Mandala Capital Inc.
(A Capital Pool Company)

Management's Discussion and Analysis
For the year Ended December 31, 2025

Dated: April 29, 2026

The following management's discussion and analysis ("MD&A") of the financial condition and results of operations of Mandala Capital Inc. (the "Company") was prepared by the management of the Company for the period ended December 31, 2025, and should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2025 together with the notes thereto.

The financial statements have been prepared by management and have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). All amounts are expressed in Canadian dollars unless otherwise stated. Other information contained in this document has also been prepared by management and is consistent with the data contained in the financial statements.

The Company's certifying officers are responsible for ensuring that the financial statements and MD&A do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made. The Company's certifying officers certify that the financial statements together with the other financial information included in the annual filings fairly present in all material respects the financial condition, financial performance and cash flows of the Company as the date of and for the year presented in the filings.

The Audit Committee and the Board of Directors provide an oversight role with respect to all public financial disclosures by the Company. The Board of Directors approved on April 29, 2026 the financial statements and MD&A after the completion of its review and recommendation for approval by the Audit Committee, which meets periodically to review all financial reports, prior to filing.

Forward-Looking Statements

Certain statements contained in this document constitute "forward-looking statements". All statements other than statements of historical fact contained in this MD&A, including, without limitation, those regarding the Company's future financial position and results of operations, strategy, proposed acquisitions, plans, objectives, goals and targets, and any statements preceded by, followed by or that include the words "believe", "expect", "aim", "intend", "plan", "continue", "will", "may", "would", "anticipate", "estimate", "forecast", "predict", "project", "seek", "should" or similar expressions or the negative thereof, are forward-looking statements. These statements are not historical facts but instead represent only the Company's expectations, estimates, and projections regarding future events. These statements are not guarantees of future performance and involve assumptions, risks, and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied, or forecasted in such forward-looking statements.

Additional factors that could cause actual results, performance, or achievements to differ materially include, but are not limited to risks associated with: limited operating history; no history of earnings or payment of any dividends; unlikely to generate earnings or pay dividends in the immediate or foreseeable future; no current business operations; no current assets other than cash; ability to complete a qualifying transaction; ability to raise additional funds if required; potential dilution of shares as a result of potential qualifying transaction; reliance on management team; conflicts of interest among certain directors and officers of the Company; lack of liquidity for shareholders of the Company; and market risk. See "Risks and Uncertainties".

Management provides forward-looking statements because it believes they provide useful information to readers when considering their investment objectives and cautions readers that the information may not be appropriate for other purposes. Consequently, all of the forward-looking statements made in this MD&A are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company. These forward-looking statements are made as of the date of this MD&A and the Company assumes no obligation to update or revise them to reflect subsequent information, events or circumstances, or otherwise, except as required by law.

(Expressed in Canadian Dollars)

The forward-looking statements in this MD&A are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future, including assumptions regarding business and operating strategies.

Description of the Business

Mandala Capital Inc. ("Mandala" or the "Company") was incorporated as 1292890 B.C. Ltd. under the Business Corporations Act of British Columbia, Canada on March 5, 2021, and changed its name to Mandala Capital Inc. on September 9, 2021. The Company's registered address is 1500 Royal Centre PO Box 11117, 1055 West Georgia Street, Vancouver, BC, Canada, V6E 4N7. Its mailing address and head office is 100 Wellington Street West Unit 1240, Toronto, Ontario, Canada, M5K 1B7. It completed its initial public offering of 5,150,000 common shares for $515,000 on February 8, 2023 and its shares started trading in Toronto Stock Exchange Venture ("TSXV") under the symbol MAN.P.

The Company is incorporated for the purpose of being a Capital Pool Company ("CPC") as per policy 2.4 of the TSX Venture Exchange (the "Exchange") with a view to completing a Qualifying Transaction ("QT"). As of December 31, 2025 and December 31, 2024, the Company has not commenced commercial operations and has no assets other than cash. The Company will not carry on any business other than in the identification and evaluation of assets or business to complete a QT as defined under the policies of the Exchange.

These financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company has not yet achieved profitable operations with working capital of $223,450 as of December 31, 2025 ($254,144 as of December 31, 2024) and incurred a net loss of $30,694 for the year ended December 31, 2025 (2024 - $31,775).

The ability of the Company to carry out its business objectives is dependent on its ability to secure continued financial support from related parties, obtain equity financing, or ultimately attain profitable operations in the future. Whether and when the Company can attain profitability and positive cash flows are uncertain. .

Selected Financial Information

The following selected financial data is derived from the Financial Statements of the Company prepared within acceptable limits of materiality and are in accordance with International Financial Reporting Standards.

