AD4 CAPITAL CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
for the six months ended April 30, 2026

(Including subsequent events to June 4, 2026)

The following management's discussion and analysis ("MD&A") for AD4 Capital Corp. (the "Company") should be read in conjunction with the Company's audited financial statements and related notes for the year ended October 31, 2025. The Company's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The Company presents its results in Canadian (CDN) dollars. All amounts are in Canadian dollars unless otherwise indicated.

The Company's management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including financial statements and MD&A is complete and reliable. The Company's board of directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders.

The Company's financial statements, MD&A and all other continuous disclosure documents are filed with Canadian securities regulators and are available for review under the AD4 Capital Corp. profile at www.sedar.com.

FORWARD-LOOKING STATEMENTS

Except for statements of historical fact, certain information contained herein constitutes forward looking statements. Forward-looking statements are usually identified by the Company's use of certain terminology, including "will", "may", "expects", "should", "anticipates" or "intends" or by discussions of strategy or intentions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results or achievements to be materially different from any future results or achievements expressed or implied by such forward-looking statements. Forward-looking statements are statements that are not historical facts and include but are not limited to: estimates and their underlying assumptions; statements regarding plans; objectives and expectations with respect to the effectiveness of the Company's business model; future operations; products and services; the impact of regulatory initiatives on the Company's operations; the size of and opportunities related to the market for the Company's products; general industry and macroeconomic growth rates; expectations related to possible joint or strategic ventures; and statements regarding future performance. 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.

DESCRIPTION OF BUSINESS

AD4 Capital Corp. was incorporated under the British Columbia *Business Corporations Act* on June 14, 2021 and is a Capital Pool Corporation, as defined in the Policy 2.4 of the Corporate Finance Manual of the TSX Venture Exchange (the "Exchange"). The principal business of the Company is the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT"). The Company has not commenced operations and has no assets other than cash. The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition, or business, or an interest therein. Such an acquisition or business will be subject to acceptance by the Exchange, and in case of a non-arm's length transaction, of the majority of the Company's minority shareholders.

Once a QT has been identified, the Company's ability to complete the transaction may be dependent on additional funding. There is no assurance that the Company will be successful in obtaining any additional funding.

The registered office of the Company is located at Suite 1710, 1177 West Hastings Street, Vancouver, BC V6E 2L3 and its principal place of business is 948 Ridgeway Avenue, North Vancouver, BC V7L 3R4.

OPERATIONAL HIGHLIGHTS AND SIGNIFICANT DEVELOPMENTS

On September 1, 2021, the Company closed a private placement offering of 10,500,000 common shares at a price of $0.05 per common share for gross proceeds of $525,000.

On June 29, 2022, the Company completed its Initial Public Offering ("IPO") by way of a Prospectus through its agent, Leede Jones Gable Inc. (“Leede”). The Company issued 5,000,000 common shares at $0.10 per share, for aggregate proceeds of $500,000 (the "Offering"). Leede was paid a $35,000 commission, a $15,750 corporate finance fee, $18,113 to cover its legal and other expenses related to the Offering and was issued 350,000 compensation options. Each compensation option entitled Leede to purchase one common share at the exercise price of $0.10 per share until June 28, 2024. These compensation options expired unexercised. The Company's shares became publicly traded on the TSX Venture Exchange under the symbol "ADJ.P"

SELECTED FINANCIAL INFORMATION

	Six months ended	Three months ended	Twelve months ended	Nine months ended	Six months ended	Three months ended	Twelve months ended	Nine months ended
	April 30, 2026	January 31, 2026	October 31, 2025	July 31, 2025	April 30, 2025	January 31, 2025	October 31, 2024	July 31, 2024
	$	$	$	$	$	$	$	$
Revenue	4,268	1,751	14,740	10,225	6,116	5,713	26,585	18,892
Net Income (Loss)	(59,408)	(28,209)	(107,241)	(78,947)	(62,733)	$ (23,456)	(80,444)	(59,436)
Net Loss per Share - Basic and Diluted	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Total Assets	627,606	547,517	567,975	579,230	593,769	644,421	664,052	664,060

FINANCIAL CONDITON INCLUDING CASH FLOWS, LIQUIDITY AND CAPITAL RESOURCES

As of April 30, 2026, the Company had net working capital of $465,967 (2025 - $ 571,644) and cash and cash equivalents balance of $619,327 (2025 - $587,062).

Based on current information, the Company anticipates that its working capital is sufficient to meet its expected ongoing obligations. However, there is no assurance the Company will be able to obtain adequate financing in the future. Further debt and equity financing may be required.

OUTSTANDING SHARE DATA

As of the date of this MD&A, the Company has 15,500,001 outstanding common shares of which 11,050,001 are subject to escrow conditions. Under the Escrow Agreement, 25% of these common shares will be released from escrow on acceptance by the TSX-V of Company's Qualifying Transaction and thereafter an additional 25% every six months for eighteen months.

As at the date of the MD&A the following incentive and compensation stock options were outstanding:

Directors, Officers and Consultants	Number of Shares	Exercise Price	Expiry Date
	1,025,000	$0.10	June 28, 2027
	100,000	$0.10	March 2, 2028
	100,000	$0.10	November 15, 2028
	75,000	$0.10	June 29, 2027

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

The Company's related parties include key management personnel and Directors and companies in which they have control or significant influence over the financial or operating policies. There were no loans to management personnel or Directors, or entities over which they have control or significant influence from incorporation to the date of this MD&A.

