ENDURANCE CAPITAL CORP.

(A Capital Pool Company)

Management's Discussion and Analysis of Financial Condition and Results of Operations

For the Three and Six Months Ended June 30, 2025

(in Canadian dollars)

1. INTRODUCTION

This management's discussion and analysis ("MD&A") of financial condition and results of operations of Endurance Capital Corp. ("Endurance" or "the Company") is supplementary to, and should be read in conjunction with, the Company's Condensed Interim Financial Statements for the three and six months ended June 30, 2025. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations and the Company's financial statements are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

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 the Company's 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.

2. CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This MD&A includes forward-looking statements and information concerning expected future events, the future performance of the Company, its operations, and its financial performance and condition. These forward-looking statements and information include, among others, statements with respect to the Company's objectives and strategies to achieve those objectives, as well as statements with respect to its beliefs, plans, expectations, anticipations, estimates, and intentions. When used in this MD&A, the words "believe", "anticipate", "may", "should", "intend", "estimate", "expect", "project", and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such words.

These forward-looking statements and information are based on current expectations. The Company cautions that all forward-looking statements and information are inherently uncertain and actual future results, conditions, actions or events may differ materially from the targets, assumptions, estimates, or expectations reflected or contained in the forward-looking statements and information, and that actual future results, conditions, actions, events, or performance will be affected by a number of factors including economic conditions and competitive factors, many of which are beyond the Company's control.

Forward-looking statements used in this MD&A are subject to various risks and uncertainties, most of which are difficult to predict and generally beyond the control of the Company. If risks or uncertainties materialize, or if underlying assumptions prove incorrect, the actual results may vary materially from those expected, estimated or projected. The Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Given these uncertainties, the reader of the information included herein is cautioned not to place undue reliance on such forward-looking statements.

3. OVERVIEW

The Company

Endurance Capital Corp. was incorporated March 29, 2021 pursuant to the provisions of the Business Corporations Act (BC). The Company's corporate and tax year-end is December 31.

Following the Initial Public Offering ("IPO") described below under "Share Capital", the Company's common shares commenced trading as a Capital Pool Company on Tier 2 of the TSX Venture Exchange on September 13, 2021 under the symbol ECAP.P.

Strategy

The Company intends to carry on its business as a Capital Pool Company ("CPC"), as such term is defined in TSX Venture Exchange Inc. (the "Exchange") Policy 2.4 – Capital Pool Companies ("CPC Policy 2.4").

The principal business of the Company is the identification and evaluation of a Qualifying Transaction ("QT") and, once identified and evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by the Exchange. As at June 30, 2025, the Company had no business operations and did not enter into any agreements to acquire an interest in businesses or assets.

Cash Restriction

The Company manages its capital structure and adjusts it, based on the funds available to the Company, in order to support the identification and evaluation of a QT. The Company considers capital to be all accounts in equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

Additional funds may be required to finance the Company's QT. 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 QT, including reasonable general and administrative expenses that do not exceed an aggregate of $3,000 per month. These restrictions apply until completion of a QT by the Company as defined under Policy 2.4 of the Exchange.

4. OUTSTANDING SHARE DATA

Common Shares

The Company is authorized to issue an unlimited number of common shares without par value. As of the date of this MD&A, the Company has 13,600,000 issued and outstanding common shares.

Stock Options

As of the date of this MD&A, the Company has 1,200,000 of stock options outstanding. The stock options, which were issued to directors and officers of the Company in 2021, are fully vested and are exercisable into common shares of the Company at an exercise price of $0.10 per share.

Shares Subject to Escrow

Of the Company's issued and outstanding common shares, the initial 7,600,000 issued and outstanding seed shares issued on June 30, 2021 will be held in escrow pursuant to the requirements of the Exchange to be released as to 25% thereof on completion of the Company's QT, as defined in the policies of the Exchange, and as to 25% thereof on each of the 6th, 12th and 18th months following the initial release, pursuant to the terms of an Escrow Agreement dated as of July 21, 2021 between the Company, Olympia Trust Company, and the shareholders of the Company.

All common shares acquired on exercise of share options granted to directors and officers prior to completion of a QT must also be deposited and held in escrow pursuant to the requirements of the Exchange.

All common shares of the Company acquired in the secondary market prior to the completion of a QT by a Control Person, as defined in the policies of the Exchange, are required to be deposited and held in escrow.

5. QUARTERLY FINANCIAL RESULTS

The following table sets out financial information for the last eight quarters.

	Three Months Ended			
	June 30, 2025	**March 31, 2025**	December 31, 2024	September 30, 2024
Revenue	**$ nil**	**$ nil**	$ nil	$ nil
Net loss and comprehensive loss	**$ (14,915)**	**$ (10,531)**	$ (6,915)	$ (16,535))
Net loss per share, basic and diluted [1]	**$ nil**	**$ nil**	$ nil	$ nil
	June 30, 2024	March 31, 2023	December 31, 2023	September 30, 2023
Revenue	$ nil	$ nil	$ nil	$ nil
Net loss and comprehensive loss	$ (13,989)	$ (15,825)	$ (10,313)	$ (32,639)
Net loss per share, basic and diluted [1]	$ nil	$ nil	$ nil	$ nil

[1] The basic and diluted loss per share calculation results in the same value due to the net loss and resulting anti-dilutive effect of outstanding options and warrants.