<u>Selected Statements of Financial Position Data</u>

	For the periods ended		
	December 31, 2025 $	**December 31, 2024 $**	**December 31, 2023 $**
Net working capital	223,450	254,144	285,919
Total current assets	236,450	268,608	296,178
Total current liabilities	13,000	14,464	10,259
Total shareholders' equity	232,450	254,144	285,919

(Expressed in Canadian Dollars)

Selected Statements of Operations Data

	3 months ended Dec 31, 2025 $	3 months ended Sept 30, 2025 $	3 months ended June 30, 2025 $	3 months ended Mar. 31, 2025 $	3 months ended Dec. 31, 2024 $	3 months ended Sept. 30, 2024 $	3 months ended June. 30, 2024 $	3 months ended Mar. 31, 2024 $
Expenses	16,691	3,625	7,204	9,261	14,816	6,880	6,395	15,269
Net (loss) and comprehensive (loss)	(15,478)	(2,275)	(5,762)	(7,179)	(12,501)	(3,880)	(3,248)	(12,146)
Basic and diluted net (loss) per share	(0.003)	(0.000)	(0.001)	(0.001)	(0.001)	(0.000)	(0.000)	(0.001)

Discussion of Operations

The Company does not have any operations and will not conduct any business other than the identification and evaluation of business and assets for potential acquisition.

Year ended December 31, 2025
During the year ended December 31, 2025, the Company recorded a net loss of $30,694 (2024 - $31,775) consisting primarily of filing fees, professional fees, bank charges, business development (travel) expenses and office expenses in total of $36,781 (2024 - $43,360) and $6,087 interest income from short term investment (2024 - $11,585).

Three months ended December 31, 2025
During the quarter ended December 31, 2025, the Company recorded a net loss of $15,478 (2024 - $12,501) consisting primarily of filing fees, professional fees, bank charges, business development (travel) expenses and office expenses in total of $7,691 (2024 - $14,816) and $1,213 interest income from short term investment (2024 - $2,315).

Liquidity, Capital Resources, and Outlook

As of December 31, 2025, the Company had a net working capital of $223,450. This included $1,174 in cash, $233,856 short term GIC investments, $1,420 HST receivable, and $13,000 in accounts payable and accrued liabilities. Management believes that it has sufficient cash to meet its ongoing obligations and its objective of completing a Qualifying Transaction. However, additional equity or debt financing may be required to complete a Qualifying Transaction. Except as described in the Company's final CPC prospectus, the funds raised pursuant to the Company's initial public offering and any subsequent financing will be utilized only for the identification and evaluation of potential Qualifying Transactions. There can be no assurance that the Company will be able to obtain adequate financing to complete a Qualifying Transaction.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements as of December 31, 2025.

Transactions with Related Parties

Related parties include the Board of Directors and Officers and entities which are controlled by these individuals.

During the year ended December 31, 2025, the Company reimbursed expense of amounting to $ 1,159 to director of the Company and incurred expense of $13,000 to Oriental Sources Inc. (associated company by virtue of common directorship) for accounting, taxation and book keeping services.

Critical Accounting Policies, Judgments and Estimates

The Company's material accounting policies and the adoption of new accounting policies are disclosed in note 3 of the financial statements for the year ended December 31, 2025.

The material accounting judgments and estimates used in preparing the financial statements are disclosed in note 3 of the financial statements for the year ended December 31, 2025.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash, short term investments, accounts payable and accrued liabilities. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair value of these financial instruments approximates their carrying values. Please refer to note 6 of the financial statements for the year ended December 31, 2025.

Disclosure of Outstanding Share Data

As of the date of this MD&A, the Company has 9,110,000 common shares issued and outstanding that 3,960,000 are in escrow. There are 515,000 options and no warrants outstanding as of the date of this MD&A.

Risks and Uncertainties

The Company has a limited history of existence. There can be no assurance that a Qualifying Transaction will be completed. Equity or debt financing may be required to complete a Qualifying Transaction. There can be no assurance that the Company will be able to obtain adequate financing to continue its operations. The securities of the Company should be considered a highly speculative investment. The following risk factors should be given special consideration when evaluating an investment in any of the Company's securities:

(a) until completion of a Qualifying Transaction, the Company is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions;

(b) the Company has only limited funds with which to identify and evaluate potential Qualifying Transactions;

(c) there can be no assurance that the Company will be able to complete a proposed Qualifying Transaction;

(d) there can be no assurance that an active and liquid market for the common shares will develop and an investor may find it difficult to resell its common shares;

(e) trading in the common shares may be halted at any time and may remain halted for an indefinite period in connection with a proposed Qualifying Transaction; and

(f) 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 period required.

Disclosure Controls and Procedures

Management has designed disclosure controls and procedures to provide reasonable assurance that material information relating to the Company is made known to the Chief Executive Officer and the Chief Financial Officer by others within the Company, in an accurate and timely manner for the Company to comply with its continuous disclosure and financial reporting obligations and to safeguard assets.

Other Information

Additional information about the Company is available on SEDAR at **www.sedar.com**