Key management personnel and Directors receive no salaries, non-cash benefits (other than incentive stock options- see Outstanding Share Data), or other remuneration directly from the Company, other than noted below, and there are no employment contracts with them that cannot be terminated without penalty on a thirty-day advance notice. Key management personnel and Directors can participate in the Company's stock option plan.

The Company entered into transactions with related parties during the six months ended April 30, 2026 as follows:

(a) Paid charges for office and administrative expenses to its Chief Executive Officer in the amount of $18,000 (2025 - $18,000).
(b) Paid or accrued charges for professional fees to its Chief Financial Officer in the amount of $5,800 (2025 –$2,700).
(c) Paid or accrued charges for professional fees to its Corporate Secretary in the amount of $22,400 (2025 $24,000).

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Company's significant accounting policies are disclosed in the audited financial statements for the year ended October 31, 2025.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital Management

The Company includes equity, comprised of issued common shares, in the definition of capital.

The Company's primary objective, with respect to its capital management, is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to purse this objective, the Company may attempt to raise additional funds through the issuance of equity and by securing strategic partners

The Company's current capital was received from the issuance of common shares. The net proceeds raised to date will only be sufficient to identify and evaluate a limited number of assets and businesses for the purpose of identifying and completing a QT.

The Company is not subject to any externally imposed capital requirements other than the expenditure restrictions applicable under the Exchange's Policy 2.4, which will apply following the completion of the IPO. Expenditures may include expenses relating to the IPO, reasonable expenses relating to a proposed QT, assurance and audit fees, escrow agent and transfer agent fees, regulatory filing fees, and a maximum of $3,000 per month for other general and administrative costs.

Risks and Uncertainties

The following describes certain risks, events and uncertainties that could affect the Company and that each reader should carefully consider. Please refer to the Company's final prospectus dated April 22, 2022 for additional risks, events and uncertainties that could affect the Company.

External financing may be required to fund the Company's activities primarily through the issuance of common shares. There can be no assurance that the Company will be able to obtain adequate financing. The securities of the Company should be considered a highly speculative investment.

The Company has not generated significant revenues and does not expect to generate significant revenues in the near future. In the event the Company generates significant revenues in the future, the Company intends to retain its earnings in order to finance further growth. The Company has not paid any dividends in the past and does not expect to pay any dividends in the foreseeable future.

Risk Disclosures

Credit Risk

The Company is exposed to credit risk by holding cash, which is held in financial institutions in Canada, and management believes the exposure to credit risk with respect to such institutions is not significant. The Company has minimal receivable exposure as its refundable credits are due from the Canadian Government.
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's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at April 30, 2026 the Company had accounts payable and accrued liabilities of $59,140 and does not have significant exposure to liquidity risk

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have significant exposure to these risks

PROPOSED TRANSACTION

On March 17, 2025, the Company entered into a Letter of Intent with Responsible Energy Inc. ("REI"), a private cleantech company, whereby the Company proposes to acquire all of the issued and outstanding shares of REI by way of an amalgamation, security exchange, plan of arrangement or similar transaction which will result in a reverse takeover of the Company by REI and its shareholders (the "Transaction").

The Transaction is intended to constitute the Company's "Qualifying Transaction" as such term is defined in Policy 2.4 – *Capital Pool Companies* ("Policy 2.4') of the TSX Venture Exchange (the "Exchange"). Upon completion of the Transaction, it is anticipated that the resulting issuer (the "Resulting Issuer") will be listed as a Tier 2 Technology Issuer on the Exchange.

The material terms and conditions outlined in the LOI are intended to be binding on the Company and REI. The execution of a definitive agreement (the "Definitive Agreement") to be negotiated between the Company and REI will replace and supersede the LOI.

The LOI may be terminated in accordance with its terms, including upon mutual agreement of the parties, if the Transaction is not completed by June 30, 2026 or such other date as the parties may mutually agree in writing, if due diligence identifies circumstances preventing completion or upon written notice by either party in the event of material change, undisclosed material fact, or material breach of the other party. Only cost and expense provision, confidentiality obligations, and any liabilities arising from breaches prior to termination will continue following termination.

Immediately prior to the closing of the Transaction, it is intended that the Company will consolidate (the "Consolidation") its common shares (the "Shares") such that a maximum of 5,166,667 post-Consolidation Shares will then be outstanding (prior to any exercise or conversion of convertible securities of the Company or a financing by the Company).

On the date of the closing of the Transaction, it is intended that the Company acquire all of the issued and outstanding common shares of REI in exchange for post-Consolidation Shares on the basis of one (1) share (on the post-Consolidation basis) for every one (1) common share of REI.

REI is a private cleantech company established under the *Business Corporations Act* (Ontario) on August 31, 2007 and currently has one operational facility located in Maitland, Ontario. REI is dedicated to developing a system using its multi-patented Free Radical Gasification technology to address the challenge of per – and polyfluoraolkyl substances destruction.

The proposed Qualifying Transaction will be a subject to a number of conditions, including both the Company and REI completing their own financings, a consolidation of the Company's share capital on a ratio of one (1) new for three (3) old, Exchange acceptance and other customary conditions for a transaction of this type.

OTHER INFORMATION

Additional information about the Company is available under the Company's Profile on SEDAR + at www.sedarplus.ca.