6. RESULTS OF OPERATIONS

Three months ended June 30, 2025 and 2024

Professional fees and other expenses

Professional fees, which are comprised of accounting, audit and legal fees, were $18,217 in the three months ended June 30, 2025 (2024 – $9,599) and $32,310 in the six months ended June 30, 2025 (2024 – $24,704). Other expenses were $583 in the three months ended June 30, 2025 (2024 – $4,390) and $1,437 in the six months ended June 30, 2025 (2024 – $5,110).

Interest income

The Company earned interest income of $3,885 in the three months ended June 30, 2025 (2024 – Nil) and $8,301 in the six months ended June 30, 2025 (2024 – Nil).

Loss and comprehensive loss

The net loss and comprehensive loss in the three months ended June 30, 2025 was $14,915 (2024 – $13,989) and $25,446 in the six months ended June 30, 2025 (2024 – $29,814).

The net loss per common share was $nil for the three and six months ended June 30, 2025 and 2024. The net loss per common share is based on the loss attributable to common shareholders and the weighted average number of common shares outstanding in each period. The effect of the conversion of stock options would be anti-dilutive, making the basic and diluted loss per share equal.

7. LIQUIDITY AND CAPITAL RESOURCES

Working capital

As at June 30, 2025, the Company had no debt and working capital totaled $580,953 (December 31, 2024 – $606,399).

The Company funds its activities through equity financing. To date, the Company raised $380,000 in initial seed financing, $400,000 pursuant to the IPO in 2021 and $200,000 with the concurrent non-brokered private placement through the issuance of common shares. The Company intends to use the proceeds from these financings to fund its operations, which at this time principally consists of identifying and completing a Qualifying Transaction. The current cash on hand as at June 30, 2025 of $598,267 is expected to be sufficient to meet the Company's liquidity requirements. However, upon completion of the Qualifying Transaction, additional capital may be necessary.

The Company does not generate revenue from operations and incurred a net loss of $25,446 for the six months ended June 30, 2025 (2024 – $29,814). The Company believes that its working capital will provide the Company with sufficient cash resources to meet its obligations for at least twelve months from the end of the reporting period. As the Company has no revenues, its ability to continue as a going concern is dependent on its ability to complete a Qualifying Transaction.

8. RELATED PARTY TRANSACTIONS

Key management personnel consist of officers and directors of the Company. No compensation was paid to key management personnel in in the three months ended June 30, 2025 or 2024.

9. PROPOSED TRANSACTIONS AND OFF-BALANCE SHEET ARRANGEMENTS

There are no proposed transactions or off-balance sheet arrangements that have, or are reasonably likely to have, an effect on the results of operations or financial condition of the Company.

10. OPERATING RISKS AND UNCERTAINTIES

Management of capital

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and ensure sufficient liquidity in order to remain a reporting issuer and upon successful attainment of its status as a CPC until it completes a Qualifying Transaction so that it can provide adequate returns for shareholders. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital as total shareholders' equity. The Company is not subject to any externally imposed capital requirements other than the cash restriction disclosed in the section entitled "Cash restriction". There were no significant changes in the Company's approach to capital management during the period ended June 30, 2025.

Financial instruments and risk management

The Company's activities may expose it to a variety of financial risks: fair values, credit risk, liquidity risk and market risk (including interest rate risk). The Board of Directors provides regular guidance for overall risk management.

Fair values

As at June 30, 2025, the Company's financial instruments consist of cash and cash equivalents and accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying values due to the relatively short-term maturity of these instruments.

The Company is exposed in varying degrees to a number of risks arising from financial instruments. Management's involvement in the operations allows for the identification of risks and variances from expectations. The Company does not participate in the use of financial instruments to mitigate these risks. The Board approves the risk management processes. The Board's main objectives for managing risks are to ensure liquidity, the fulfillment of obligations, the search for a Qualifying Transaction, and to limit exposure to credit and market risks.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its obligations. The Company is exposed to credit risk through its cash balance which is held at a Canadian financial institution. The Company believes its exposure to credit risk is not significant.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Management believes the Company had no significant exposure to interest rate risk through its financial instruments as at June 30, 2025.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. The Company has a planning and budgeting process in place by which it anticipates and determines the funds required to support normal operation requirements. The Company coordinates this planning and budgeting process with its financing activities through the capital management process described in the section entitled "Risks and uncertainties – Management of capital", in normal circumstances. The Company's accrued liabilities have contractual maturities of less than 30 days and have normal trade terms.

Risks and uncertainties

Investing in the common shares of the Company involves risk. Prospective investors should carefully consider the risks described below, together with all of the other information included in this MD&A before making an investment decision. If any of the following risks actually occurs, the business, financial condition or results of operations of the Company could be harmed. In such an event, the trading price of the common shares could decline and prospective investors may lose part or all of their investment.

