

Samurai Capital Corp.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FOURTH QUARTER ENDED JANUARY 31, 2025

Background

This management's discussion and analysis ("MD&A") of the operations, results, and financial position of Samurai Capital Corp. (the "Company") for the fourth quarter ended January 31, 2025, should be read in conjunction with the Company's audited financial statements for the same year with related notes to those financial statements.

The effective date of this report is June 3, 2025.

These financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), 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.

Company Overview

Samurai Capital Corp. (the "Company") was incorporated under the *Business Corporations Act* (British Columbia) on December 17, 2020. On May 27, 2021, the Company completed its initial public offering ("IPO") and the shares of the Company began trading on the TSX Venture Exchange (the "Exchange") under the symbol "SSS". The principal business of the Company is the identification and evaluation of a Qualifying Transaction, as defined under Policy 2.4 of the Exchange, and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities.

The head office, principal address and registered office of the Company are located at Suite 228 – 1122 Mainland Street, Vancouver, B.C. V6B 5L1, Canada.

The Company's continuing operations are dependent upon its ability to identify, evaluate and negotiate an acquisition of an interest in assets or businesses which qualifies as a Qualifying Transaction. Such an acquisition or investment will be subject to regulatory approval and may or may not require additional financing. There is no assurance that the Company will be able to complete a Qualifying Transaction or that it will be able to secure the necessary financing to complete a Qualifying Transaction.

Overall Performance

The Company was incorporated on December 17, 2020. The Company is classified as a Capital Pool Company (“CPC”) as defined under Policy 2.4 of the Exchange. The Company does not have any operations to the date of this document and, until it completes a Qualifying Transaction, will not conduct any business other than the identification and evaluation of businesses and assets for potential acquisition. Accordingly, the Company does not generate any revenue, nor does it pay any dividends.

As at January 31, 2025, the Company had a deficit of \$398,475. The Company’s potential completion of a Qualifying Transaction and recurring operating losses and working capital needs may require that it obtain additional capital to continue its operation. Such outside capital may include the sale of additional common shares. During the period ended January 31, 2025, the Company’s cash balance increased to \$103,539, from \$10,949. During the year ended January 31, 2025, the Company received a \$35,000 loan from the CEO and his spouse and closed a \$150,000 private placement financing; these proceeds were used to pay third party payables.

Proposed Qualifying Transaction

On November 7, 2024 and as amended on February 25, 2025, the Company entered into a definitive agreement (“Agreement”) with A.C.L. Construction Ltd., a British Columbia company that specializes in project management, civil earthworks and transportation. The Company intends that the Proposed Transaction will constitute its Qualifying Transaction by way of a three-cornered amalgamation with the Company’s wholly-owned subsidiary to form a single entity (the “Resulting Issuer”). The Agreement prescribes that each common share in the capital of A.C.L. Construction Ltd. outstanding immediately prior to the completion of the Proposed Transaction (other than A.C.L. Construction Shares held by shareholders of A.C.L. Construction Ltd. who exercise their dissent rights) is expected to be converted into one (1) issued, fully paid and non-assessable common share in the share capital of the Resulting Issuer. Prior to completion of the Proposed Transaction, it is intended that the Company will effect a consolidation of its common shares on a two (2) common share to one (1) common share basis.

The completion of the Proposed Transaction is subject to the satisfaction of various conditions that are standard for a transaction of this nature, including but not limited to:

- (i) the execution of a definitive agreement on or prior to October 31, 2024 (completed);
- (ii) the completion of a \$3,000,000 minimum financing of subscription receipts in A.C.L. Construction Ltd.;
- (iii) the approval by the shareholders of A.C.L. Construction Ltd. to complete the Proposed Transaction;
- (iv) receipt of all requisite regulatory, stock exchange, court or governmental authorizations and consents, including the Exchange; and
- (v) the completion of satisfactory due diligence by each of the parties.

