

IKIGAI CAPITAL CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Nine Months Ended March 31, 2025

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This Management's Discussion and Analysis ("MD&A") of Ikigai Capital Corp. ("Ikigai" or the "Company"), prepared as of May 29, 2025, should be read in conjunction with the interim financial statements and the notes thereto for the nine months ended March 31, 2025 which were prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are expressed in Canadian dollars unless otherwise indicated.

This MD&A contains certain forward-looking statements and information relating to the Company that is based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "may", "will", "anticipate", "plan", "intend", "estimate", "project", "continue", "believe", "estimate", "expect" and similar forward-looking terminology, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital and the estimated cost and availability of funding for the continued operation of the Company. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

Although management believes that the expectations reflected in such forward-looking statements are reasonable, all forward-looking statements address matters that involve known and unknown risks, uncertainties and other factors and should not be read as guarantees of future performance or results. Accordingly, there are or will be a number of significant factors which could cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Factors that could cause actual future results, performance or achievements to differ materially include, but are not limited to, our limited operating history, our reliance on key personnel, future capital needs, dependence on proprietary technology and limited protection thereof and general economic trends and international risk. The Company is subject to significant risks and any past performance is no guarantee of future performance. The Company cannot predict all of the risk factors, nor can it assess the impact, if any, of such risk factors on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those projected in any forward-looking statements. Accordingly, forward-looking statements should not be relied upon as a prediction of actual results. This MD&A offers a brief overview of some of the risk factors to be considered in relation to the Company's business. This list may not be exhaustive and new risk factors may emerge from time to time. We disclaim any intention or obligation to publicly update or revise any forward-looking statements after distribution of this MD&A, whether as a result of new information, future events or other circumstances, except as may be required pursuant to applicable securities laws.

DESCRIPTION OF BUSINESS

The Company was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on January 31, 2021. The Company's head office is located at Suite 905, 1030 West Georgia Street, Vancouver, BC, V6E 2Y3.

On February 14, 2022, the Company completed its initial public offering and is now trading on the TSX Venture Exchange (the "Exchange") as a Capital Pool Company. The Company is in the development stage and its principal business is the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction as defined by the rules of the Exchange. The Company started trading under the trading symbol "IKC.P".

IKIGAI CAPITAL CORP.**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED MARCH 31, 2025****RESULTS OF OPERATIONS**

For the nine months ended March 31, 2025, the Company had a net loss of \$56,086 compared to \$69,547 for the nine months ended March 31, 2024. The decrease was mainly due to a decrease in professional fees recorded for the nine months ended March 31, 2025 compared to the nine months ended March 31, 2024.

SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Company's financial results for the most recently completed quarters:

	March 31, 2025 \$	December 31, 2024 \$	September 30, 2024 \$	June 30, 2024 \$
Total revenues	—	—	—	—
Net loss	(5,837)	(36,768)	(13,481)	(42,257)
Loss per share, basic and diluted	—	—	—	—

	March 31, 2024 \$	December 31, 2023 \$	September 30, 2023 \$	June 30, 2023 \$
Total revenues	—	—	—	—
Net loss	(15,589)	(47,982)	(5,976)	(23,934)
Loss per share, basic and diluted	—	—	—	—

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2025, the Company had cash of \$18,232 (June 30, 2024 - \$261,281). As at March 31, 2025, the Company had working capital of \$199,786 (June 30, 2024 - \$255,872).

The Company may have capital requirements in excess of its currently available resources. In the event the Company's plans change, its assumptions change or prove inaccurate, or its capital resources in addition to projected cash flow, if any, prove to be insufficient to fund operations, the Company may be required to seek additional financing. There can be no assurance that the Company will have sufficient financing to meet its future capital requirements or that additional financing will be available on terms acceptable to the Company in the future.

Nine Months Ended March 31, 2025:**Operating activities**

For the nine months ended March 31, 2025, the Company's operating activities used cash of \$243,049 compared to \$98,430 for the nine months ended March 31, 2024.

IKIGAI CAPITAL CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE NINE MONTHS ENDED MARCH 31, 2025

Capital Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and equity comprised of issued capital.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is subject to externally imposed capital requirements under Policy 2.4 of the Exchange for capital pool companies.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

- (a) As at March 31, 2025, prepaid rent of \$107,675 (June 30, 2024 - \$18,425) paid to a company controlled by directors of the Company is included in prepaid expenses. During the period ended March 31, 2025, the amount of \$14,175 (2024 - \$14,175) was incurred to a company controlled by directors of the Company for rent.
- (b) As at March 31, 2025, advances of \$82,327 (June 30, 2024 - \$5,659) paid to the Chief Executive Officer of the Company is included in prepaid expenses.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

(a) Fair Values

Fair value measurements are classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values of financial instruments, which includes cash, and accounts payable and accrued liabilities, approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with a high credit quality financial institution. The carrying amount of financial assets represents the maximum credit exposure.

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MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE NINE MONTHS ENDED MARCH 31, 2025

(c) Foreign Exchange Rate Risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. The Company is not exposed to any significant foreign exchange rate risk.

(d) 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. The Company is not exposed to significant interest rate risk as it does not have any liabilities with variable rates.

(e) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

RECENT ACCOUNTING STANDARDS

A number of new standards, and amendments to standards and interpretations, are not yet effective for the period ended March 31, 2025, and have not been early adopted in preparing these condensed financial statements. These new standards, and amendments to standards and interpretations are either not applicable or are not expected to have a significant impact on the Company's financial statements.

ADDITIONAL DISCLOSURE FOR COMPANIES WITHOUT SIGNIFICANT REVENUE

An analysis of material components of the Company's general and administrative expenses is disclosed in the interim financial statements for the period ended March 31, 2025 to which this MD&A relates.

DISCLOSURE OF OUTSTANDING SHARE DATA

Share Capital

As at May 29, 2025, the Company had 9,100,000 shares issued and outstanding.

Stock Options

As at May 29, 2025, the Company had 900,000 stock options outstanding.

PROPOSED QUALIFYING TRANSACTION

On September 16, 2022 (as amended on February 27, 2023, July 31, 2023, and November 29, 2023), the Company entered into a share exchange agreement (the Proposed Transaction) with Eternal Bioworks Corp. ("Eternal") pursuant to which the Company agreed to acquire 100% of Eternal. As consideration for the acquisition of all of the outstanding securities of Eternal, the shareholders of Eternal will receive for each common share, such number of Company common shares as is equal to the quotient which results when the price per share at which the Eternal common shares are issued pursuant to the Qualifying Transaction Financing is divided by the quotient which results when \$2,150,000 is divided by the outstanding number of Company common shares as the Company's share capital is presently constituted. In the event that the Company's share capital is consolidated or otherwise adjusted on or before the closing of the Transaction, then the price per share of the Company's common shares after such event will be multiplied by the consolidation ratio or otherwise accordingly adjusted.

OTHER

Additional disclosures pertaining to the Company's material change reports, press releases, and other information are available on the SEDAR website at sedarplus.ca.