The following are risk factors associated with the Company:

(a) the Company does not have a history of commercial operations and has no assets other than cash. There is no assurance that it will produce revenue, operate profitably or provide a return on investment in the future. The Company has no history of earnings nor has it paid any dividends and is unlikely to generate earnings or pay dividends until at least after completion of the QT;

(b) until completion of the QT, the Company is not permitted to carry on any business other than the identification and evaluation of potential QTs, and its continued operation will be dependent upon its ability to complete a QT;

(c) the Company has limited funds with which to identify and evaluate potential QTs and there can be no assurances that the Company will be able to identify or complete a suitable QT, identify any assets or businesses in pursuit of a QT, or have the financial resources necessary to complete a QT, nor can there be an assurance that the Company will be able to obtain additional financing in the future on terms acceptable to the Company or at all;

(d) even if a proposed QT is identified, there can be no assurance that the Company will be able to successfully complete the transaction;

(e) completion of the QT is subject to a number of conditions including acceptance by the Exchange and, in the case of a Non-Arm's Length QT, Majority of the Minority Approval (as such term is defined in Policy 2.4 – Capital Pool Companies of the Exchange);

(f) notwithstanding that a transaction may meet the definition of a QT; the Exchange may not approve a QT: (a) if the Company fails to meet the initial listing requirements prescribed by Policy 2.1 – Initial Listing Requirements of the Exchange upon completion of the QT; (b) if, following completion of the QT, the Company will be a finance company or a mutual fund as defined under applicable securities laws; (c) the consideration proposed to be paid by the Company in connection with the QT is not acceptable to the Exchange; or (d) for any other reason at the sole discretion of the Exchange;

(g) the Company is relying solely on its past business success of its directors and officers to identify a QT of merit. The success of the Company is dependent upon the efforts and abilities of its management team. The loss of any member of the management team could have a material adverse effect upon the business and prospects of the Company. In such event, the Company will seek satisfactory replacements but there can be no guarantee that appropriate personnel may be found;

(h) the directors and officers of the Company will only devote a portion of their time to the business and affairs of the Company and some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time;

(i) unless the shareholder has the right to dissent and be paid fair value in accordance with applicable corporate or other law, a shareholder who votes against a proposed Non-Arm's Length QT for which Majority of the Minority Approval by shareholders has been given, will have no rights of dissent and no entitlement to payment by the Company of fair value for the common shares;

(j) upon public announcement of a proposed QT, trading in the common shares will be halted and will remain halted for an indefinite period of time, typically until a sponsor has been retained and certain preliminary reviews have been conducted. The common shares will be reinstated to trading before the Exchange has reviewed the transaction and before the sponsor has completed its full review. Reinstatement to trading provides no assurance with respect to the merits of the transaction or the likelihood of the Company completing the proposed QT;

(k) trading in the common shares may be halted at other times for other reasons, including for failure by the Company to submit documents to the Exchange in the time periods required;

(l) neither the Exchange nor any securities regulatory authority passes upon the merits of the proposed QT;

(m) in the event that management of the Company resides outside of Canada or the Company identifies a foreign business as a proposed QT, investors may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business and may find it difficult or impossible to enforce against such persons judgments obtained in Canadian courts;

(n) the QT may be financed in whole or in part by the issuance of additional securities by the Company and this may result in dilution to the investors, which dilution may be significant and which may also result in a change of control of the Company; and

(o) subject to prior acceptance by the Exchange, the Company may be permitted to loan or advance up to an aggregate of $250,000 of its proceeds to a target business without requiring shareholder approval and there can be no assurance that the Company will be able to recover that loan.

11. DISCLOSURE OF CONTROLS AND PROCEDURES

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company has filed a Venture Issuer Basic Certificate with respect to the financial information contained in the condensed interim financial statements for the three and six months ended June 30, 2025 and this accompanying MD&A.

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information, the reader should refer to the Venture Issuer Basic Certificate filed by the Company on SEDAR at www.sedarplus.ca.

12. INVESTOR RELATIONS

Until completion of a Qualifying Transaction, neither the Company nor any party on behalf of the Company will engage the services of any person to provide investor relation activities or market making services.

13. ADDITIONAL INFORMATION

Information about the Company and its operations can be obtained from its head office located at: Suite 835 – 1100 Melville Street, Vancouver, BC, V6E 4A6, or under the Company's profile at www.SEDAR.com.

ENDURANCE CAPITAL CORP.

Shareholder Information

Board of Directors and Officers

Darren Seed, Director and
Chief Executive Officer, Chief Financial Officer and Secretary

David Demers, Director

Issa Nakhleh, Director

Auditors

PricewaterhouseCoopers LLP
PricewaterhouseCoopers Place
250 Howe Street, Suite 1400
Vancouver, BC, Canada
V6C 3S7

Transfer agent

Olympia Trust Company
925 West Georgia Street, Suite 1900
Vancouver, BC,
V6C 3L2