SELECTED QUARTERLY RESULTS

The following table contains selected financial information for prior quarters:

<i>Quarters Ended:</i>	January 31, 2025	October 31, 2024	July 31, 2024	April 30, 2024
	\$	\$	\$	\$
Expenses	(53,366)	(25,674)	(10,066)	(9,010)
Less interest income	-	-	-	-
Loss and comprehensive loss	(53,366)	(25,674)	(10,066)	(9,010)
Basic & diluted earnings loss per share	(0.01)	(0.01)	(0.01)	(0.00)

<i>Quarters Ended:</i>	January 31, 2024	October 31, 2023	July 31, 2023	April 30, 2023
	\$	\$	\$	\$
Expenses	(18,775)	(4,315)	(31,069)	(12,813)
Less interest income	-	-	-	-
Loss and comprehensive loss	(18,775)	(4,315)	(31,069)	(12,813)
Basic & diluted loss per share	(0.01)	(0.00)	(0.02)	(0.01)

During the three and twelve months ended January 31, 2025, the Company had net loss of \$53,366 and \$98,116 compared to a net loss of \$18,775 and \$66,972 for the comparable periods in 2024 due to more expenses incurred in connection with the previously announced transaction with A.C.L. Construction Ltd.

Additional Disclosure for Venture Issuers without Significant Revenue

Additional financial information is available in the Company's audited financial statements for the period ended January 31, 2025. These statements are available on SEDAR+ at www.sedarplus.ca.

The following addresses the specific disclosure requirements for venture issues without significant revenues:

- (a) Capitalized or expensed exploration and development costs – Not applicable
- (b) Expensed research and development costs – Not applicable
- (c) Deferred development costs – Not applicable
- (d) General administrative expenses – the financial information is presented in the Statement of Loss and Comprehensive Loss in the financial statements.
- (e) Any material costs, whether capitalized, deferred or expensed, not referred to in (a) through (d) – None.

Profits

At this time, the Company is not anticipating profit or revenue from operations. The Company will report an annual deficit and quarterly deficit and will rely on its ability to obtain equity financing to fund its search for a Qualifying Transaction. For information concerning the business of the Company, please see "Company Overview".

Liquidity

As at January 31, 2025 the Company had cash of \$103,359.

The Company completed a private placement of 3,000,000 of its common shares at a price of \$0.05 per share for gross proceeds of \$150,000 for transaction related costs related to the Qualifying Transaction with A.C.L. Construction Ltd., in accordance with Exchange policies.

As at January 31, 2025, the Company had a working capital of \$878 which is defined as current assets less current liabilities. This is not expected to be adequate to maintain the Company's current levels of activity (the Company may need to raise additional capital).

Capital Resources

On May 27, 2021, the Company completed an IPO whereby 2,000,000 common shares were issued for \$0.10 per share for gross proceeds of \$200,000. A cash finder's fee was paid in the amount of \$20,000, and 200,000 compensation options were issued exercisable into common shares of the Company at \$0.10 per share until May 27, 2023. In addition, the Company incurred share issuance costs of \$83,147 relating to the IPO.

In accordance with Policy 2.4 of the Exchange, the proceeds raised from the sale of securities may only be used to identify and evaluate assets or businesses, and obtain shareholder approval for a Qualifying Transaction, with the exception that not more than \$3,000 per month of the gross proceeds may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company (and that up to the lesser of 30% of the gross proceeds realized by the Company in respect of the sale of its securities, or \$210,000, may be used for purposes other than such identification and evaluation of businesses or assets). These restrictions apply until completion of a Qualifying Transaction by the Company. The Company is not subject to any externally or internally imposed capital requirements at period-end apart from the capital requirements of the Exchange.

There is no assurance that the Company will be able to identify a suitable business, asset or property as its Qualifying Transaction. Furthermore, even if a Qualifying Transaction is identified, there can be no assurance that the Company will be able to complete the transaction.

If the Company identifies a Qualifying Transaction, it may be necessary for the Company to seek additional financing. Capital markets may not always be receptive to offerings of new equity from treasury or debt, whether by way of private placements or public offerings, under terms that would be acceptable for the Company.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Transactions between Related Parties

Key management personnel are the persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly, including entities controlled by such persons. The key management personnel include the Company's executive management team and the Board of Directors.

During the year ended January 31, 2025, the Company incurred \$14,700 (2024 - \$14,700) with a company controlled by Chief Financial Officer for professional accounting services. As at January 31, 2025, \$43,971 (January 31, 2024 - \$27,344) was owing to a company controlled by the Chief Financial Officer for professional accounting services.

