) by a qualified environmental consultant. This ESA then becomes a benchmark used in conjunction with the tenant leases which include a section outlining environmental liability. The Company then conducts a regular inspection of each property to ensure compliance.

General Uninsured Losses

Tempus carries comprehensive general liability, fire, flood, extended coverage, limits and deductibles customarily carried for similar companies. There are, however, certain types of risks (generally of a catastrophic nature) that are either uninsurable or would not be economically insurable.

Taxes

Tempus is currently not cash-taxable due to its ability to reduce taxable income through prior years' losses and through unclaimed CCA, and does not expect to be cash taxable for the next several years based upon its current real estate portfolio. A change in circumstances that could result in the company paying cash taxes in advance of this estimate may have a negative impact on Tempus's liquidity. Tempus is working with its tax advisors to identify issues that may impact the Company's tax situation.