On May 8, 2024, the Company received a \$35,000 loan from the Chief Executive Officer of the Company and his spouse. The amounts are included in loan payable, unsecured, non-interest bearing and carries no fixed terms of repayment. As at January 31, 2025, \$36,050 (2024 - \$Nil) was owing to the Chief Executive Officer which is comprised of the \$35,000 unpaid loan and \$1,050 of accounts payable for unpaid regulatory fees.

Proposed Transaction

On November 7, 2024 and as amended on February 25, 2025, the Company entered into a definitive agreement with A.C.L. Construction Ltd., a British Columbia company that specializes in project management, civil earthworks and transportation.

Critical Accounting Estimates and Judgments

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Estimates are reviewed on an ongoing basis and are based on historical experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. Management believes the estimates and assumptions used in these financial statements are reasonable; however, actual results could differ from those estimates and could impact future results of the Company's financial statements.

The Company's significant accounting judgments applied in its financial statements are as follows:

Judgments

Going Concern

Management assesses the Company's ability to continue as a going concern at each reporting date, using all quantitative and qualitative information available. This assessment, by its nature, relies on estimates of future cash flows and other future events, whose subsequent changes could materially impact the validity of such an assessment.

Financial Instruments

Measurement and classification

Cash is classified as fair value through profit or loss ("FVTPL") measured initially and subsequently at fair value.

Accounts payable and accrued liabilities and loan payable are classified as amortized cost, initially measured at fair value net of transaction costs, subsequently measured at amortized cost using the effective interest method.

The Company's cash is considered to be Level 1 within the fair value hierarchy (as discussed below).

- Level 1 – fair values based on unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – fair values based on inputs that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – fair values based on inputs for the asset or liability that are not based on observable market data.

The risk exposure arising from these financial instruments is summarized as follows:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. As the Company's cash is held in one bank, there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. As January 31, 2025, the Company's exposure to credit risk is minimal.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's ability to continue to meet its liabilities when due, beyond the current cash balance, is dependent on future support of shareholders through equity offerings. There is no assurance of continued access to significant equity funding. The Company's accounts payable and accrued liabilities as at January 31, 2025 are due within 30 days of the reporting date and the loan payable has no fixed terms of repayment.

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or value of its holdings or financial instruments. The Company's activities have only been transacted in Canadian dollars since incorporation; in addition, the Company carries no interest-bearing debt. As such, the Company has minimal market risks facing it at present.

Disclosure of Outstanding Share Data

The Company is authorized to issue an unlimited number of Class A common shares ("common shares") without par value and an unlimited number of Class B preferred shares without par value.

As at the date of this MD&A, the Company had 7,400,000 common shares, 440,000 stock options and no warrants outstanding.

Risks and Uncertainties

The Company's financial performance is likely to be subject to the following risks:

1. The Company has no commercial operations, and has no assets other than cash. The Company has no history of earnings, and will not generate earnings or pay dividends until at least after the completion of the Qualifying Transaction, if ever.
2. Until completion of the Qualifying Transaction, the Company is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions.
3. The Company only has limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Company will be able to identify or complete a suitable Qualifying Transaction.
4. If a Qualifying Transaction is completed, there can be no assurance that an active and liquid market for the Company's common shares will develop and investors may find it difficult to resell the common shares.

Disclosure Controls and Procedures

Disclosure controls and procedures 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 the information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting 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. As the Company is a venture issuer, management does not make any representations in this regard, and the Company has inherent limitations in this regard that may result in additional risks relating to its filings and reporting.

Forward-Looking Statements

This MD&A contains forward-looking statements. All statements, other than statements of historical fact, constitute “forward-looking statements” and include any information that addresses activities, events or developments that the Company believes, expects or anticipates will or may occur in the future including the Company’s strategy, plans or future financial or operating performance and other statements that express management’s expectations or estimates of future performance. There can be no assurance that a Qualifying Transaction will close nor can there be any assurances that the Company raises additional capital.

Forward-looking statements are generally identifiable by the use of the words “may”, “will”, “should”, “continue”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “plan” or “project” or the negative of these words or other variations on these words or comparable terminology. All such forward-looking information and statements are based on certain assumptions and analyses made by the Company’s management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. These statements, however, are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed, implied by or projected in the forward-looking information or statements. Important factors that could cause actual results to differ from these forward-looking statements are discussed in Risks and Uncertainties.

There can be no assurance that any forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader should not place any undue reliance on forward-looking information or statements. Except as required by law, the Company does not intend to revise or update these forward-looking statements.